

**Notice**

**NOTICE** is hereby given that **18th ANNUAL GENERAL MEETING** of the members of **Zydus Wellness Limited** will be held on Friday, the 27th day of July, 2012 at 10:00 a.m. at H. T. Parekh Hall, Ahmedabad Management Association [AMA], ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt audited Balance Sheet as at 31st March, 2012 and the Statement of Profit and Loss of the Company for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Ganesh N. Nayak, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Pankaj R. Patel, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Dr. B. M. Hegde, who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint M/s Manubhai & Co., [Firm Registration No. 106041W] Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

7. **To consider and if thought fit, to pass with or without modification[s], the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** Mr. Elkana Nissim Ezekiel, who was appointed by the Board of Directors as an Additional Director on the Board of the Company w.e.f. 14th February, 2012 and who holds office up to the date of this Annual General Meeting of the Company in terms of section 260 of the Companies Act, 1956 [“the Act”] and in respect of whom the Company has received a notice in writing from a member under section 257 of the Act together with a deposit of Rs. 500/- in cash proposing his candidature for the office of the Director of the Company, be and is hereby appointed as a Director of the Company.”

8. **To consider and if thought fit, to pass with or without modification[s], the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 [“the Act”] [including any statutory modifications or re-enactments thereof, for the time being in force], the Articles of Association of the Company, consent of the members be and is hereby accorded for the appointment of Mr. Elkana N. Ezekiel as Managing Director of the Company for a period of five years with effect from 14th February, 2012 on a remuneration as may be decided by the Board of Directors, which shall be within the overall limits prescribed under the provisions of the Act, out of the profits of the Company of the respective financial year as calculated under the provisions of sections 349 and 350 of the Act and on the terms and conditions, benefits and perquisites, as set out in the draft agreement proposed to be entered between the Company and Mr. Elkana N. Ezekiel with an authority to the Board of Directors to negotiate, finalize and execute on behalf of the Board.”

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary contained hereinabove, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the maximum remuneration payable as per

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the limits set out in section II of part II of Schedule XIII of the Act, as the minimum remuneration, unless otherwise determined by the Board of Directors.

**RESOLVED FURTHER THAT** in case of no profits or profits of the company in any financial year are inadequate, in addition to the above, Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling of minimum remuneration stated hereinabove:

- [a] Contribution to provident fund to the extent not taxable under the Income Tax Act, 1961,
- [b] Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and
- [c] Encashment of leave at the end of the tenure.

**LASTLY RESOLVED THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company.

**By Order of the Board of Directors**

Place : Ahmedabad.  
Date : 9th May, 2012.

**Dhaval N. Soni**  
Company Secretary

**Registered Office:**  
"Zydus Tower",  
Satellite Cross Roads,  
Sarkhej-Gandhinagar Highway,  
Ahmedabad-380 015.

### NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting ["the meeting"] is entitled to appoint one or more proxies to attend and vote on a poll instead of himself and such proxy need not be a member of the Company.**

The instrument appointing the proxy, should however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.

2. The relative Explanatory Statement pursuant to section 173[2] of the Companies Act, 1956 in respect of the Special Business under item No. 7 & 8 of the Notice is annexed hereto.
3. Brief resume of the Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the annexure of this Notice.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. The Company has notified closure of Register of Members and Share Transfer Books from Friday, 20th July, 2012 to Friday, 27th July, 2012 [both days inclusive] for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
6. The dividend, if declared, will be paid on 1st August, 2012 to those members whose names appear on the Company's Register of Members as on 27th July, 2012. In respect of the shares held in dematerialized form, the dividend will be paid to the beneficial owners of the shares as per the details that may be provided by the Depositories for this purpose.

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7. Members holding shares in electronic form may note that bank particulars registered in their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrar and Transfer Agents, M/s Link Intime India Private Limited.
9. Those members who have not encashed their dividend warrants pertaining to the following financial years are requested to approach the Company for the payment thereof as the same will be transferred to Investor Education and Protection Fund [IEPF], pursuant to section 205A [5] of the Companies Act, 1956 on respective due dates mentioned there against. Kindly note that after such date, the members will lose their rights to claim such dividend.

Accounting Year ended on	Date of declaration of dividend	Dividend payment %	Expected date of transfer of unclaimed dividend to IEPF
31st March, 2005	29th September, 2005	10	28th September, 2012
31st March, 2006	29th September, 2006	10	28th September, 2013
31st March, 2007	23rd July, 2007	10	22nd July, 2014
31st March, 2008	10th July, 2008	10	9th July, 2015
31st March, 2009	28th July, 2009	15	27th July, 2016
31st March, 2010	16th July, 2010	30	15th July, 2017
31st March, 2011	30th June, 2011	40	29th June, 2018

### REQUEST TO THE MEMBERS:

Members desiring to have any relevant information on the accounts at the Annual General Meeting are requested to write to the Company at least seven days in advance at its Registered Office, so as to enable the Company to keep the information ready.

**Explanatory Statement pursuant to section 173[2] of the Companies Act, 1956**

Pursuant to section 173[2] of the Companies Act, 1956, the following explanatory statement sets out the material facts relating to business mentioned under item Nos. 7 & 8 of the accompanying Notice dated 9th May, 2012.

**Item Nos. 7 & 8**

Mr. Elkana N. Ezekiel has done BA in Economics from Bombay University and MBA from XLRI, Jamshedpur. Mr. Ezekiel brings with him a vast experience of 25 years in consumer business. Mr. Ezekiel was the Regional Franchise Director [Baby Care]–Asia Pacific Region, at Johnson & Johnson, Singapore, where he was responsible for handling Marketing, brand strategy and business development for the brand for 15 countries including Japan, China, India, Korea, ASEAN and Australia. He was VP–Marketing for the Consumer Division of the Company based in India, between 2001 and 2006. Prior to Johnson & Johnson, he has also worked with Colgate Palmolive and Geoffrey Manners. Prior to his joining, Mr. Ezekiel was the Chief Marketing Officer, Samsung India responsible for developing and executing corporate marketing strategies to achieve sales targets. He was appointed as an Additional Director with effect from 14th February, 2012. His further appointment as Managing Director from the said date shall be subject to approval of shareholders at the ensuing Annual General Meeting.

The appointment of Mr. Ezekiel as Managing Director was in accordance with the relevant provisions of the Companies Act, 1956 [“the Act”] read with schedule XIII of the Act. The appointment was made on a remuneration, which shall be within the overall limits prescribed under the provisions of the Act out of the profits of the Company of the respective year as calculated under the provisions of sections 349 and 350 of the Act, by way of salary, dearness allowance, perquisites, commission and other allowance. Within the overall limits, the Board shall decide the remuneration of the Managing Director for each of the financial year during his tenure based on his performance evaluation.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure as Managing Director, the Company has no profits or has inadequate profits, the Company will pay remuneration by way of salary, perquisites and allowances as specified in the resolution as minimum remuneration to the Managing Director subject to limits prescribed under schedule XIII of the Act or such other limits as may be prescribed by the Central Government from time to time as Minimum Remuneration.

The terms of appointment and remuneration given herein may be fixed, altered, varied and increased from time to time by the Board of Directors, at its sole discretion as they deem fit, so as not to exceed the overall limits as prescribed under the provisions of the Act.

The abstract pursuant to section 302 of the Act was sent to the members of the Company. The copy of such abstract is available for inspection at the Registered Office of the Company during 10:00 a.m. to 1:00 p.m. on any working day up to the date of the Annual General Meeting.

The remuneration payable and the other terms and conditions of the appointment of Mr. Ezekiel as Managing Director is set out in the agreement proposed to be entered into by the Company with him, which will be available for inspection at the Registered Office of the Company during 10:00 a.m. to 1:00 p.m. on any working day up to the date of the Annual General Meeting.

None of the Directors of the Company except the appointee is concerned or interested in this resolution.

The Board recommends the resolution to the members for approval by way of an ordinary resolution for the appointment of Mr. Ezekiel as Managing Director of the Company.

**By Order of the Board of Directors**

Place : Ahmedabad.  
Date : 9th May, 2012.

**Dhaval N. Soni**  
Company Secretary

**Registered Office:**

“Zydus Tower”,  
Satellite Cross Roads,  
Sarkhej–Gandhinagar Highway,  
Ahmedabad–380 015.

## Annexure to the Notice dated 9th May, 2012

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting  
[Pursuant to Clause 49 of the Listing Agreement]

<b>Name of the Director</b>	<b>Mr. Ganesh N. Nayak</b>
Age	57 years
Date of Appointment	27th July, 2006
Brief Resume and nature of expertise in functional areas	Mr. Ganesh Nayak, the Chief Operating Officer and Executive Director of Cadila Healthcare Limited, the holding Company spearheads the domestic and international operations of the group, including its joint ventures and alliances. Mr. Nayak joined the group in 1977. With experience of more than 35 years, he has contributed significantly to the Zydus Cadila's growth over the years. Zydus Cadila has successfully undertaken several expansion plans. With strategic insight and business acumen, Mr. Nayak has played a key role in several M&A deals and alliances. Strategic management skills, long standing expertise in sales and marketing and new insights from the Harvard Business School have catapulted Mr. Nayak to the global league of marketing professionals.
Directorships held in other public Companies [excluding foreign and private Companies]	<ol style="list-style-type: none"> <li>1. Zydus Animal Health Limited</li> <li>2. Liva Healthcare Limited</li> <li>3. Finest Procuring Solutions Limited</li> <li>4. Biochem Pharmaceutical Industries Limited</li> </ol>
Memberships/Chairmanships of Committees of other Public Companies [includes only Audit Committee and Shareholders'/Investors' Grievance Committee]	<p><b>Member:</b></p> <p><u>Audit Committee</u></p> <p>Zydus Animal Health Limited</p>
Number of shares held in the Company	5,213

## Annexure to the Notice dated 9th May, 2012

<b>Name of the Director</b>	<b>Mr. Pankaj R. Patel</b>
Age	59 years
Date of Appointment on the Board	27th April, 2009
Brief Resume and nature of expertise in functional areas	Mr. Pankaj Patel spearheads Zydus Cadila, one of India's leading pharmaceutical groups. With his experience spanning over 30 years in the Indian pharmaceutical industry, Mr. Patel combines both research and techno-commercial expertise. Mr. Patel has been the guiding force behind the group's fast tracked growth. The group's turnover has crossed the revenues of over Rs. 5300 crores in 2011-12. For his entrepreneurial vision, Mr. Patel was awarded the "Ernst & Young Entrepreneur of the Year Award" in the Life Sciences category in 2009. Mr. Patel is the Chairman and Managing Director of Cadila Healthcare Limited, which was declared as the 'Emerging Company of the Year' by the Economic Times Awards for Corporate Excellence in 2010. Mr. Patel is currently the Chairman of the Federation of Indian Chamber of Commerce & Industry [FICCI], Gujarat State Council and the Executive Chairman and Trustee of the Gujarat Cancer Society and Chairman of the Gujarat Cancer and Research Institute.
Directorships held in other public Companies [excluding foreign and private Companies]	<ol style="list-style-type: none"> <li>1. Cadila Healthcare Limited</li> <li>2. Dialforhealth India Limited</li> <li>3. Zydus Pharmaceuticals Limited</li> <li>4. BAAP Diagnostics Limited</li> <li>5. Zydus Animal Health Limited</li> <li>6. Zydus Technologies Limited</li> <li>7. Torrent Power Limited</li> <li>8. Vadilal Chemicals Limited</li> <li>9. Karnavati Club Limited</li> <li>10. Nirma Limited</li> </ol>
Memberships/Chairmanships of Committees of other Public Companies [includes only Audit Committee and Shareholders'/Investors' Grievance Committee]	<p><b>Chairman</b></p> <p><u>Audit Committee:</u></p> <ol style="list-style-type: none"> <li>1. Dialforhealth India Limited</li> <li>2. Zydus Animal Health Limited</li> </ol> <p><u>Shareholders'/Investors' Grievance Committee</u></p> <p>Torrent Power Limited</p> <p><b>Member:</b></p> <p><u>Shareholders'/Investors' Grievance Committee</u></p> <p>Cadila Healthcare Limited</p>
Number of shares held in the Company	1,77,160 *

\* includes shares held by HUF/Family Trust.

## Annexure to the Notice dated 9th May, 2012

<b>Name of the Director</b>	<b>Dr. B. M. Hegde</b>
Age	73 years
Date of Appointment on the Board	29th July, 2009
Brief Resume and nature of expertise in functional areas	<p>Dr. Hegde is Padma Bhushan awardee 2010. He is MBBS, PhD [Hon. Causa], MD, FRCP [London], FRCP [Edinburgh], FRCP [Glasgow], FRCPI [Dublin], FACC [USA] and FAMS.</p> <p>Dr. Hegde is:</p> <ul style="list-style-type: none"> <li>• An affiliate professor of Human Health, University of Northern Colorado since 2002.</li> <li>• Chairman of Bihar State Health Society's Expert Committee, Government of Bihar, Patna.</li> <li>• Former Member of Postgraduate Medical Education Board, Government of India.</li> <li>• Former Chairman, OHIO University's Indian Trust, Bangalore.</li> <li>• Former Chairman, Ganapathi Engineering College Governing Board, Vellore.</li> <li>• Chairman, Bharatiya Vidya Bhavan, Mangalore Kendra.</li> <li>• Editor in Chief, Journal of the Science of Healing Outcomes, Mangalore and Penn. State University, USA.</li> <li>• Former Vice Chancellor, Manipal University, India.</li> <li>• Former Professor of Cardiology [Visiting] London University since 1982.</li> <li>• Former Director-Professor, Principal and Dean of Kasturba Medical College, Mangalore.</li> <li>• Emeritus International Advisor to The Royal College of Physicians of London and Edinburgh.</li> <li>• First Indian examiner for MRCP [UK] examination in the UK from 1988 through 1998.</li> <li>• Former MRCPI examiner in Dublin since 2000 till 2009.</li> <li>• President, World Academy of Authentic Healing Sciences, Mangalore.</li> </ul> <p>Dr. Hegde has 45 years of teaching experience to undergraduates and postgraduates. He has been a professor of Medicine since 1973. Dr. Hegde has won Dr. B. C. Roy National Award in the category of an Eminent Medical Teacher, Dr. J. C. Bose Award for Life Sciences Research, PRIDE OF INDIA Award from the Pacific Association of Indians in California and many more.</p>
Directorships held in other public Companies [excluding foreign and private Companies]	<ol style="list-style-type: none"> <li>1. Manipal Media Network Limited</li> <li>2. Primacy Industries Limited</li> </ol>
Memberships/Chairmanships of Committees of other Public Companies [includes only Audit Committee and Shareholders'/Investors' Grievance Committee]	Nil
Number of shares held in the Company	100

## Annexure to the Notice dated 9th May, 2012

<b>Name of the Director</b>	<b>Mr. Elkana N. Ezekiel</b>
Age	47 years
Date of Appointment on the Board	14th February, 2012
Brief Resume and nature of expertise in functional areas	Mr. Elkana N. Ezekiel has done BA in Economics from Bombay University and MBA from XLRI, Jamshedpur. Mr. Ezekiel brings with him a vast experience of 25 years in consumer business. Mr. Ezekiel was the Regional Franchise Director [Baby Care]–Asia Pacific Region, at Johnson & Johnson, Singapore, where he was responsible for handling marketing, brand strategy and business development for the brand for 15 countries including Japan, China, India, Korea, ASEAN and Australia. He was VP–Marketing for the Consumer Division of the Company based in India, between 2001 and 2006. Prior to Johnson & Johnson, he has also worked with Colgate Palmolive and Geoffrey Manners. Prior to his joining, Mr. Ezekiel was the Chief Marketing Officer, Samsung India responsible for developing and executing corporate marketing strategies to achieve sales targets.
Directorships held in other public Companies [excluding foreign and private Companies]	Nil
Memberships/Chairmanships of Committees of other Public Companies [includes only Audit Committee and Shareholders'/Investors' Grievance Committee]	Nil
Number of shares held in the Company	79