



ALKEM LABORATORIES LIMITED

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

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E-mail: investors@alkem.com; **Website:** 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, as amended (“the Companies Act”) read with Rule 22 of Companies (Management and Administration) Rules, 2014, as amended (including any statutory modifications or re-enactments thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) and other applicable laws and regulations to transact the following Special Business by the Members of Alkem Laboratories Limited (“the Company”) by passing the Resolutions appended below, through postal ballot (“Postal Ballot”) which includes voting by electronic means (“e-Voting”). The Explanatory Statement under Section 102(1) of the Companies 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, at its meeting held on 7th February, 2020, 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, 4th April, 2020, 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 Companies 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 till 5.00 p.m. on Saturday, 4th April, 2020. 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, 6th April, 2020 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/voting-result.php notices-forms-and- and on the Notice Board of the Company at its Registered Office after the declaration of the results.

The Resolution, if passed by requisite majority, shall be deemed to have been passed on the last date of 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 modifications, the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, as amended (the “**Companies Act**”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, and the relevant provisions of the Articles of Association of the Company, Mr. Basudeo N. Singh (DIN:00760310) in respect of whom Notice has been received from a Member under Section 160 of the Companies Act, proposing his re-appointment as Executive Chairman and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors and in partial supersession of the approval accorded by the shareholders at the Annual General Meeting held on 27th August, 2019 be re-appointed as Executive Chairman of the Company, not liable to retire by rotation, for a term of five (5) consecutive years w.e.f. 1st April, 2020 upto 31st March, 2025, at a remuneration of Rs. 1,15,00,000/- (Rupees One Crore Fifteen Lakhs Only) per month, and that he shall also be entitled for the following benefits:

(i) Medical Reimbursement:

Medical reimbursement for himself and his family subject to a ceiling of Rs. 3,00,000/- per year.

- (ii) **Leave Travel Allowance:**
Leave Travel Allowance for himself and his family once in a year which shall not exceed one month's salary.
- (iii) **Personal Accident Insurance Premium:**
The Company shall also reimburse the Personal Accident Insurance Premium.
- (iv) **Provident Fund and Family Pension:**
Benefit of Provident Fund and Family Pension as per the company's rules.
- (v) **Gratuity:**
Gratuity payable shall not exceed half month's salary for each completed year of service.
- (vi) **Encashment of Leave not availed:**
Unavailed leaves shall be encashed at the end of the tenure.
- (vii) **Company's Car and Driver:**
He shall be entitled for two Company cars with two drivers.
- (viii) **Club Fees:**
He shall be entitled for Entrance and Annual membership fees of any one club.
- (ix) **Domestic Help:**
He shall be entitled for two domestic help.

Other terms

- (a) **Leave:**
As per rules of the Company.
- (b) **Sitting fees:**
He shall not be entitled for sitting fees for attending the Meetings of the Board of Directors or of the Committees constituted by the Board of Directors.
- (c) He shall be entitled to re-imbursalment of expenses incurred in the course of legitimate business purpose of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to approve the increments, from time to time, not exceeding 20% p.a. of his last drawn annual remuneration after considering his contribution towards the growth and performance of the Company.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and is hereby authorized to sign, execute, submit and file the relevant forms, documents etc. and to do all acts, deeds and things as may be deemed necessary to give effect to this resolution.

RESOLVED FURTHER THAT 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 modifications, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 149, 152, 196, 197 and 203 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 (including any statutory modifications, enactments or re-enactments thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the consent of the Company be and is hereby granted for the appointment of Mr. Sarvesh Singh (DIN:01278229), in respect of whom Notice has been received from a Member under section 160 of the Companies Act, proposing his candidature for the office of the director, as a Whole Time Director designated as an Executive Director, liable to retire by rotation for a term of five (5) consecutive years w.e.f. 11th November, 2019 upto 10th November, 2024, at a remuneration of Rs. 24,16,403/- (Rupees Twenty Four Lakhs Sixteen Thousand Four Hundred and Three Only) per month, and that he shall also be entitled for the following benefits:

- (i) **Medical Reimbursement:**
He shall get medical reimbursement for himself and his family subject to a ceiling of Rs. 14,375/-per month.
- (ii) **Leave Travel Allowance:**
He shall get Leave Travel Allowance for himself and his family once in a year which shall not exceed one month's salary.
- (iii) **Personal Accident Insurance Premium:**
The Company shall also reimburse the Personal Accident Insurance Premium.
- (iv) **Provident Fund and Family Pension:**
He shall get benefit of Provident Fund and Family Pension as per the company's rules.
- (v) **Gratuity:**
As per the rules of the Company.

- (vi) **Encashment of Leave:**
As per the rules of the Company.
- (vii) **Company's Car and Driver:**
He shall be entitled to one Company car with one driver use on actual basis.
- (viii) **Club Fees:**
He shall be entitled for Entrance and Annual membership fees of any one club.
- (ix) **Domestic Help:**
He shall be entitled for two domestic help personnel.

Other terms

- (a) **Leave:**
As per rules of the Company.
- (b) **Sitting fees:**
He shall not be entitled for sitting fees for attending the Meeting of the Board of Directors of the Company.
- (c) He shall be entitled to re-imburement of expenses incurred in the course of legitimate business purpose of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to approve the increments, from time to time, not exceeding 20% p.a. of his last drawn annual remuneration after considering his contribution towards the growth and performance of the Company.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and is hereby authorized to sign, execute, submit and file the relevant forms, documents etc. and to do all acts, deeds and things as may be deemed necessary to give effect to this resolution.

RESOLVED FURTHER THAT 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 modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 149, 150 and 152 and other applicable provisions of Companies Act, 2013, as amended (including any statutory modifications, enactments or re-enactments thereof for the time being in force) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Articles of Association of the Company, and recommendation of the Nomination and Remuneration Committee, Mr. Narendra Kumar Aneja (DIN:00124302), in respect of whom the company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for a term of five (5) consecutive years, w.e.f. 16th March, 2020 upto 15th March, 2025 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one 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.”

By Order of the Board of Directors

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

Place: Mumbai
Date: 7th February, 2020

NOTES

1. Explanatory Statement stating the material facts and reasons for the proposed ordinary/special Resolutions Nos. 1 to 3, pursuant to Section 102(1) of the Companies 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, 28th February, 2020. 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 Agents (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, 4th April, 2020. 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 Companies 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, 28th February, 2020. The voting period begins on Friday, 6th March, 2020 at 09.00 a.m. and ends on Saturday, 4th April, 2020 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, 6th April, 2020 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), 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 Agents.
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, 4th April, 2020.
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 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, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Mehboob Lakhani, Deputy Manager, Central Depository Services (India) Limited, A Wing, 25th 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, 6th March, 2020 at 09.00 a.m. and ends on Saturday, 4th April, 2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 28th February, 2020 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.
- (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 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:

	For Members holding shares in Demat Form and Physical Form
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"> • 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 / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR 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"> • 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).

- (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 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 changed 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 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.
- 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

Item No. 1

The Members of the Company at its 40th Annual General Meeting held on 18th August, 2014 had appointed Mr. Basudeo N. Singh as a Managing Director of the Company for a term of five (5) consecutive years w.e.f. 1st April 2014 to 31st March, 2019. He was re-designated as the Executive Chairman of the team Company in the Extra Ordinary General Meeting of the Members of the Company held on 16th March, 2015.

Mr. Basudeo N. Singh, aged 79 years, is the co-founder of the Company and has served on the Board of the Company since its incorporation. He has over 40 years of experience in the Indian Pharmaceutical Industry. As an Executive Chairman of the Company, he drives the Company towards its growth. With the growing operations of the Company, his responsibilities have increased many fold.

Considering the contribution made by Mr. Basudeo N. Singh in the progress of the Company and his involvement in the operations of the Company as an Executive Chairman of the Company and pursuant to Regulation 17(1B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”), the top 500 listed entities were to ensure that w.e.f 1st April, 2020, the Chairperson of the Board of such entity shall be a Non-Executive Director. In order to ensure compliance with the above requirements of the SEBI Listing Regulations, the Shareholders at its Annual General Meeting held on 27th August, 2019 had approved the change in term of appointment of Mr. Basudeo N. Singh from five years to one year w.e.f 1st April, 2019 upto 31st March, 2020 at a remuneration of Rs. 63,80,000/- (Rupees Sixty Three Lakhs Eighty Thousand Only) per month alongwith other benefits and further approved the appointment of Mr. Basudeo N. Singh as a Non-Executive Director designated as Chairman of the Company for a period of five years w.e.f 1st April, 2020 upto 31st March, 2025.

Subsequently, Regulation 17(1B) of the SEBI Listing Regulations was amended pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020, such that the top 500 listed entities are now required to ensure that the Chairperson of the Board of such listed entity shall be a Non-Executive Director and not related to Managing Director w.e.f. 1st April, 2022.

In light of the amendment, it is now proposed to consider and approve the re-appointment and increase in remuneration of Mr. Basudeo N. Singh as an Executive Director designated as Executive Chairman of the Company, not liable to retire by rotation for a term of five (5) consecutive years w.e.f. 1st April, 2020 upto 31st March, 2025 on such terms and conditions as detailed in resolution under Item No. 1. The Company has received a notice in writing from a Member, under Section 160 of the Companies Act, proposing his candidature.

It is necessary to obtain Members' approval by way of a special resolution for:

- l) re-appointment and increase in remuneration of Mr. Basudeo N. Singh as an Executive Chairman of the Company for a term of five (5) consecutive years w.e.f. 1st April, 2020 upto 31st March, 2025.

The Board recommends the Special Resolutions set out in Item Nos. 1 of the Notice for approval of the Shareholders. Disclosure as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 on General Meetings is given as Annexure to this Explanatory Statement.

Except Mr. Basudeo N. Singh, Mr. Dhananjay Kumar Singh and Mr. Mritunjay Kumar 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 Special Resolution.

Item No. 2

The Board at its meeting held on 16th June, 2011 appointed Mr. Sarvesh Singh, relative of Mr. Sandeep Singh as a Director (not on the Board) of the Company for a term of five (5) consecutive years w.e.f 1st April, 2011. Further, based on the recommendation of Nomination & Remuneration Committee, the Board at its meeting held on 20th February, 2015 had re-appointed Mr. Sarvesh Singh as Vice President - Marketing and Sales of the Company w.e.f 01st April, 2015.

Considering his experience and contribution towards the growth of the Company and based on the recommendation of Nomination & Remuneration Committee, the Board at its meeting held on 11th November, 2019 approved the appointment of Mr. Sarvesh Singh as an Additional Director and Whole Time Director to be designated as Executive Director of the Company for a term of five (5) consecutive years w.e.f. 11th November, 2019 upto 10th November, 2024, liable to retire by rotation, on such terms and conditions as detailed in resolution under Item Nos. 2. The Company has received a notice in writing from a member, under section 160 of the Companies Act proposing his candidature. Further, the Board now seeks to confirm his appointment as a Director and Whole Time Director designated as an Executive Director. Hence, the Board recommends the Resolution to be passed as an Ordinary Resolution.

The Board recommends the Ordinary Resolution set out in Item Nos. 2 of the Notice for approval of the Shareholders. Disclosure as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 on General Meetings is given as Annexure to this Explanatory Statement.

Except Mr. Sarvesh Singh and Mr. Sandeep 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 Ordinary Resolution.

Item No. 3

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, as amended (including any statutory modifications, enactments or re-enactments thereof for the time being in force) the appointment of an Independent Director requires approval of the shareholders. Based on the Articles of Association of the Company, recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 7th February, 2020 has appointed Mr. Narendra Kumar Aneja (DIN:00124302) as Additional Director, pursuant to Section 161 and applicable provisions of the Companies Act, 2013 and the rules made thereunder, designated as Independent Director, subject to approval of the shareholders for a term of five (5) consecutive years w.e.f. 16th March, 2020 upto 15th March, 2025.

The proposed appointee is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act and has given his consent to act as a Director. The Company has also received declaration from Mr. Narendra Kumar Aneja that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations). In the opinion of the Board, Mr. Aneja fulfills the conditions for appointment as an Independent Director as specified in the Companies Act and the SEBI Listing Regulations.

The profile of Mr. Aneja is attached to the notice.

The Board recommends the Ordinary Resolution set out in Item Nos. 3 of the Notice for approval of the Shareholders. Disclosure as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 on General Meetings is given as Annexure to this Explanatory Statement.

Save and except the above Director, none of the other Directors / Key Managerial personnel of the Company / their relatives are in any way concerned or interested financially or otherwise in the proposed ordinary resolution. This statement may also be regarded as an appropriate disclosure under the Companies Act and the SEBI Listing Regulations.

By Order of the Board of Directors

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

Place: Mumbai
Date: 7th February, 2020

ANNEXURE TO ITEMS 1 to 3 OF THE NOTICE

(in pursuance of Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 read with Secretarial Standard – 2 on General Meetings)

Name of Director	Mr. Basudeo N. Singh	Mr. Sarvesh Singh	Mr. Narendra Aneja
DIN	00760310	01278229	00124302
Date of Birth	20.11.1940	27.08.1981	22.07.1952
Age	79 years	38 years	67 years
Qualifications	Bachelor of Arts and Master's Degree in Political Science	Bachelor of Arts (2 nd Yr)	Chartered Accountant, Cost Accountant and Master of Business Administration
Experience	Over 45 years	Over 8 years	Over 30 years
Expertise in specific functional area	Pharmaceutical Industry	Sales and Marketing in the Pharmaceutical Industry	Governance, Risk and Compliance assignments and management consultancy.
Remuneration proposed to be given	As detailed in Resolution No. 1 of the Notice.	As detailed in Resolution No. 2 of the Notice.	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 31 st December, 2019	86,62,100 Equity Shares of Rs. 2/- each	79,800 Equity Shares of Rs. 2/-each	57 Equity Shares of Rs. 2/-each
List of Directorships held in other companies (excluding foreign, private and Section 8 companies)	1. Enzene Biosciences Limited	NIL	Peninsula Trustee Limited
Chairmanship/Membership of Committees: Audit and Stakeholders' Relationship Committees across Public Companies including Alkem Laboratories Limited	NIL	NIL	NIL
Relationship between Directors inter se	Father of Mr. Dhananjay Kumar Singh, Joint Managing Director and Mr. Mritunjay Kumar Singh, Executive Director of the Company.	Brother of Mr. Sandeep Singh, Managing Director of the Company.	Not related to any directors of the Company.
Number of Board Meetings attended during the year 2019-20 (Out of total 7 Board Meetings held)	7	2	NIL