

Explanatory Statement in relation to Item No.3 is furnished and should also be taken as forming part of the Notice.

Item No 3: To appoint a Director in place of Dr. Christopher M Cimarusti (DIN: 02872948) who retires by rotation and, being eligible, seeks re-appointment.

Explanatory Statement

The members have at the Annual General Meeting of the Company held on December 28, 2017, approved the appointment of Dr Christopher M Cimarusti (DIN: 02872948), non-executive director, as a director liable to retire by rotation of the Company. In terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019 consent of the Members by way of Special Resolution is required for appointment / continuation of a Non-Executive Director beyond the age of seventy-five years. The members have vide Postal Ballot Resolution dated March 23, 2019, approved the continuance of Dr.Cimarusti as a director, liable to retire by rotation.

Dr Christopher M. Cimarusti, aged 75 years, is a Non-Executive Director of our Company. He has completed his PhD in Organic Chemistry from Purdue University, USA and his Postdoctoral Research from Columbia University, USA. He has more than 50 years of experience in the field of drug discovery, development and manufacturing. He was awarded more than 60 patents and published more than 40 papers in referred journals. He provides consulting services to the pharmaceutical industry at Project Portfolio and Company strategy levels. Dr Cimarusti does not hold any equity shares in the Company. He is also a Director on the Board of Neuland Laboratories Inc.

Considering Dr.Cimarusti's expertise and experience in pharmaceutical industry, the Nomination & Remuneration Committee ('the Committee') and the Board of Directors of the Company ('the Board') are of the view that in order to take advantage of Dr. Cimarusti's advice and experience, it would be appropriate that he continues to serve on the Board.

Accordingly, the Board at the meeting held on May 16, 2019, on the recommendation of the Nomination & Remuneration Committee approved the appointment of Dr. Christopher M Cimarusti as Director of the Company, liable to retire by rotation.

Except Dr. Christopher M Cimarusti, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution.

The Board recommends the special resolution set out at Item No. 3 of the Notice for approval by the members.