

STRIDES ARCOLAB LIMITED

Registered office : 201, Devavrata, Sector-17, Vashi, Navi Mumbai- 400705.

Corporate Office : 'Strides House', Bilekahalli, Bannerghatta Road, Bangalore – 560076.



NOTICE is hereby given that the Nineteenth Annual General Meeting of Strides Arcolab Limited will be held on Monday, May 31, 2010 at 11.30 a.m. at The Regenza By Tunga, Plot no. 37, Sector 30-A, Vashi, Navi Mumbai - 400703 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss account for the year ended December 31, 2009, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To elect a Director in place of Mr. K.R Ravishankar, who retires by rotation and being eligible, offers himself for re-election.
4. To elect a Director in place of Dr. Ronald Ling, who retires by rotation and being eligible, offers himself for re-election.
5. To appoint Deloitte Haskins & Sells, Chartered Accountants, Bangalore as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors / Audit Committee to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass the following resolution, as a Special Resolution:

RESOLVED THAT Mr. V.S Iyer, who was appointed as an Additional Director by the Board of Directors of the Company on January 19, 2010 pursuant to Article 114 of the Articles of Association of the Company and who holds office upto the date of ensuing Annual General Meeting of the Company under section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the Office of Director, be and is hereby appointed as Executive Director of the Company for a period of 5 years with effect from 19-01-2010 on terms and conditions of appointment including remuneration as stated hereunder:-

- Annual salary of Rs.2.25 Crores (cost to company (CTC)) including all allowances and perquisites.
- Bonus / Performance evaluation payment of upto 50% of CTC as may be recommended / approved by the Remuneration Committee / Board of Directors.
- Shall be eligible for annual increment in CTC every year as may be recommended / approved by the Remuneration Committee / Board of Directors.

Provision for use of Company's car for official duties and telephone at residence (including payment for local calls / long distance calls / broadband services) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the payment of the salary, perquisites and other allowances shall be governed by the limits prescribed under Section II, Part II of Schedule XIII of the Companies Act, 1956 or any amendment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company is be and hereby authorized to do all such acts, deeds, matters and things necessary to carry on the terms of this resolution.

By order of the Board
for Strides Arcolab Limited

Kannan. N
Company Secretary

Bangalore
Dated: April 22, 2010

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. Proxies, in order to be effective, must be received at the Registered Office / Corporate Office of the Company not less than FORTY EIGHT HOURS before the AGM.
- b) Members / Proxies should bring the enclosed Attendance Slip duly filled in for attending the Meeting.
- c) The Register of Members and share transfer books of the Company will remain closed from May 25, 2010 to May 31, 2010 (both days inclusive).
- d) Members holding shares in physical mode are requested to notify any change in their address to the Registrars of the Company.
- e) In compliance with Sections 205A and 205C unclaimed dividend for the year 2001-2002 has been transferred to the "Investor Education and Protection Fund" established by the Central Government. Members shall not be able to register their claim in respect of their un-cashed dividend with regard to the said dividend. Claims on unclaimed dividend, if any, for the succeeding financial years can be made to the Company or share transfer agents.
- f) Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.

Explanatory Statement Under Section 173 of the Companies Act, 1956

Item No. 6

The Board of directors of the Company in their meeting held on January 19, 2010 had appointed Mr. V.S Iyer as an Executive Director for a period of 5 years with effect from 19th January 2010 at a remuneration detailed in the resolution. Mr. V.S Iyer was serving as CEO – India Operations as on the date of his appointment to the Board.

In terms of Section 260 of the Companies Act, 1956 and Article 114 of the Articles of Association of the Company, Mr. Iyer holds office as a Director upto the date of ensuing Annual General Meeting of the Company and is eligible for reappointment as a Director.

The Company has received a Notice under section 257 of the Companies Act, 1956 along with a deposit of Rs.500 from a member proposing the candidature of Mr. V.S Iyer for the office of the Director.

Mr. V.S Iyer has confirmed that he is not disqualified from being appointed as Director under Section 274(1) (g) of the Act.

Mr. V.S Iyer has also intimated the Company in terms of Clause 49 (IV) (E) (v) of the Listing Agreement that he holds 500 shares of the Company (both in his own name and on a beneficial basis by / for other persons).

Information as required under Schedule XIII of the Companies Act, 1956 and clause 49 of the Listing Agreements is given below:

I. GENERAL INFORMATION

1. Nature of Industry: Pharmaceutical Industry
2. Date or expected date of commencement of commercial production: Not applicable (Company is an existing Company)
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
4. Financial performance based on given indicators

Particulars	Rs. in Million		
	FY2009	FY2008	FY2007
Total Revenue	7,847.44	6,621.33	4,312.48
Total Expense	7,176.66	5,921.86	4,729.26
Profit/Loss After Tax	1,055.14	61.35	(1,152.14)
Dividend Rate	15%	Nil	Nil

Annual report for the year 2009 is attached with this notice.

5. Export performance and net foreign exchange collaborations:
Foreign Exchange Earnings on FOB basis amounted to Rs.6,299.45 Million as against Foreign Exchange Outgo of Rs.1,969.01 Million for the financial year ending December 31, 2009.
6. Foreign investments or collaborators, if any:
The Company is listed and as on March 31, 2010, the foreign holdings in the Company were 36.56%. There are no foreign collaborators.

II. INFORMATION ABOUT THE APPOINTEE

1. Back ground details

Mr. V.S Iyer has a Masters in Science (Chemistry) and has a Diploma in Business Management. Mr. Iyer has been working with Strides Arcolab Limited since 1999 and has over 28 years of experience in the field of pharmaceuticals business. Before his induction into the Board, Mr. Iyer was serving in Strides in the position of CEO – India Operations.

2. Past remuneration, recognition or rewards, job profile and his suitability

Mr. V.S Iyer was drawing a remuneration of Rs.1.75 Crores (Cost to the Company) per annum during his term as CEO – India Operations.

Mr. Iyer's expertise in managing the operations of the Company and his understanding of the Pharmaceutical Industry as a whole has contributed significantly to the growth of the Company.

3. Remuneration proposed

As stipulated in the resolution.

4. Comparative remuneration Profile with respect to industry, size of the Company, profile of the position and person

Mr. V.S Iyer has held key positions in the Company ever since his employment in the year 1999. His technical expertise has helped the Company strategically, resulting in the Company to expand rapidly and benefit from key opportunities in the Indian and Overseas markets. Mr. Iyer is a Chairperson of the Scientific Advisory Board constituted by the Company consisting of eminent scientists and key opinion leaders in their respective domains.

His skill set and his experience places him in a correspondingly equal position to major pharmaceutical companies in India. Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.

5. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any Mr. V.S Iyer has pecuniary relationship with the Company in his capacity as a Whole Time Director. He is not related to any of the managerial personnel in the Company.

III. Other information

Reasons for loss or inadequate profits, steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms: Not applicable

This disclosure is only an enabling disclosure for payment of remuneration in the unlikely scenario of loss / inadequacy of profits.

The shareholders are also requested to refer to the Directors' Report and Management Discussion and Analysis Report, which forms part of the Annual Report for the year 2009, which is sent with this notice, for a detailed analysis on the Company's performance and outlook for future.

IV. Disclosures

The proposed remuneration package of the Managerial Personnel is detailed in the resolution. The Corporate Governance report which forms part of the Directors' Report contains details of remuneration paid to all Directors.

ADDITIONAL DISCLOSURE AS REQUIRED UNDER CLAUSE 49 IV (G) OF THE LISTING AGREEMENT WITH NSE/BSE ARE AS UNDER:

- 1) **A brief resume of the director and nature of his expertise in specific functional areas:** As given under Section II above.
- 2) **Shareholding of the director in the Company:** Mr. V.S Iyer holds 500 equity shares in the Company.
- 3) **Companies in which directorships and committee memberships held:** Mr. V.S Iyer holds directorship in Higher Pharmatech Private Limited, Onco Therapies Limited and Strides Specialties Private Limited. He does not hold membership in any committee.

The Board considers that his association as a Director will be beneficial to and in the interest of the Company.

The Board recommends the resolution for approval of the shareholders.

None of the Directors except Mr. V.S Iyer is concerned or interested in this resolution.

By order of the Board
for Strides Arcolab Limited

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**ATTENDANCE SLIP**

Please complete this Attendance Slip and hand over at the entrance of the Meeting Hall.

Folio / DP & Client ID No :

No. of shares held:

Name of the attending member/Proxy
(In BLOCK Letters)

I hereby record my presence at the NINETEENTH ANNUAL GENERAL MEETING of the Company, held at The Regenza By Tunga, Plot no. 37, Sector 30–A, Vashi, Navi Mumbai - 400703 on Monday, the Thirty-first day of May 2010 at 11.30 a.m.

Signature of the shareholder/proxy

CUT HERE



CUT HERE

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**PROXY FORM**

Folio / DP & Client ID No. :

No. of shares held:

I/ We _____ of _____ being a member/ members of the above named company, hereby appoint _____ of _____ or failing him _____ of _____ as my /our proxy to attend and vote for me / us and on my /our behalf at the NINETEENTH ANNUAL GENERAL MEETING of the Company, held at The Regenza By Tunga, Plot no. 37, Sector 30–A, Vashi, Navi Mumbai - 400703 on Monday, the Thirty-first day of May 2010 at 11.30 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2010

Signed by the said _____

Affix Re.1
Revenue
Stamp

Note : The proxy to be effective, should be deposited at the Registered Office / Corporate Office of the Company not less than 48 hours before the commencement of the Meeting.

