



# *Divi's Laboratories Limited*

Regd Off.: Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli,  
Hyderabad - 500 032, Telangana, India.  
CIN: L24110TG1990PLC011854, Tel: 91-40-23786300, Fax: 91-40-23786460,  
E-mail : mail@divislabs.com, Website: www.divislabs.com

## POSTAL BALLOT NOTICE

Dear Member,

### Notice pursuant to Section 110 of the Companies Act, 2013

Notice is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations, that the resolutions appended below are proposed to be passed by way of postal ballot / e-voting :

1. Re-appointment of Dr. G. Suresh Kumar (DIN: 00183128) as an Independent Director for a second term of five consecutive years
2. Re-appointment of Mr. R. Ranga Rao (DIN: 06409742) as an Independent Director for a second term of five consecutive years
3. Approval for continuance of Directorship of Mr. K. V. K. Seshavataram (DIN: 00060874), as a Non- Executive Independent Director of the Company
4. Re-appointment of Mr. K. V. K. Seshavataram (DIN: 00060874) as an Independent Director for a second term of five consecutive years

The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a Postal Ballot Form (the "Form") for your consideration. The Board of Directors of the Company (the "Board") has appointed Mr. V. Bhaskara Rao, Practicing Company Secretary as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Form, record their assent (for) or dissent (against) in the Form by filling necessary details and affixing their signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid Business Reply envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on March 16, 2019. Please note that, Postal Ballot Forms received after 5.00 p.m on March 16, 2019 shall be deemed invalid.

In compliance with the provisions of Sections 108 and 110 of the Act, read with Rules 20 and 22 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Divi's Laboratories Limited ("the Company") is also offering facility of e-voting to all its Members, as an alternate, to enable them to cast their vote electronically instead of sending the Postal Ballot Form by post. The Company has engaged services of M/s. Karvy Fintech Private Limited for providing e-voting facility to all its members. Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the instructions at Note No. 9 under the section "Process for e-voting" in this Notice. References to Postal Ballot(s) in this notice include votes received electronically. **Please note that each Member can opt for only one mode of voting i.e., either by Physical Ballot or by E-Voting.** However, in case members cast their vote through both modes, then voting done by e-voting shall prevail and voting cast through physical ballot form shall be treated as invalid.

The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman or Company Secretary of the Company. The results of the Postal Ballot will be declared on Monday, March 18, 2019 on or before 5.00 p.m at the Registered Office of the Company. The said results will also be displayed on the notice board at the Registered Office of the Company and intimated to National Stock Exchange of India Limited and BSE Limited where shares of the Company are listed. Additionally, the results will also be displayed on the Company's website www.divislabs.com and on the website of the Registrar and Share Transfer agent at <https://evoting.karvy.com>. The Resolutions, if passed by requisite majority, will be taken as passed effectively on the last day of receipt of postal ballot form or e-voting i.e. March 16, 2019.

### PROPOSED RESOLUTIONS

**Item no. 1 - Re-appointment of Dr. G. Suresh Kumar (DIN: 00183128) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.**

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION** :

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Dr. G. Suresh Kumar (DIN: 00183128), who was appointed as an Independent Director of the Company for a term of five years up to March 31, 2019, by the members at the 24th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from April 1, 2019 up to March 31, 2024, not liable to retire by rotation.”

**Item no. 2 - Re-appointment of Mr. R. Ranga Rao (DIN: 06409742) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.**

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION** :

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. R. Ranga Rao (DIN: 06409742), who was appointed as an Independent Director of the Company for a term of five years up to March 31, 2019, by the members at the 24th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from April 1, 2019 up to March 31, 2024, not liable to retire by rotation.”

**Item no. 3 - Approval for continuance of Directorship of Mr. K. V. K. Seshavataram (DIN: 00060874), as a Non- Executive Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION** :

**“RESOLVED THAT** pursuant to provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 prospectively effective from April 1, 2019 and other applicable provisions, if any, as amended from time to time, consent of the Members be and is hereby accorded for continuance of the Directorship of Mr. K. V. K. Seshavataram (DIN: 00060874), aged about 77 years, as a Non-Executive Independent Director of the Company as long as he continues in the office of Director of the Company on the existing terms and conditions; subject to the provisions, rules and regulations of Companies Act 2013 and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or of any other appropriate authorities, as may be applicable, and as amended from time to time.”

**Item no. 4 - Re-appointment of Mr. K. V. K. Seshavataram (DIN: 00060874) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.**

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION** :

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. K. V. K. Seshavataram (DIN: 00060874), who was appointed as an Independent Director of the Company for a term of five years up to June 22, 2019, by the members at the 24th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from June 23, 2019 up to June 22, 2024, not liable to retire by rotation.”

By order of the Board of Directors  
for Divi's Laboratories Limited

Place : Hyderabad  
Date : 02.02.2019

**P.V. Lakshmi Rajani**  
Company Secretary  
(ACS 18882)

**Registered Office :**

Divi Towers, 1-72/23(P)/DIVIS/303,  
Cyber Hills, Gachibowli  
Hyderabad - 500 032, Telangana, India.  
CIN : L24110TG1990PLC011854  
e-mail : mail@divislabs.com

## NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out all material facts of the businesses specified above is annexed hereto.
2. Only a member who is entitled to vote is entitled to exercise his / her vote through Postal Ballot. Members cannot exercise votes by proxy.
3. Notice is being dispatched to the members by post (and electronically by e-mail to those members who have registered their e-mail IDs with the Company/Depositories), whose names appear in the Register of Members / list of Beneficial Owners received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on February 8, 2019.
4. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on Friday, February 8, 2019 (the cut-off date) and only such Member(s) will be entitled to cast their votes by Postal Ballot or e-voting.
5. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form duly completed and signed in the attached self-addressed, postage prepaid business reply envelope, so as to reach the Scrutinizer not later than close of working hours i.e. 5.00 pm on March 16, 2019. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the Members will also be accepted.
6. Members who have received Postal Ballot notice by e-mail and who wish to vote through ballot form can obtain the ballot form from the Registrar and Share Transfer Agents, M/s. Karvy Fintech Private Limited, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or from the Company at the Registered Office and fill in the details and send the same to the Scrutinizer by post.

In case a Member is desirous of obtaining duplicate Postal Ballot Form, the Member may write to the Company at its Registered Office.

7. The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman or Company Secretary of the Company. The results of the Postal Ballot will be declared on Monday, March 18, 2019 on or before 5.00 p.m at the Registered Office of the Company. The said results will also be displayed on the notice board at the Registered Office of the Company and intimated to National Stock Exchange of India Limited and BSE Limited where shares of the Company are listed. Additionally, the results will also be displayed on the Company's website [www.divislab.com](http://www.divislab.com) and on the website of the Registrar and Share Transfer agent at <https://evoting.karvy.com>. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on March 16, 2019 i.e., the last date specified for receipt of duly completed Postal Ballot Forms or e-voting.
8. All the material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch until the last date for receipt of votes by postal ballot/ e-voting.
9. In compliance with Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide e-voting facility to the members, to enable them to cast their vote electronically instead of dispatching the Postal Ballot Form by post. The Company has engaged services of M/s. Karvy Fintech Private Limited for providing e-voting facility to all its members. **Please note that each Member can opt for only one mode of voting i.e., either by Physical Ballot or by E-Voting.** However, in case a member casts his vote through both modes, then voting done by e-voting shall prevail and voting cast through physical ballot form shall be treated as invalid.

### Process for e-voting :

#### A. Members who received the notice through e-mail from Karvy :

- i. Launch internet browser by typing the following URL: <http://evoting.karvy.com>.
- ii. Enter the login credentials (i.e., User ID and password mentioned in your email/ Form). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

	Details
User-id	For Members holding shares in Demat form : a. For NSDL : 8 character DP ID followed by 8 digit Client ID b. For CDSL : 16 digit Beneficiary ID/Client ID For Members holding shares in Physical form : Even No.(EVEN) as given in Form followed by Folio No. registered with the Company.
Password	Your unique password as contained in the e-mail / Postal Ballot Form.

- iii. After entering these details appropriately, Click on “LOGIN”.
- iv. You will now reach password Change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. After changing password, you need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the “EVENT” i.e. **Divi’s Laboratories Limited**.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding. If the member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- viii. You may then cast your vote by selecting an appropriate option and click on “Submit”, a confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution.
- ix. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are additionally required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email-id : bhaskararaoandco@gmail.com, with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “Corporate Name\_EVEN No.”
- x. Members holding shares under multiple folios/ demat accounts shall choose the voting process separately for each of the folios/ demat accounts.
- xi. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

**B. In case of Members receiving Notice by Post :**

1. Please use the User ID and initial password as provided in the Form.
2. Please follow all steps from Sr. No. i to xi as mentioned in (A) above, to cast your vote.

**C.** In case of any query or grievance pertaining to e-voting, please refer to the Help & FAQ’s section and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy e-voting website) and/or call Mr. P. Nageswara Rao at phone no. 040-67161526 or contact Karvy’s toll free number 1-800-34-54-001 or send an e-mail request to einward.ris@karvy.com or evoting@karvy.com to enable them to address the issue(s), if any.

**D.** The e-voting period commences on February 15, 2019 at 9.00 A.M. and ends on March 16, 2019 at 5.00 P.M. In case of any query pertaining to e-voting, please visit Help & FAQ’s section of Karvy e-voting website.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out all the material facts pertaining to Resolution Nos. 1, 2, 3 & 4.**

**Item No. 1**

**Dr. G. Suresh Kumar (DIN: 00183128)** was appointed as a Director on the Board of the Company on March 10, 2001. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, members of the Company at the 24th Annual General Meeting held on August 25, 2014 approved the appointment of Dr. G. Suresh Kumar as an Independent Director of the Company for a period of 5 years up to March 31, 2019.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received intimation in Form DIR-8 from Dr. G. Suresh Kumar that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Dr. G. Suresh Kumar as an Independent Director of the Company commencing from April 1, 2019 up to March 31, 2024 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Dr. G. Suresh Kumar fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Dr. G. Suresh Kumar, the Board of Directors at its meeting held on February 2, 2019 approved the continuance of office of Dr. G. Suresh Kumar as mentioned in the resolution.

Dr. G Suresh Kumar (aged 68 years) holds an MBBS degree from Gandhi Medical College, Hyderabad and M.S. (General Surgery) from Gulbarga University, Karnataka. He worked with the Ministry of Health, Government of Algeria between 1978 and 1983. He is Consultant General & Laparoscopic Surgeon, Clinical Director of Oncology & Robotic Surgery at Krishna Institute of Medical Sciences (KIMS). He is also Chairman of Ethics Committee of Kamineni Group of Medical Colleges & Hospitals, Hyderabad.

Dr. Suresh Kumar, being a senior medical professional with corporate hospitals, provides objective independent judgement on corporate affairs, business plans, major capital expenditures and strategic initiatives. It will be in the best interests of the Company to continue him as a Board member for further period of five years.

Dr. G. Suresh Kumar does not hold any shares of Divi's Laboratories Limited. He is not related to any other Directors/KMPs of the Company. He is the Chairman of Nomination & Remuneration Committee and Member of Audit Committee of the Company. He has attended all the four (4) meetings of the Board held during the year 2018-19.

He is a Director in Crassus Water Private Limited. He is not a Member / Chairman of Committees of other Companies.

The Nomination & Remuneration Committee and the Board evaluated the performance of Dr. G. Suresh Kumar, rated him satisfactory on all parameters and recommended his re-appointment.

Copy of the draft letter for re-appointment of Dr. G. Suresh Kumar as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Dr. G. Suresh Kumar, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

Further, in terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended, the approval of the members may be taken through Postal Ballot instead of transacting such businesses at a General Meeting.

Board recommends the resolution set-forth in Item No.1 for approval of the members through Postal Ballot, by way of Special Resolution.

## **Item No. 2**

**Mr. R. Ranga Rao (DIN: 06409742)** was appointed as an Independent Director on the Board of the Company in line with the requirements of the Listing Agreement on November 3, 2012. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, members of the Company at the 24th Annual General Meeting held on August 25, 2014 approved the appointment of Mr. R. Ranga Rao as an Independent Director of the Company for a period of 5 years up to March 31, 2019.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received intimation in Form DIR-8 from Mr. R. Ranga Rao that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Mr. R. Ranga Rao as an Independent Director of the Company commencing from April 1, 2019 up to March 31, 2024 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr. R. Ranga Rao fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Mr. R. Ranga Rao, the Board of Directors at its meeting held on February 2, 2019 approved the continuance of office of Mr. R. Ranga Rao as mentioned in the resolution.

Mr. R. Ranga Rao (aged 67 years) holds a Post-graduate degree in Pharmacy from College of Pharmacy, Manipal, Karnataka.

He started his career as an Analyst in a Pharma unit at Vijayawada. In 1978, he joined the State Government service in the Drugs Control Department. He worked at different levels and retired as Director, Drugs Control Administration, Government of Andhra Pradesh in the year 2009.

Mr. Ranga Rao also served as a member of different committees formed by Director General, Drugs Controller, Government of India to assist the department for the betterment of availability of safe and quality drugs to the public. He also served as a President, Indian Pharmaceutical Association, Andhra Pradesh State Branch for two years.

Being a pharmaceutical professional with regulatory expertise, he provides strategic guidance and assists the Company in implementing the best regulatory practices. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. R. Ranga Rao as an Independent Director.

Mr. Ranga Rao does not hold any shares of Divi's Laboratories Limited. He is not related to any other Directors/KMPs of the Company. He is the Chairman of CSR Committee and Member of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Company. He has attended all the four (4) meetings of the Board held during the year 2018-19.

He is a Director in Vijaya Organics Limited and Chairman of Audit Committee of Vijaya Organics Limited.

The Nomination & Remuneration Committee and the Board evaluated the performance of Mr. R. Ranga Rao, rated him satisfactory on all parameters and recommended his re-appointment.

Copy of the draft letter for re-appointment of Mr. R. Ranga Rao as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Mr. R. Ranga Rao, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

Further, in terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended, the approval of the members may be taken through Postal Ballot instead of transacting such businesses at a General Meeting.

Board recommends the resolution set-forth in Item No.2 for approval of the members through Postal Ballot, by way of Special Resolution.

#### **Item Nos. 3 & 4**

**Mr. K. V. K. Seshavataram (DIN: 00060874)** was appointed as an Additional Director on the Board of the Company on June 23, 2014. Members of the Company at the 24th Annual General Meeting held on August 25, 2014 approved the appointment of Mr. K. V. K. Seshavataram (DIN: 00060874) as an Independent Director for a period of 5 years up to June 22, 2019.

As per the provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

Regulation 17(IA) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 effective from April 1, 2019, requires that any Non-Executive Director who has attained the age of 75 years or more cannot be appointed or continued as a Non-Executive Director in any listed company until and unless approval of Members has been obtained for the same by way of special resolution.

Since Mr. K. V. K. Seshavataram, Non-Executive Director of the Company is covered under the aforesaid provision being aged more than 75 years, the Company is required to obtain approval of Members by way of special resolution for continuing his Directorship in the Company, post April 1, 2019.

The Company has received intimation in Form DIR-8 from Mr. K.V.K. Seshavataram that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

The resolutions set-forth in Item Nos. 3 & 4 seek the approval of members for continuance of Directorship of Mr. K. V. K. Seshavataram, aged about 77 years, as a Non- Executive Independent Director of the Company and for re-appointment as an Independent Director of the Company commencing from June 23, 2019 up to June 22, 2024 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr. K.V.K. Seshavataram fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Mr. K.V.K. Seshavataram, the Board of Directors at its meeting held on February 2, 2019 approved the continuance of office of Mr. K.V.K. Seshavataram as mentioned in the resolutions.

Mr. K. V. K. Seshavataram (aged 77 years) is a qualified Chartered Accountant, Cost Accountant and Company Secretary and is a member of the Institute of Chartered Accountants of India, the Institute of Cost Accountants of India and the Institute of Company Secretaries of India. He retired as Chairman and Managing Director of Hindustan Zinc Ltd., and has a varied experience of over 35 years in financial and general management, both in the private and public sector.

Mr. Seshavataram helps in bringing independent judgment during Board deliberations on accounting and financial controls, risk management, corporate governance, vigil mechanism and related party transactions. His vast experience in both the private and public sector has been and would be very helpful to the Company from time to time.

Mr. Seshavataram does not hold any shares of Divi's Laboratories Limited. He is not related to any other Directors/KMPs of the Company. He is the Chairman of Audit Committee and Member of Stakeholders Relationship Committee of the Company. He has attended all the four (4) meetings of the Board held during the year 2018-19.

He is neither a Director nor a Member /Chairman of Committees of other Companies.

The Nomination & Remuneration Committee and the Board evaluated the performance of Mr. K.V.K. Seshavataram, rated him satisfactory on all parameters and recommended his re-appointment.

Copy of the draft letter for re-appointment of Mr. K.V.K. Seshavataram as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Mr. K.V.K. Seshavataram, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

Further, in terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended, the approval of the members may be taken through Postal Ballot instead of transacting such businesses at a General Meeting.

Board recommends the resolutions set-forth in Item Nos. 3 & 4 for approval of the members through Postal Ballot, by way of Special Resolution.

By order of the Board of Directors  
for Divi's Laboratories Limited

***P.V. Lakshmi Rajani***  
Company Secretary  
(ACS 18882)

Place : Hyderabad  
Date : 02.02.2019

**Registered Office :**

Divi Towers, 1-72/23(P)/DIVIS/303,  
Cyber Hills, Gachibowli  
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CIN : L24110TG1990PLC011854  
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