



MATRIX LABORATORIES LIMITED

Registered Office :1-1-151/1, IV Floor, Sairam Towers, Alexander Road, Secunderabad - 500 003, India.

Notice of Annual General Meeting

NOTICE is hereby given that the **Twenty-Third Annual General Meeting** of the Members of Matrix Laboratories Limited will be held on **Monday, the 15th day of September, 2008 at 10.30 a.m.** at Hotel Kakatiya Sheraton & Towers, Hydermahal, Begumpet, Hyderabad - 500 016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and the Profit & Loss account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. N. Prasad, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Mr. Rajiv Malik, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Dr. Fred E. Cohen, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, Hyderabad as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

6. Appointment of Prof. P. V. Indiresan as a Director.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Prof. P. V. Indiresan be and is hereby appointed as a Director of the Company, liable to retire by rotation."
7. Appointment of Mr. Jagdish Dore as a Director.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Mr. Jagdish Dore be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. Appointment of Mr. Jagdish Dore as Managing Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that subject to the provisions of Section(s) 198, 269, 309, 310, 311 and all other applicable provisions of the Companies Act, 1956 ('the Act') read with Schedule XIII to the said Act, and subject to such other approvals, as may be required, the Company hereby approves the appointment of Mr. Jagdish Dore as Managing Director of the Company for a period of 3 years effective 1st July, 2008 and that the Company be and is hereby authorized to pay Mr. Dore remuneration as is set out in the explanatory statement annexed hereto with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in accordance with the limits specified in Schedule XIII and other applicable provisions of the Companies Act, 1956 or any amendments thereto and as may be agreed to from time to time."

9. Amendment to Articles of Association of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions, as may be required, under any law for the time being in force, the existing Article No(s). 35, 53 (b), 54 (a) and 65 of Articles of Association of the Company be modified in the following manner:

Article No. 35: Notwithstanding anything to the contrary contained elsewhere in these Articles, the Board shall consist of not more than twelve (12) Directors.

Article No. 53 (b) : Subject to provisions of the Act, the quorum for meetings of the Board shall be one-third of the Directors serving on the Board or two Directors, whichever is higher.

Article No. 54 (a): Board Meetings: The chairman shall have the right to call a meeting of the Board and to specify the items or business to be transacted thereat. All such meetings shall be conducted in English. The chairman shall cause notice of each Board meeting, specifying the time and place of such meeting, to be circulated to every Director residing in India in accordance with Section 286 of the Act and, in addition, the chairman shall cause notice to be circulated via fax and email to each Director residing outside India. Such notice shall be given not less than seven (7) days prior to the date of the meeting or three (3) days prior to the date of any adjourned meeting, unless the consent of the majority of the Board members serving on the Board is obtained for shorter notice, either in writing before the meeting or by their attendance at such meeting.

Article No. 65: The Company Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or a committee thereof authorized by the Board in that respect. Every instrument to which the Company Seal is affixed shall be signed by any two Directors OR a Director and Company Secretary OR by a Director and any officer authorised by the Board or a committee thereof authorised by the Board in that respect.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things, as may be required to give effect to this resolution."

10. Approval for variation in terms of remuneration of Mr. Rajiv Malik.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in partial modification of the earlier resolution nos. 6 and 7 passed by the Members at the 22nd Annual General Meeting held on 16th July, 2007, approving the appointment and terms of remuneration of Mr. Rajiv Malik, the then Managing Director & Chief Executive Officer, pursuant to the provisions of Section 198, 269, 309, 310, 311 and all other applicable provisions of the Companies Act, 1956 ('the Act') read with Schedule XIII to the said Act and other applicable provisions, the Company hereby approves the variation in terms of remuneration of Mr. Malik for payment of a lumpsum amount of Rs. 66,24,000/-, towards incentive for the financial year 2007-08."

"RESOLVED FURTHER THAT all other terms and conditions of appointment of Mr. Malik, as approved by the Members on 16th July, 2007, remain unchanged."

By order of the Board

Place : Secunderabad

Date : 14th August, 2008

V. Sheela

Company Secretary &
General Manager (Legal)

NOTES:

1. **A member eligible to attend and vote at the Annual General Meeting ('the Meeting') is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member.** Proxies in order to be effective must be received not less than 48 hours before the Meeting at the Registrar and Share Transfer Agent's Office, VENTURE CAPITAL AND CORPORATE INVESTMENTS LIMITED.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto. Brief profiles of the Directors proposed to be reappointed / appointed are enclosed.
3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting to the Company or the Registrar and Share Transfer Agent.
4. Members / Proxies are requested to bring with them the duly filled in Attendance Slips sent herewith for attending the Meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from **Thursday, the 11th day of September, 2008 to Monday, the 15th day of September, 2008 (both days inclusive).**
6. Shareholders who have not yet encashed their dividend warrants for the years 2005-06, 2004-05, 2003-04, 2002-03 and 2001-02 may approach the Company for re-validation, issue of duplicate warrants etc. Dividend which remains unpaid / unclaimed over a period of 7 years from the date of declaration shall be transferred to the Investor Education and Protection Fund as per law.
7. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Share Transfer Agent.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No(s): 6 & 7

The Board of Directors of the Company ('the Board'), under Section 260 of the Companies Act, 1956 ('the Act') and the Articles of Association of the Company, appointed Prof. P. V. Indiresan and Mr. Jagdish Dore as Additional Directors of the Company with effect from 30th October, 2007 and 1st July, 2008, respectively.

In terms of Section 260 of the Act, Prof. Indiresan and Mr. Dore hold office up to the date of this Annual General Meeting.

The Company has received notice(s) in writing from members along with a deposit of Rs. 500/- each, proposing the candidatures of Prof. Indiresan and Mr. Dore for the office of Director of the Company under Section 257 of the Act.

Prof. Indiresan and Mr. Dore have confirmed that they are not disqualified from being appointed as Directors under Section 274 (1) (g) of the Act.

Approval of the shareholders is sought by way of Ordinary resolution in the Annual General Meeting for their respective appointments as Directors.

The Board commends the resolutions for your approval.

Except Prof. Indiresan and Mr. Dore, who are interested in the matters relating to their respective appointments, no other Director of the Company is interested in these resolutions.

Item No.: 8

Mr. Jagdish Dore who joined the Company on 21st April, 2008, as Chief Executive Officer was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st July, 2008. At the same meeting Mr. Dore was appointed as Managing Director of the Company effective 1st July, 2008 for a period of 3 years on the remuneration, terms and conditions, as detailed hereunder.

Mr. Dore earned a Bachelor of Technology degree from the Indian Institute of Technology, Chennai, and a postgraduate degree in business management from the Xavier Institute in Jamshedpur, specializing in marketing. He joined the Company after a distinguished 29 year career with Sandoz Group most recently as Managing Director and India Country Head. In this role, Mr. Dore was responsible for all of Sandoz Group activities in India including global development and manufacturing; local and export sales;

day-to-day operations; and technical operations in the Asia Pacific region. He was previously responsible for business operations in the Asia Pacific cluster and involved in the startup of Novartis Enterprises Private Limited (now Sandoz), Novartis Consumer Health India Private Limited and Master Builders Technology India Private Limited, India.

The Remuneration proposed to be paid to Mr. Dore is as follows:

SALARY

Sl. No.	Head	Rs. (Per month)	Rs. (Per annum)
1.	Basic	5,00,000	60,00,000
2.	House Rent Allowance	1,25,000	15,00,000
3.	Conveyance	1,25,000	15,00,000
	(A) Gross	7,50,000	90,00,000
4.	Leave Travel Assistance		5,00,000
5.	Medical Reimbursement		5,00,000
6.	Employee's Provident Fund		7,20,000
7.	Superannuation Fund		9,00,000
	(B) Total		26,20,000
	CTC (A+B)		1,16,20,000
	(C) Performance Bonus		40,00,000
	Total (A+B+C)		1,56,20,000

PERQUISITIES

- i) Use of fully maintained Company's car with Chauffer with fuel reimbursement.
- ii) Subscription to membership to one club at Secunderabad and Hyderabad.
- iii) Reimbursement of residential telephone bills at actuals. Use of telephone for office purpose shall not be considered as perquisite.
- iv) One mobile telephone for official purpose.
- v) Leave Travel Assistance will be paid once in a year.
- vi) Medical Reimbursement will be paid every quarter along with salary.
- vii) Gratuity shall be calculated as per Company policy for each completed year of service.
- viii) Coverage under Group Mediclaim Policy (Self & Dependents - Parents, Spouse & Children)
- ix) Coverage under Group Personal Accident Policy (24 hours).

- x) Employee's Provident Fund (at 12% of Basic) denotes Company's contribution towards Provident Fund.
- xi) Superannuation Fund (at 15% of Basic) denotes Company's contribution towards Superannuation Fund.
- xii) Encashment of leave as per the rules of the Company.

BONUS

Mr. Jagdish Dore is eligible to receive a one time bonus of Rs.37,50,000 upon completion of one year from the date of his joining Matrix as the Chief Executive Officer.

MINIMUM REMUNERATION

Notwithstanding anything hereinabove stated, where in any financial year during the tenure as Managing Director, the Company has no profits or its profits are inadequate, Mr. Jagdish Dore shall be paid remuneration by way of salary, allowances and perquisites not exceeding the maximum limits as prescribed under Para 1 of Section II, Part II of Schedule XIII to the Companies Act, 1956 as amended from time to time.

The remuneration as proposed is within the applicable limits under Schedule XIII to the Companies Act, 1956.

As on the date of this notice, except for his directorship on the Board of the Company, Mr. Dore is not a Director of any other Company.

In accordance with the provisions of Section 302 of the Companies Act, 1956, an abstract of the terms of appointment of Mr. Dore as Managing Director had been sent to the members on 21st July, 2008.

Approval of the members is sought by way of Ordinary resolution for the above appointment on the terms and conditions set out hereinabove.

The Board commends the resolution for your approval.

Copy of the Agreement entered into with Mr. Dore is available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company.

None of the directors of the Company, except Mr. Dore, is interested in the proposed resolution.

Item No.: 9

To facilitate smoother day to day business operations, it is proposed to amend certain articles of the Articles of Association of the Company in the manner set out in the Resolution.

In terms of Section 31 of the Companies Act, 1956, any amendment to the Articles of Association requires approval of the Members by way of a Special resolution.

The Board commends the resolution for your approval.

The draft amended Articles of Association of the Company is available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company.

None of the Directors are in any way interested in the resolution.

Item No.: 10

The Members at the 22nd Annual General Meeting of the Company held on 16th July, 2007 approved appointment of Mr. Rajiv Malik as Managing Director of the Company. However, Mr. Malik relinquished his position as Managing Director of the Company effective 1st July, 2008. Pursuant to his employment with Mylan Inc., Mr. Malik will relocate to the US. Mr. Malik, however, continues to serve as a Non Executive Director of the Company.

Considering Mr. Malik's leadership/contribution to the rapid growth of the Company on the global platform, the Board has considered it essential to keep his remuneration commensurate with the responsibilities. Hence, Mr. Malik was paid a lump sum amount of Rs.66,24,000/- towards incentive for the financial year 2007-08.

Approval of the shareholders is sought by way of Ordinary resolution for the purpose.

The Board commends the resolution for your approval.

None of the directors of the Company, except Mr. Malik, is interested in the proposed resolution.

By order of the Board

Place : Secunderabad
Date : 14th August, 2008

V. Sheela
Company Secretary &
General Manager (Legal)

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Name of the Director	Mr. N. Prasad	Mr. Rajiv Malik	Dr. Fred E. Cohen	Prof. P. V. Indiresan	Mr. Jagdish Dore
Age	47 years	47 years	51 years	80 years	58 years
Date of Appointment on the Board	6th April, 2000	28th July, 2005	11th April, 2004	30th October, 2007	1st July, 2008
Qualifications, Experience & Expertise	<p>Mr. Prasad earned a masters degree in science from Delhi University and an MBA from the Institute of Management and Technology at Ghaziabad. He has vast experience in global pharmaceutical industry. He transformed Matrix from a \$ 1 million (market capitalisation) API company into a \$ 1 billion global pharmaceutical business in a span of only six years.</p>	<p>Mr. Malik has a masters in Pharmacy from Punjab University. He has over 25 years of rich experience in global pharmaceutical industry with more than 60 process patents to his credit. He was the Managing Director and Chief Executive Officer of Matrix Laboratories Limited until recently. Consequent to his employment with Mylan Inc., US as Executive Vice President and Head of Global Tech Operations, he will relocate to the US. Mr. Malik was associated with Sandoz and Ranbaxy Laboratories Limited prior to his stint with Matrix Laboratories Limited.</p>	<p>Dr. Fred Cohen is a fellow of Post-doctoral Research in Department of Pharmaceutical Chemistry at University of California. He has rich experience in global pharmaceutical industry. He has filed several patents and has done several research publications to his credit. He has received various awards and honors for his contributions in academics and public service.</p>	<p>Prof. Indiresan has a Ph.D from the University of Birmingham, England. He has 40 years of teaching experience and was awarded the Padma Bhushan in 2000. He has written extensively on educational reforms, economic development and social justice.</p>	<p>Mr. Dore earned a Bachelor of Technology degree from the Indian Institute of Technology, Chennai, and a postgraduate degree in business management from the Xavier Institute in Jamshedpur, specializing in marketing. He joined Matrix, after a distinguished 29 year career with Sandoz Group most recently as Managing Director and India Country Head. He has rich experience in global pharmaceutical industry.</p>

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Name of the Director	Mr. N. Prasad	Mr. Rajiv Malik	Dr. Fred E. Cohen	Prof. P. V. Indiresan	Mr. Jagdish Dore
Directorships in other companies Mylan Inc., USA G2 Corporate Services Limited Docpharma N.V. Explora Laboratories S.A. Indu Projects Limited Concord Biotech Limited MAA Television Network Limited Xiamen Mchem Pharma (Group) Limited Dafeng Mchem Pharmaceutical Co., Limited Xiamen Mchem Laboratories Limited Asian Institute of Gastroenterology Pvt. Limited G2 Trade Centre Private Limited Globex Holdings Pte Limited Green Infrastructure Pvt Limited Matrix Enport Holdings Pvt. Ltd Matrix Entech Pvt. Limited Vanpic Ports Pvt. Limited Nimmagadda Foundation Spandana Foundation Institute of Public Enterprise Public Health Foundation of India Indian School of Business LV Prasad Eye Institute Chennai Mathematical Institute	Docpharma N.V. Concord Biotech Limited Xiamen Mchem Pharma (Group) Limited. Dafeng Mchem Pharmaceutical Co., Ltd., Xiamen Mchem Laboratories Limited Matrix Laboratories Inc.	CardioDX Inc XDx FivePrime Genomic Health Kemia Anaborex Nodality Proteogenix Veracyte	Institute of Insurance and Risk Management, Hyderabad Blueshift Private Ltd.	Nil	



MATRIX LABORATORIES LIMITED

Registered Office :1-1-151/1, IV Floor, Sairam Towers, Alexander Road, Secunderabad - 500 003, India.

PROXY FORM

Folio No / Client Id No :.....

I/Weof being a member/ members of Matrix Laboratories Limited, hereby appoint of or failing him/her of as my/our proxy to attend and vote for me/us on my/our behalf at the Twenty-Third Annual General Meeting of the Shareholders of the Company, to be held on Monday, the 15th day of September, 2008 at Hotel Kakatiya Sheraton & Towers, Hydermahal, Begumpet, Hyderabad - 500 016 at 10.30 a.m.

Signed this day of 2008.

Affix revenue stamp

Signature

Folio / Client ID No:

No. of shares held :

Note: This form duly completed should be deposited at the Office of the Registrar & Share Transfer Agent of the Company (Venture Capital and Corporate Investments Limited) not less than 48 hours before the time for holding the Meeting.



MATRIX LABORATORIES LIMITED

Registered Office :1-1-151/1, IV Floor, Sairam Towers, Alexander Road, Secunderabad - 500 003, India.

ATTENDANCE SLIP

I hereby record my presence at the Twenty-Third Annual General Meeting of the Shareholders of the Company held on Monday, the 15th day of September, 2008 at Hotel Kakatiya Sheraton & Towers, Hydermahal, Begumpet, Hyderabad - 500 016 at 10.30 a.m.

.....
Full Name of the Shareholder (in block letters)

.....
Signature

Folio /Client Id No:

No. of Shares held:

Full Name of the Proxy (in block letters)

.....
Signature

(To be filled if the Proxy attends instead of the member)

- Notes: 1. Member / Proxy holder willing to attend the Meeting must bring this Attendance Slip to the Meeting and hand it over at the entrance duly signed.
2. Member/Proxy holder desiring to attend the Meeting should bring his copy of the Annual Report for reference at the Meeting.

