



IOL CHEMICALS AND PHARMACEUTICALS LIMITED

Registered Office:

Trident Complex, Raikot Road, Barnala-148101 (Punjab)

CIN No. : L24116PB1986PLC007030

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Email : contact@iolcp.com Website : www.iolcp.com

NOTICE is hereby given that the Extra-ordinary General Meeting (EOGM) of the Members of IOL CHEMICALS AND PHARMACEUTICALS LIMITED will be held on Friday 20th day of June 2014 at 11 A.M. at the Registered Office of the Company at Trident Complex, Raikot Road, Barnala, Punjab - 148 101 to transact the following Special Business:

SPECIAL BUSINESS:

1. Increasing the Authorised Share Capital 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 pursuant to the provisions of Section 61 and all other applicable provisions of the Companies Act, 2013, the Authorised Share Capital of the Company be and is hereby increased from ₹ 54,00,00,000/- (Rupees fifty four crore) divided into 2,20,00,000 (Two crore twenty lac) Preference Shares of ₹ 10/- (Rupees ten) each and 3,20,00,000 (Three crore twenty lac) Equity Shares of ₹ 10/- (Rupees ten) each to ₹ 80,00,00,000/- (Rupees eighty crore) divided into 2,20,00,000 (Two crore twenty lac) Preference Shares of ₹ 10/- (Rupees ten) each and 5,80,00,000 (Five crore eighty lac) Equity Shares of ₹ 10/- (Rupees ten) each."

"RESOLVED FURTHER that the Company may from time to time increase or decrease or reclassify the Authorized Share Capital and divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential or deferred or special rights, privileges and conditions as may be determined by or in accordance with the regulations of the Company and to vary or abrogate any such rights, privileges or conditions in such manner as may be, for the time being, provided by the regulations of the Company and in accordance with the provisions of the Companies Act, 2013."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all ancillary and consequential matters as may be required to give effect to the above resolutions."

2. Amending the Memorandum 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 13 and all other applicable provisions of the Companies Act, 2013, the Memorandum of Association of the Company be and is hereby amended as follows:

To replace the existing Clause V with the following:

Clause V

"The Authorised Share Capital of the Company is ₹ 80,00,00,000/- (Rupees eighty crore) divided into 2,20,00,000 (Two crore twenty lac) Preference Shares of ₹ 10/- (Rupees ten) each and 5,80,00,000 (Five crore eighty lac) Equity Shares of ₹ 10/- (Rupees ten) each and with power to increase or decrease its capital from time to time and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all ancillary and consequential matters as may be required to give effect to the above resolutions."

3. To redeem the 1% Non Cumulative Redeemable Preference Shares issued to the promoter group companies and 7% Non Cumulative Redeemable Preference Shares issued to non promoter company by issuing equity shares 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 Sections 42, 48, 55 and 62 of the Companies Act, 2013 read together with relevant Rules thereunder and other applicable provisions, if any, of the Companies Act, 2013 (including any

amendment thereto or re-enactment thereof), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred as SEBI (ICDR) Regulations) and the enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreement entered into by the Company with the stock exchanges where the shares of the Company are listed and the prevailing statutory guidelines/ regulations in that behalf and subject to all necessary consents, permissions and approvals and/or sanctions from all the appropriate authorities, including the Securities and Exchange Board of India (SEBI), Government of India, Reserve Bank of India, Financial Institutions, Banks, Agents and Trustees, Stock Exchanges and all other bodies and institutions as may be relevant (hereafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or sanctions (hereafter singly or collectively referred to as "the requisite approvals") and which may be agreed to by the Board of Directors of the Company (herein referred to as "the Board which term shall be deemed to include any committee(s) consisting of one or more members of the Board and/or one or more officials of the Company appointed by the Board in this behalf which the Board may constitute to exercise the powers of the Board) the consent, permission and approval of the Company be and is hereby accorded to the Board to redeem of 1,50,10,000, 1% Non Cumulative Redeemable Preference Shares of ₹ 10/- each for an amount of ₹1501 lacs issued to NM Merchandiles Limited, IOL Lifesciences Limited and NCG Enterprises Limited, promoter group companies and 7% Non Cumulative Redeemable Preference Shares issued to Trident Limited, non promoter company by issuing, offering and allotting equity shares of the company of face value of ₹10/- each at a premium of ₹18/- per share or at a price is determined in accordance with the SEBI (ICDR) Regulations which ever is higher and fractions if any will be ignored and balance amount if any will be paid in cash to the respective preference shareholders as per details of given below :

Name of proposed allottee	No of preference shares held	No of equity shares to be issued
NM Merchandiles Limited	47,35,000	16,91,071
IOL Lifesciences Limited	42,65,000	15,23,214
NCG Enterprises Limited	60,10,000	21,46,428
Trident Limited	50,00,000	17,85,714

"RESOLVED FURTHER that such allotment shall be made in accordance with the extant SEBI (ICDR) Regulations. The relevant date for the purpose of determining the price for the issue of the equity shares in accordance with the SEBI Regulations is 21 May 2014."

"RESOLVED FURTHER that the equity shares to be issued by the Company shall rank pari-passu with existing shares of the Company in all respects."

"RESOLVED FURTHER that the Board be and is hereby authorized to take necessary steps for listing of the abovementioned equity shares on the Stock Exchange where the equity shares of the Company are listed, as per the terms and conditions of the Listing Agreement and other applicable Guidelines, Rules and Regulations."

"RESOLVED FURTHER that for giving effect to this resolution, the Board be and is hereby specifically authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion, deem necessary or desirable and also to settle any question or difficulty that may arise with regard to the proposed issue, offer and allotment of the equity shares."

4. To issue equity shares/warrants on preferential basis

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 42 and Section 62 read together with relevant Rules thereunder and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred as SEBI (ICDR) Regulations) and the

enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreement entered into by the Company with the stock exchanges where the shares of the Company are listed and the prevailing statutory guidelines/ regulations in that behalf and subject to all necessary consents, permissions and approvals and/or sanctions from all the appropriate authorities, including the Securities and Exchange Board of India (SEBI), Government of India, Reserve Bank of India, Financial Institutions, Banks, Agents and Trustees, Stock Exchanges and all other bodies and institutions as may be relevant (hereafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or sanctions (hereafter singly or collectively referred to as "the requisite approvals") and which may be agreed to by the Board of Directors of the Company (herein referred to as "the Board which term shall be deemed to include any committee(s) consisting of one or more members of the Board and/or one or more officials of the Company appointed by the Board in this behalf which the Board may constitute to exercise the powers of the Board) the consent, permission and approval of the Company be and is hereby accorded to the Board to issue, offer and allot:

upto 42,50,000 equity shares of face value of ₹ 10/- each at a premium of ₹18/- per share aggregating to ₹11,90,00,000 (Rupees eleven crores ninty lac only) or at price as determined in accordance with the SEBI (ICDR) Regulations which ever is higher to the following non promoters.

Name of proposed allottees	No of equity shares	Name of proposed allottees	No of equity shares
Ms Avani Jasmin Ajmera	2,50,000	Ms Minal Manish Ajmera	2,50,000
Ms Reena Ashish Ajmera	2,50,000	Ms Nishita Alpesh Ajmera	2,50,000
Sh Ashish Kishore Ajmera	2,50,000	Sh Dhiraj Anopchand Mehta	2,00,000
Sh Alpesh Kishore Ajmera	2,50,000	Sh Dilip Javantilal Shah	1,00,000
Sh Ashwini Jiten Ajmera	2,50,000	Sh Maukunti Pujara	1,00,000
Ms Premilaben Naginbhai Shah	1,50,000	Sh Manoj Manekji Dand	1,00,000
Ms Hetal Chetan Mehta	15,00,000	Ms Jagruti Atul Khimani	1,00,000
Sh Manish Kishore Ajmera	2,50,000		

Upto 1,10,00,000 warrants to Innova Marchantles Limited, non promoter company with an option to subscribe to an equity share of face value of ₹ 10 at a premium of ₹18 per share or at a price as determined in accordance with the SEBI Regulations which ever is higher for each warrant with in the period of eighteen months from the date of allotment of warrants.

"RESOLVED FURTHER that such allotment shall be made in accordance with the extant SEBI (ICDR) Regulations. The relevant date for the purpose of determining the price for the issue of the equity shares in accordance with the SEBI (ICDR) Regulations is 21 May 2014."

"RESOLVED FURTHER that the equity shares to be issued by the Company shall rank pari-passu with existing shares of the Company in all respects."

"RESOLVED FURTHER that the Board be and is hereby authorized to take necessary steps for listing of the abovementioned equity shares on the Stock Exchange where the equity shares of the Company are listed, as per the terms and conditions of the Listing Agreement and other applicable Guidelines, Rules and Regulations.

"RESOLVED FURTHER that the Board is authorized to issue, offer and allot the requisite number of equity shares at such time or times and in one or more tranches, as the Board may in its absolute discretion decide, subject however to the SEBI (ICDR) Regulations and the other applicable laws and on such terms and conditions including the terms of payment as may be mutually agreed between the Board and the proposed allottee(s) and shall also be entitled to vary, modify or alter any of the terms and conditions, including the size of the issue, as may be deemed expedient by the Board and the Proposed allottee(s)."

"RESOLVED FURTHER that for giving effect to this resolution, the Board be and is hereby specifically authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion, deem necessary or desirable and also to settle any question or difficulty that may arise with regard to the proposed issue, offer and allotment of the equity shares."

By Order of the Board
For IOL Chemicals and Pharmaceuticals Limited

Sd/-
(Krishan Singla)

Vice President and Company Secretary

Place: Barnala
Date: 21 May 2014

IMPORTANT NOTES:

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
- To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- Electronic copy of the Notice of the Extra ordinary General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Extra-ordinary General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- Members may also note that the Notice of the Extra Ordinary General Meeting will also be available on the Company's website www.iolcp.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Barnala (Punjab) for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor@iolcp.com.
- Voting through electronic means**
In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer **e-Voting facility** as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting.
The process and instructions for e-voting are as under:
(A) In case of members receiving e-mail:
 - If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
 - Log on to the e-voting website www.evotingindia.com.
 - Click on "Shareholders" tab to cast your votes.
 - Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"

(v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: **IOLCP1234Z** in the PAN field.

Please enter any one of the details in order to login.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Members holding shares in **Physical Form** will then reach directly the EVSN selection screen. However, **members holding shares in demat form** will now reach 'Password Creation' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), **one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *).** Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.

(viii) Click on the relevant **EVSN** on which you choose to vote.

(ix) On the voting page, you will see **Resolution Description** and against the same the option **"YES/NO"** for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

(xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(ii) **In case of members receiving the physical copy of Notice of EOGM [for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy]:**

(B) Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.

(C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

(D) The voting period begins on **14 June 2014 at 9.00 A.M.** and ends on **16 June 2014 at 6.00 P.M.** The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(E) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

8. The company has appointed Mr Vinay Kohli, partner, K K Kapoor and Associates, Chartered Accountants as the scrutinizers for conducting the e-voting process in a fair and transparent manner and he will submit his report to the Chairman with in three days of conclusion of voting.

9. A copy of this notice has been placed on the website of the company and the website of CDSL,

10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 AM to 01.00 PM) on all working days except Saturdays, up to and including the date of the Extra-

Ordinary General Meeting of the Company.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013
Item No. 1 and 2**

At present the Authorized Share Capital of the Company is ₹ 54,00,00,000/- (Rupees fifty four crore) only. The Company plans to raise the funds by way of equity and convertible instruments to meet capital expenditure, working capital requirements arising out of increased volume of business and to enhance its long term resources and thereby strengthening the financial structure of the Company. It is therefore proposed to increase the Authorized Share Capital of the Company from ₹ 54,00,00,000/- (Rupees fifty four crore) divided into 2,20,00,000 (Two crore twenty lac) Preference Shares of ₹ 10/- (Rupees ten) each and 3,20,00,000 (Three crore twenty lac) Equity Shares of ₹ 10/- (Rupees ten) each to ₹ 80,00,00,000/- (Rupees eighty crore) divided into 2,20,00,000 (Two crore twenty lac) Preference Shares of ₹ 10/- (Rupees ten) each and 5,80,00,000 (Five crore eighty lac) Equity Shares of ₹ 10/- (Rupees ten) each.

Under Section 61 and 13 of Companies Act, 2013 approval of shareholders is required to increase the Authorized Share Capital, alteration in the Memorandum of Association. The Board accordingly, recommends the resolutions for the approval of the members.

None of the Directors/Key Managerial Personnel/their relatives are in any way concerned or interested in the above referred resolution.

Item No. 3

The Company has issued 1,50,10,000, 1% Non Cumulative Redeemable Preference Shares of ₹ 10/- each for an amount of ₹ 1501 lacs to NM Merchantiles Limited, IOL Lifesciences Limited and NCG Enterprises Limited on 05 November 2013 on private placement basis which are to be redeemed on 05 November 2023. The Company has also issued 50,00,000, 7% Non Cumulative Redeemable Preference Shares of ₹ 10/- each to Trident Limited which are to be redeemed on 30 June 2015 and having an option to subscribe the shares at the time of redemption at a price calculated at the time of redemption of these shares.

As per the provisions of Section 48 of the Companies Act, 2013, the rights attached to the shares of any class may be varied with the consent in writing of the holders of not less than three-fourth of the issued shares of that class. If variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

NM Merchantiles Limited, IOL Lifesciences Limited and NCG Enterprises Limited and Trident Limited, Preference Shareholders, have consented to redeem their preference shares earlier by way of conversion and issue of equity shares of the face value of ₹ 10 /- each at a price of ₹28 per share or at a price calculated under SEBI (ICDR) Regulations, 2009 which ever is higher . The shares so issued shall rank parri-passu with existing equity shares of the Company

As the issue of equity shares to the preference shareholders on its redemption of preference shares may be considered as preferential allotment of shares, the disclosures pursuant to Regulation 73 of SEBI (ICDR) Regulations, 2009 are given as under:

Objective of the Issue

To redeem the preference shares earlier by issue of equity shares on the terms and conditions as contained in the resolution and explanatory statement.

Pricing of the issue and relevant date :

The price for the issue of equity shares will be ₹28 per share or at the price as determined in accordance with SEBI (ICDR) Regulations, 2009, which ever is higher. The relevant date for the purpose of determining the price as per SEBI (ICDR) Regulations, 2009 will be 21 May 2014.

The proposal of the promoters, directors or key managerial personnel of the issuer to subscribe to the offer:

NM Merchantiles Limited, IOL Lifesciences Limited and NCG Enterprises Limited, Preference shareholders are promoter group companies and Trident Limited, non promoter company who have proposed to subscribe to the equity shares on redemption of preference shares issued to them.

Proposed time for completion of allotment:

The proposal is to redeem of preference shares earlier on the terms and conditions contained in the resolution by issuing of equity shares of the Company. Under regulation 74(1) of the SEBI (ICDR) Regulations, an allotment pursuant to a special resolution shall be completed within a period of 15 (fifteen) days from the date of passing of such resolution, provided that where permission or approval by any regulatory authority or the Central Government for allotment is pending, the period of 15 (fifteen) days shall be counted from the date of such approval or permission, as the case may be. Accordingly, the allotment of the Securities shall take place within the applicable period mentioned above.

Lock-in-period:

These equity shares shall be subject to lock-in for a period as prescribed under SEBI (ICDR) Regulations.

Identity of the natural person who are the ultimate beneficial owner of the shares proposed to be allotted and/or who ultimate control proposed allottee & percentage of post preferential issue capital that may be held by them and change in control if any in the issuer consequent to the preferential issue holding

Identity of Proposed allottees who are the ultimate beneficial owner of the shares/ control the proposed allottees	Category	Pre-Issue Holding	% age pre-issue	No of shares to be issued	Post - Issue holding	% age post issue
NM Merchandies Limited, promoted by Mr Varinder Gupta	Promoter group company	33,84,500	11.75	16,91,071	50,75,571	14.11
IOL Lifesciences Limited promoted by Mr Varinder Gupta	Promoter group company	13,50,500	4.69	15,23,214	28,73,714	7.99
NCG Enterprises Limited, promoted by Mr Varinder Gupta	Promoter group company	11,37,965	3.95	21,46,428	32,84,393	9.13
Trident Limited , listed company	Non promoter company	-	-	17,85,714	17,85,714	4.97

Change in control:

There shall be no change in management or control of the Company pursuant to the issue of equity shares.

Shareholding Pattern before and after the proposed preferential allotment

Category wise holding	Pre-issue shareholding		Post-issue shareholding after issue of equity shares on the redemption of preference shares	
	No. of shares	%age	No. of shares	%age
Promoters				
Indian Promoters	1,70,38,553	59.13	2,23,99,266	62.29
Non-promoters				
Mutual Fund	10,400	0.04	10,400	0.03
NRIs/ OBCs	42,00,144	14.58	42,00,144	11.68
Bodies Corporate	43,78,602	15.20	61,64,316	17.14
Indian Public	31,87,465	11.06	31,87,465	8.86
Total	2,88,15,164	100	3,59,61,591	100

Auditors' certificate

The Statutory Auditors' certificate as per SEBI (ICDR) Regulations, 2009 shall be placed before the General Meeting of the Company.

Pursuant to the provisions of Section 42, 48, 55 and Section 62 of Companies Act, 2013, variation of shareholders' rights and issue of equity shares on preferential basis, requires prior approval of the members in general meeting by a Special Resolution.

The Board, accordingly recommend the Special Resolution as proposed in the accompanying Notice for your approval.

None of the Directors/ Key Managerial Personnel/their relatives except Mr Varinder Gupta and Mr Vijay Singla, Directors and Mr Krishan Singla, Company Secretary, may be considered deemed as interested being promoter / directors in the proposed allottees.

Item No. 4

The Company requires funds in near future to achieve economic growth in the business and for meeting present and future capital expenditure for expansion/modernization of activities, working capital requirements arising out of increased volume of business and for other corporate purposes as may be required from time to time.

The Board proposes to issue equity shares/ warrants on preferential basis for cash consideration, in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred as "SEBI (ICDR) Regulations 2009") and other applicable laws.

In terms of Regulation 73 of SEBI (ICDR) Regulations, 2009 ("Regulations"), the disclosures are provided as follows:

Objective of the Issue:

The proceeds of the preferential offer are proposed to be used to augment funds to inter alia to meet capital expenditure, working capital requirements arising out of increased volume of business enhance its long term resources and thereby strengthening the financial structure of the Company and for other general corporate purposes and purposes permitted by applicable laws.

Pricing of the issue and relevant date:

The price for the issue of equity shares will be ₹28 per share or at the price as determined in accordance with SEBI (ICDR) Regulations, 2009, which ever is higher. The relevant date for the purpose of determining the price as per SEBI (ICDR) Regulations, 2009 will be 21 May 2014.

Full payment of price of equity shares to be paid at the time of allotment and atleast 25% of the price of equity shares be paid at the time of allotment of warrants and balance be paid at the time of allotment of equity shares on the exercise of options. In the absence of exercise of options with in the prescribed time, the payment made at the time of allotment of warrants be forfeited.

The intention of the Promoters/Directors/key Management Personnel to subscribe to the offer:

No shares are being offered to Promoters or Directors or relatives of Directors or

Key Management Personnel of the Company.

Proposed time for completion of allotment:

The allotment of equity shares shall be completed within a period of 15 days from the date of the passing of this resolution, provided where the allotment is pending on account of any statutory approval or approval from any regulatory authority or the Central Government, the allotment shall be completed within 15 days of such approval.

Lock-in-period:

These equity shares shall be subject to lock-in for a period as prescribed under SEBI (ICDR) Regulations.

Identity of the natural person who are the ultimate beneficial owner of the shares proposed to be allotted and/or who ultimate control proposed allottee & percentage of post preferential issue capital that may be held by them and change in control if any in the issuer consequent to the preferential issue holding

Identity of Proposed allottees who are the ultimate beneficial owner of the shares and/or who ultimate control of the proposed allottees	Category	Pre-Issue Holding	% age pre-issue	No of equity shares / warrants	Post - Issue holding	% age post issue #
Ms Avani Jasmin Ajmera	Non Promoter	25000	0.09	2,50,000	2,75,000	0.54
Ms Reena Ashish Ajmera	Non Promoter	25000	0.09	2,50,000	2,75,000	0.54
Sh Ashish Kishore Ajmera	Non Promoter	Nil	Nil	2,50,000	2,50,000	0.49
Sh Alpesh Kishore Ajmera	Non Promoter	Nil	Nil	2,50,000	2,50,000	0.49
Sh Ashwini Jiten Ajmera	Non Promoter	13000	0.05	2,50,000	2,63,000	0.51
Ms Hetal Chetan Mehta	Non Promoter	Nil	Nil	15,00,000	15,00,000	2.93
Sh Manish Kishore Ajmera	Non Promoter	Nil	Nil	2,50,000	2,50,000	0.49
Ms Minal Manish Ajmera	Non Promoter	25000	0.09	2,50,000	2,75,000	0.54
Ms Nishita Alpesh Ajmera	Non Promoter	25000	0.09	2,50,000	2,75,000	0.54
Innova Mercantiles Limited promoted by Sh Naresh Malhotra	Non Promoter	Nil	Nil	1,10,00,000*	1,10,00,000*	21.48
Sh Dhiraj Anopchand Mehta	Non Promoter	Nil	Nil	2,00,000	2,00,000	0.39
Sh Dilip Jayantilal Shah	Non Promoter	Nil	Nil	1,00,000	1,00,000	0.20
Ms Premaben Nagambhai Shah	Non Promoter	Nil	Nil	1,50,000	1,50,000	0.29
Sh Maukanti Pujara	Non Promoter	Nil	Nil	1,00,000	1,00,000	0.20
Sh Manoj Manoj Dand	Non Promoter	10,000	0.03	1,00,000	1,10,000	0.21
Ms Jagruti Atul Khimani	Non Promoter	Nil	Nil	1,00,000	1,00,000	0.20

* Warrants

Post issue shareholding after issue of equity shares on redemption of preference shares and on preferential bases presuming the conversion of all warrants

Shareholding Pattern before and after the proposed preferential allotment

Category wise holding	Pre-issue shareholding		Post-issue shareholding after issue of equity shares on redemption of preference shares		Post-issue shareholding after issue of equity shares on redemption of preference shares and on preferential basis presuming the conversion of all warrants	
	No. of shares	%age	No. of shares	%age	No. of shares	%age
Promoters						
Indian Promoters	1,70,38,553	59.13	2,23,99,266	62.29	2,23,99,266	43.74
Non-promoters						
Mutual Fund	10,400	0.04	10,400	0.03	10,400	0.02
NRIs/ OBCs	42,00,144	14.58	42,00,144	11.68	42,00,144	8.20
Bodies Corporate	43,78,602	15.20	61,64,316	17.14	1,71,64,316	33.52
Indian Public	31,87,465	11.06	31,87,465	8.86	74,37,465	14.52
Total	2,88,15,164	100	3,59,61,591	100	5,12,11,591	100

Change in control:

There shall be no change in management or control of the Company pursuant to the issue of equity shares.

Auditors' certificate

The Statutory Auditors' certificate as per SEBI (ICDR) Regulations, 2009 shall be placed before the General Meeting of the Company.

Pursuant to the provisions of Section 62 of Companies Act, 2013, issue of equity shares on preferential basis, requires prior approval of the members in general meeting by a Special Resolution.

The Board, accordingly recommend the Special Resolution as proposed in the accompanying Notice for your approval.

None of the Directors/Key Managerial Personnel/their relatives are in any way concerned or interested in the above said resolution.

By Order of the Board
For IOL Chemicals and Pharmaceutical Limited

Sd/

(Krishan Singla)

Vice President and Company Secretary

Place: Barnala

Date: 21 May 2014



IOL CHEMICALS AND PHARMACEUTICALS LIMITED

Registered Office: Trident Complex, Raikot Road, Barnala- 148101 (Punjab)

Corporate Office:- 85, Industrial Area 'A', Ludhiana - 141003

CIN: L24116PB1986PLC007030

1. Name and Registered Address of the :
sole / first named Member

2. Name(s) of the joint Member(s), if any:

ELECTRONIC VOTING PARTICULARS		
EVSN (e-voting Sequence Number)	USER ID	PASSWORD/PIN

NOTE: Please read instructions given under head " **Voting through electronic means**" under Important Notes after the Resolutions in Extra Ordinary General Meeting Notice.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014]

CIN: L24116PB1986PLC007030

Name of the Company: **IOL Chemicals and Pharmaceuticals Limited**
Registered Office: **Trident Complex, Raikot Road, Barnala- 148101 (Punjab)**

Name of member (s):

Registered Address:

E-mail id:

Folio No/Client ID:

DP ID:

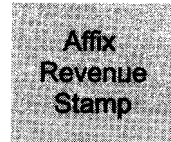
I/We, being the member(s) of _____, Shares of **IOL Chemicals and Pharmaceuticals Limited**, hereby appoint

- 1. Name:
Address:
E-mail Id: _____ Signature: _____, or failing him
- 2. Name:
Address:
E-mail Id: _____ Signature: _____, or failing him
- 3. Name:
Address:
E-mail Id: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Extraordinary General Meeting of the Company to be held on Friday 20th day of June 2014 at 11.00 AM at the Registered Office of the Company situated at Trident Complex, Raikot Road, Barnala-148101 (Punjab) any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

- 1. _____
- 2. _____
- 3. _____
- 4. _____



Signed this _____ day of _____, 2014

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

IOL CHEMICALS AND PHARMACEUTICALS LIMITED
 Registered Office: Trident Complex, Raikot Road, Barnala- 148101 (punjab)
 CIN: L24116PB1986PLC007030

ATTENDANCE SLIP

Only Shareholders or the proxies will be allowed to attend the meeting

D.P. ID		L.F. No.	
Client ID		No. Of shares Held	

I hereby record my presence at the Extra Ordinary General Meeting of IOL Chemicals and Pharmaceuticals Limited being held on Friday 20th day of June 2014 at 11.00 AM at the Registered Office of the Company situated at Trident Complex, Raikot Road, Barnala- 148101 (Punjab).

Name of the Shareholder : _____
(in capital letters)

Signature

NOTE: Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.