

BY FAX / E-MAIL AND CONFIRMATORY COPY BY HAND DELIVERY

October 10, 2012

The Secretary
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
27th Floor, Dalal Street
Mumbai 400 023

Dear Sir,

Sub: Clarification on the news article appearing in Business Standard

We refer to an article appearing in today's Business Standard regarding notices by Drug Price Regulator, National Pharmaceutical Pricing Authority (NPPA) to several drug makers including us, for overcharging consumers while selling some essential medicines.

In this regard, it is clarified that the Company has received a show cause notice from NPPA alleging overcharging consumers while selling our formulation - Normax-TZ which was covered under Drugs (Prices Control) Order (DPCO). The amount claimed by NPPA towards alleged overcharging is Rs. 27.66 lacs plus an additional amount of Rs. 27.59 lacs as interest on the alleged overcharging, totalling to Rs. 55.25 lacs.

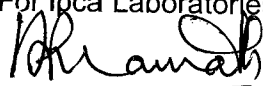
The alleged overcharging claim is in respect of the formulation batches of the said formulation manufactured by the Company prior to the price notification date. The Company had, in fact, discontinued the manufacturing of the said formulation in August 2005, before the notified price came into picture on 16th September, 2005. The Company is contesting the said claim of NPPA.

It is further clarified that the Company has always sold at the notified prices the formulations manufactured by it and has never overcharged the consumers while selling the products covered under DPCO.

This is for your information and record.

Thanking you

Yours faithfully
For Ipca Laboratories Limited


Harish P. Kamath
Company Secretary

Cc: The Secretary
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Bandra (E), Mumbai 400 051.

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