



## ALKEM LABORATORIES LIMITED

Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India.

**Tel No:**+91 22 3982 9999; **Fax No:**+91 22 2492 2955

**E-mail:** investors@alkem.com; **Website:** [www.alkemlabs.com](http://www.alkemlabs.com);

**Corporate Identity Number:** L00305MH1973PLC174201

### POSTAL BALLOT NOTICE

To  
The Member(s),  
Alkem Laboratories Limited

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 (“the Act”) read with Rule 22 of Companies (Management and Administration) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable laws and regulations to transact the following Special Businesses by the Members of Alkem Laboratories Limited (“the Company”) by passing the Resolutions appended below, through Postal Ballot which includes e-voting (voting by electronic means). The Explanatory Statement under Section 102(1) of the Act, setting out the material facts and reasons for the proposed Resolutions is also appended herewith and is being sent along with Postal Ballot Form for your consideration.

The Board of Directors of the Company has appointed CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai (COP No. 3531) as Scrutinizer for conducting the voting process through Postal Ballot / e-voting in accordance with the law and in a fair and transparent manner.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the completed form in the enclosed self-addressed business reply envelope (if posted in India) so as to reach the Scrutinizer on or before 5.00 p.m. on Saturday, 5<sup>th</sup> January, 2019, the last date for receipt of the completed Postal Ballot Forms, failing which, it will be strictly considered that no reply has been received from the Member. Postal Ballot Form(s), if sent by courier or by registered post / speed post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed business reply envelope.

In compliance with Regulation 44 of the Listing Regulations and Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide an option to the Members to cast vote by way of e-voting instead of sending physical Postal Ballot Form. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities to the Members of the Company. The e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com) till 5.00 p.m. on Saturday, 5<sup>th</sup> January, 2019. It may be noted that e-voting is optional. Please carefully read and follow the instructions on e-voting printed in the Notice. In case the Member has exercised the vote in physical as well as electronic mode, the vote by electronic mode will only be considered valid.

The Scrutinizer will submit his Report to the Chairman of the Company, upon completion of scrutiny of Postal Ballot Forms and e-voting data provided by CDSL in a fair and transparent manner. The result of the Postal Ballot will be declared on Monday, 7<sup>th</sup> January, 2019 by 5.00 p.m. at the Registered Office of the Company located at Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 and communicated to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and posted on the Company's website [www.alkemlabs.com/notices-forms-and-voting-result](http://www.alkemlabs.com/notices-forms-and-voting-result) and on the Notice Board of the Company at its Registered Office after the declaration of the results.

The Resolutions, if passed by requisite majority, shall be deemed to have been passed on the last date for receipt of duly completed Postal Ballot Forms or e-voting.

### POSTAL BALLOT – SHAREHOLDERS' PROPOSED RESOLUTIONS:

1. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to prospective requirements under sub-regulation 1A of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time, including any statutory modifications or re-enactment thereof) inserted vide the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, and effective from 1<sup>st</sup> April, 2019, the consent of the shareholders of the Company be and is hereby accorded for continuance of office of Mr. Samprada Singh (DIN: 00760279), aged about 88 years, as a Non-Executive Director designated as the Chairman Emeritus of the Company for his remaining term valid upto 31<sup>st</sup> March, 2020.

**RESOLVED FURTHER THAT** Mr. Samprada Singh shall not be liable to retire by rotation and shall hold office until he resigns.

**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and is hereby authorized to file the relevant forms, documents and returns with the office of the Registrar of Companies as per the applicable provisions of the Companies Act, 2013 and to do all acts, deeds and things as may be deemed necessary to give effect to the above resolution.

**RESOLVED FURTHER THAT** a copy of the above resolution certified by any one of the Directors or Company Secretary be submitted to the concerned authorities and they be requested to act upon the same.”

2. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to prospective requirements under sub-regulation 1A of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time, including any statutory modifications or re-enactment thereof) inserted vide the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and effective from 1<sup>st</sup> April, 2019, the consent of the shareholders of the Company be and is hereby accorded for continuance of office of Mr. Akhouri Maheshwar Prasad (DIN: 07066439), aged about 77 years, as a Non-Executive Director designated as an Independent Director of the Company for his remaining term valid upto 15<sup>th</sup> March, 2020.

**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and is hereby authorized to file the relevant forms, documents and returns with the office of the Registrar of Companies as per the applicable provisions of the Companies Act, 2013 and to do all acts, deeds and things as may be deemed necessary to give effect to the above resolution.

**RESOLVED FURTHER THAT** a copy of the above resolution certified by any one of the Directors or Company Secretary be submitted to the concerned authorities and they be requested to act upon the same.”

3. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to prospective requirements under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time, including any statutory modifications or re-enactment thereof) inserted vide the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and effective from 1<sup>st</sup> April, 2019, read with Sections 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for payment of an amount not exceeding 1.75% of net profits for the financial year 2019-2020 as commission, to Mr. Samprada Singh (DIN: 00760279), Chairman Emeritus and Non-Executive Director of the Company, which may exceed 50% of the total annual remuneration payable to all Non-Executive Directors of the Company considering the past performance of the Company.

**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and is hereby authorized to file the relevant forms, documents and returns with the office of the Registrar of Companies as per the applicable provisions of the Companies Act, 2013 and to do all acts, deeds and things as may be deemed necessary to give effect to the above resolution.

**RESOLVED FURTHER THAT** a copy of the above resolution certified by any one of the Directors or Company Secretary be submitted to the concerned authorities and they be requested to act upon the same.”

**By Order of the Board of Directors**

**Manish Narang**  
**President - Legal, Company Secretary & Compliance Officer**  
**(ICSI Membership No. F4365)**

**Place: Mumbai**  
**Date: 2<sup>nd</sup> November, 2018**

#### **NOTES**

1. Explanatory Statement stating the material facts and reasons for the proposed Resolution Nos. 1 to 3, pursuant to Section 102(1) of the Act is annexed herewith.
2. The Notice of Postal Ballot is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, 30<sup>th</sup> November, 2018. The Postal Ballot Notice is being sent to Members in electronic form to the e-mail addresses registered with their Depository Participants (in case of electronic shareholding)/ the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For Members, whose e-mail Ids are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a self – addressed business reply envelope.
3. There will be only one Postal Ballot Form for every folio irrespective of the number of Joint Shareholder(s).
4. Voting rights in the postal ballot / e-voting cannot be exercised by a proxy, though corporate and institutional shareholders shall be entitled to vote through their authorised representatives, with proof of their authorization.
5. Members desiring to exercise vote by physical Postal Ballot are requested to carefully read the instructions printed overleaf the Postal Ballot Form and return the Form duly completed and signed in the attached self – addressed business reply envelope so as to reach the Scrutinizer not later than 5.00 p.m. on Saturday, 5<sup>th</sup> January, 2019. Envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered / speed post at the expense of the shareholder will also be accepted.

6. In compliance with Section 108 and 110 of the Act read with Companies (Management and Administration) Rules, 2014 made thereunder and Regulation 44 of Listing Regulations, the Company is offering e-voting facility to all the Members of the Company to enable them to cast their votes electronically and has engaged the services of CDSL for the same. The e-voting facility is available at the link <https://www.evotingindia.com>. The instructions for electronic voting form part of this Notice.
7. The shareholders can opt for only one mode of voting, i.e. either by physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by physical Postal Ballot also and vice versa, however, in case shareholders cast their vote by both physical Postal Ballot and e-voting, then voting done through valid e-voting shall prevail and voting by Physical Postal Ballot will be treated as invalid.
8. Voting rights shall be reckoned on the paid-up value of shares registered in the names of the Members as on Friday, 30<sup>th</sup> November, 2018. The voting period begins on Friday, 7<sup>th</sup> December, 2018 at 9.00 a.m. and ends on Saturday, 5<sup>th</sup> January, 2019 at 5.00 p.m.
9. The Company has appointed CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai (COP No. 3531) as Scrutinizer for conducting the Postal Ballot process including e-voting in a fair and transparent manner.
10. The Scrutinizer will submit his report to the Chairman of the Company after completion of scrutiny and the result of the voting by postal ballot will be announced by the Chairman or a person duly authorized by him in writing on or before Monday, 7<sup>th</sup> January, 2019 by 5.00 p.m. at the Registered Office of the Company and shall also be displayed on the Company's website ([www.alkemlabs.com](http://www.alkemlabs.com)), notice board at the Registered Office of the Company and communicated to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed, CDSL and Registrar and Share Transfer Agent.
11. The Resolutions, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed Postal Ballot Forms or e-voting i.e. Saturday, 5<sup>th</sup> January, 2019.
12. In case any member has queries, grievances or issues relating to Postal Ballot, members are requested to write an email to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or may write to Ms. Ashwini Nemlekar, Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083; Phone Number: 022-49186000 and for any queries, grievances or issues related to e-voting, members may refer to the Frequently Asked Questions and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Mehboob Lakhani, Assistant Manager, Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (E), Mumbai – 400013; Phone Number: 1800225533.

**INSTRUCTIONS FOR E-VOTING:**

- (i) The voting period begins on Friday, 7<sup>th</sup> December, 2018 at 9.00 a.m. and ends on Saturday, 5<sup>th</sup> January, 2019 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 30<sup>th</sup> November, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |  |
|---|--|
| PAN   | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot indicated in the PAN field.</li> </ul>     |
| Dividend Bank Details <b>OR</b> Date of Birth (DOB)               | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul> |

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN “**181127001**” of **Alkem Laboratories Limited** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### **Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013**

##### **Item No. 1**

Pursuant to the prospective requirements under sub-regulation 1A of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time including any statutory modifications or re-enactment thereof), inserted vide the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from 1<sup>st</sup> April, 2019, a listed entity shall not appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect.

In view of the above, for continuance of office of Mr. Samprada Singh, Non-Executive Director designated as Chairman Emeritus of the Company for his remaining term valid upto 31<sup>st</sup> March, 2020, it is necessary to obtain shareholders' approval by way of a special resolution.

The Board of Directors in its meeting held on 20<sup>th</sup> February, 2015 had approved the appointment of Mr. Samprada Singh (DIN: 00760279) as Chairman Emeritus and Non-Executive Director of the Company, for a period of five years w.e.f. 1<sup>st</sup> April, 2015, subject to the approval of shareholders of the Company. The said appointment was approved by the Members of the Company at the Extra Ordinary General Meeting of the Company held on 16<sup>th</sup> March, 2015.

Mr. Samprada Singh, aged about 88 years, is the co-founder of the Company and has served on the Board of the Company since its incorporation. He has an experience of over 44 years in the Indian pharmaceutical industry and has received various prestigious awards for his contribution. He has spearheaded the Company since its incorporation and its under his guidance that the Company has grown to its current stature. The Board feels that his continued guidance, strategic perspective and vision to continue the Company's growth strategy at accelerated pace is required to further improve upon the Company's operations.

On the basis of the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on 2<sup>nd</sup> November, 2018, approved the continuance of office of Mr. Samprada Singh as mentioned in the resolution set out under Item No. 1.

The Board recommends the Special Resolution set out in Item No. 1 of the Notice for approval of the shareholders.

Disclosure as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings is given as Annexure to this explanatory statement.

Except Mr. Samprada Singh, Mr. Sandeep Singh and Mr. Balmiki Prasad Singh and their respective relatives, none of the other promoters, directors, key managerial personnel and their respective relatives is concerned or interested in the proposed resolution.

## **Item No. 2**

Pursuant to the prospective requirements under sub-regulation 1A of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time including any statutory modifications or re-enactment thereof), inserted vide the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from 1<sup>st</sup> April, 2019, a listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect.

In view of the above, for continuance of office of Mr. Akhouri Maheshwar Prasad, Non-Executive Director designated as Independent Director of the Company for his remaining term valid upto 15<sup>th</sup> March, 2020, it is necessary to obtain shareholders' approval by way of a special resolution.

The Board of Directors in its meeting held on 30<sup>th</sup> January, 2015 had appointed Mr. Akhouri Maheshwar Prasad (DIN: 07066439), as Additional Director designated as Independent Director, subject to the approval of shareholders of the Company. The Members of the Company at the Extra Ordinary General Meeting of the Company held on 16<sup>th</sup> March, 2015 approved the appointment of Mr. Akhouri Maheshwar Prasad as an Independent Director of the Company, for a period of five years, expiring on 15<sup>th</sup> March, 2020.

Mr. Akhouri Maheshwar Prasad, aged about 77 years, has served the Government of India in the Indian Revenue Service for 37 years and has held several key positions in the Government including Special Secretary to Government of India and Director General, Central Economic Intelligence Bureau, Member of the Central Board of Excise and Customs, Chief Commissioner, Central Excise and Customs, Maharashtra. Mr. Akhouri Maheshwar Prasad helps in bringing independent judgment during Board deliberations on strategy, performance and his overall contribution to our Board has been valuable.

On the basis of the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on 2<sup>nd</sup> November, 2018, approved the continuance of office of Mr. Akhouri Maheshwar Prasad as mentioned in the resolution set out under Item No. 2.

The Board recommends the Special Resolution set out in Item No. 2 of the Notice for approval of the shareholders.

Disclosure as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings is given as Annexure to this explanatory statement.

Except Mr. Akhouri Maheshwar Prasad, none of the other promoters, directors, key managerial personnel and their respective relatives is concerned or interested in the proposed resolution.

## **Item No. 3**

Pursuant to the prospective requirements under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inserted vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from 1<sup>st</sup> April, 2019, the approval of the shareholders by way of a special resolution shall be required to be obtained by the Company every year for payment of annual remuneration to a single Non-Executive Director exceeding fifty per cent of the total annual remuneration payable to all Non-Executive Directors and giving details of remuneration thereof.

The shareholders of the Company in its Extra Ordinary General Meeting held on 16<sup>th</sup> March, 2015, had approved payment of commission to Non-Executive Directors and Independent Directors subject to maximum limit of 2% of the net profits of the Company for each financial year.

The Board at its meeting held on 27<sup>th</sup> May, 2016, had approved to pay commission @1.75% of the net profits of the Company for each year commencing from financial year 2016-2017 to Mr. Samprada Singh, Chairman Emeritus and Non-Executive Director, or any other amount as may be decided by the Board of Directors of the Company from time to time.

Mr. Samprada Singh is one of the co-founders of the Company and was re-designated as Chairman Emeritus of the Company with effect from 1<sup>st</sup> April, 2015. He is an industry veteran with over 44 years of experience in Indian pharmaceutical industry.

Mr. Samprada Singh who serves as the Chairman Emeritus and Non-Executive Director of the Company has contributed immensely towards the Company since its incorporation. Considering the advisory role played by Chairman Emeritus and his enlightening guidance provided to the Company, it is proposed to pay Mr. Samprada Singh, Chairman Emeritus and Non-Executive Director of the Company, an amount not exceeding 1.75% of profits for the financial year 2019-2020 as commission, which may exceed 50% of the total annual remuneration payable to all Non-Executive Directors of the Company considering the past performance of the Company.

On the basis of recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on 2<sup>nd</sup> November, 2018, approved the payment of commission for financial year 2019-2020 to Mr Samprada Singh as mentioned in the resolution set out in Item No. 3.

The Board recommends the Special Resolution as set out in Item No. 3 of the Notice, for approval of the shareholders.

Disclosure as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings is given as Annexure to this explanatory statement.

Except Mr. Samprada Singh, Mr. Sandeep Singh and Mr. Balmiki Prasad Singh and their respective relatives, none of the other promoters, directors, key managerial personnel and their respective relatives is concerned or interested in the proposed resolution.

**By Order of the Board of Directors**

**Manish Narang**  
**President - Legal, Company Secretary & Compliance Officer**  
**(ICSI Membership No. F4365)**

**Place: Mumbai**

**Date: 2<sup>nd</sup> November, 2018**

**ANNEXURE TO ITEMS 1 to 3 OF THE NOTICE**

(in pursuance of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Secretarial Standard 2 on General Meetings)

|   |  |  |
|---|--|--|
| Name of Director  | Mr. Samprada Singh   | Mr. Akhouri Maheshwar Prasad   |
| DIN   | 00760279   | 07066439   |
| Date of Birth   | 2 <sup>nd</sup> May, 1930  | 30 <sup>th</sup> December, 1940  |
| Age   | 88 years   | 77 years   |
| Qualifications  | Second year Bachelors' examination from University of Patna  | Master's degree in Science from University of Patna  |
| Experience  | Over 44 years  | 37 years   |
| Expertise in specific functional area   | Pharmaceutical Industry  | Indian Revenue Service, Government of India  |
| Date of Appointment on the Board  | Original Appointment: 8 <sup>th</sup> August, 1973.<br>Appointment at current designation: 1 <sup>st</sup> April, 2015.                  | Original Appointment: 30 <sup>th</sup> January, 2015.<br>Appointment at current designation: 16 <sup>th</sup> March, 2015.   |
| Terms and conditions of appointment   | On such terms and conditions as approved by the shareholders in the Extra-Ordinary General Meeting held on 16 <sup>th</sup> March, 2015. | On such terms and conditions as approved by the shareholders in the Extra-Ordinary General Meeting held on 16 <sup>th</sup> March, 2015.   |
| Remuneration last drawn   | Profit-linked commission of Rs. 141.1 Million for financial year 2017-2018.  | Rs. 1.7 Million for financial year 2017-2018 towards profit-linked commission and sitting fees for attending meetings of the Board and its Committees where he is a member.                                      |
| Remuneration proposed to be given   | 1.75% of net profits of the Company for financial year 2019-2020 as commission.  | He shall be eligible for payment of sitting fees for attending meetings of the Board and its Committees where he is a member and profit-linked commission which shall be decided by the Board from time-to-time. |
| Number of shares held in the Company as on 30 <sup>th</sup> September, 2018   | 15,77,190 Equity shares of Rs. 2/- each  | NIL  |
| List of Directorships held in other companies (excluding foreign, private and Section 8 companies)  | NIL  | Indchemie Health Specialities Private Limited.   |
| Chairmanship/Membership of Committees: Audit and Stakeholders' Relationship Committees across Public Companies including Alkem Laboratories Limited | NIL  | Member of Audit Committee of Indchemie Health Specialities Private Limited and Member of Audit Committee and Stakeholders' Relationship Committee of Alkem Laboratories Limited.                                 |
| Relationship between Directors inter se   | Father of Mr. Balmiki Prasad Singh, Executive Director and Grandfather of Mr. Sandeep Singh, Managing Director                           | N.A.   |
| Number of Board Meetings attended during the financial year 2017-2018 (Out of total 5 Board Meetings held)  | 4  | 4  |

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