



# *Divi's Laboratories Limited*

Date: 30<sup>th</sup> August 2017

To  
The Secretary  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra-Kurla Complex, Bandra (East)  
**MUMBAI – 400 051**

**Stock Code: DIVISLAB**

To  
The Secretary  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
**MUMBAI – 400 001**

**Stock Code: 532488**

Dear Sir/ Madam,


**Sub: Notice of 27<sup>th</sup> Annual General Meeting**

We enclose herewith Notice of the 27<sup>th</sup> Annual General Meeting of the Company scheduled to be held on **Monday, the 25<sup>th</sup> day of September 2017** at 10.00 A.M. at Global Peace Auditorium, Brahma Kumaris, Shanti Sarovar, Academy for Better World, Gachibowli, Hyderabad – 500 032.

This is for your information and records.

Thanking You,

Yours faithfully,  
For **Divi's Laboratories Limited**

  
P V Lakshmi Rajani  
Company Secretary



**“An ISO-9001, ISO-14001 and OHSAS-18001 Triple certified company”**

**Regd. Off. :** Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad - 500 032, Telangana, INDIA.

Tel : 91-40-2378 6300, Fax : 91-40-2378 6460, CIN : L24110TG1990PLC011854

E-mail : mail@divislaboratories.com, Website : www.divislaboratories.com



## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Seventh Annual General Meeting (AGM) of the Members of DIVI'S LABORATORIES LIMITED will be held on Monday the 25th day of September, 2017 at 10.00 A.M. at Global Peace Auditorium, Brahma Kumaris, Shanti Sarovar, Academy for Better World, Gachibowli, Hyderabad – 500 032 to transact the following business:

### ORDINARY BUSINESS:

#### Item No. 1 – Adoption of Financial Statements

To consider and adopt the audited financial statements, including audited consolidated financial statements, for the financial year ended 31st March, 2017 and the reports of the Board of Directors and Auditors thereon.

#### Item No. 2 – Declaration of Dividend

To declare dividend for the financial year ended 31st March 2017

#### Item No. 3 – Re-appointment of Mr. Kiran S. Divi as a Director

To re-appoint Mr. Kiran S. Divi (DIN: 00006503), who retires by rotation and being eligible, offers himself for reappointment as a Director.

#### Item No. 4 – Appointment of Auditors

To appoint M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) as Statutory Auditors of the Company who shall hold office from the conclusion of this AGM until the conclusion of the 32nd AGM of the Company and to fix their remuneration by passing the following resolution:

“RESOLVED that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and pursuant to the recommendations of the Audit Committee of the Board, M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this 27th Annual General Meeting (“AGM”) till the conclusion of the 32nd AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM if so required under the Act), at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors in addition to reimbursement of all out of pocket expenses; and such remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and Board of Directors.”

### SPECIAL BUSINESS:

#### Item No. 5 – Appointment of Dr. Ramesh B. V. Nimmagadda as an Independent Director

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the rules made thereunder, as amended from time to time, read with Schedule IV of the Act, Dr Ramesh B. V. Nimmagadda (DIN: 07854042) who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 27, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and the Articles of Association of the Company, being eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the company, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years upto 26th June, 2022, not liable to retire by rotation.”

#### Item No. 6 – Appointment of Ms. Nilima Motaparti as a Whole-Time Director

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the rules made thereunder as amended from time to time, Ms. Nilima Motaparti (DIN: 06388001) who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 27, 2017 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and the Articles of Association of the Company, being eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, approval of the members of the Company be and is hereby accorded for the appointment of Ms. Nilima Motaparti (DIN: 06388001), as a Whole-time Director of the Company for a period of five years with effect from June 27, 2017 on the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of her appointment) with authority to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration in such manner as may be agreed to between the Board and Ms. Nilima Motaparti, subject to the same not

exceeding the limits specified under Section 197 read with Schedule V to the Act or any statutory modification(s) or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

#### Item No. 7 – Appointment of Dr. S. Ganapathy as an Independent Director

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the rules made thereunder, as amended from time to time, read with Schedule IV of the Act Dr. S. Ganapathy (DIN: 07872766) who was appointed by the Board of Directors as an Additional Director of the Company with effect from July 22, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and the Articles of Association of the Company, being eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the company, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years upto 21st July, 2022, not liable to retire by rotation.”

For and on behalf of the Board

Hyderabad  
22nd July 2017

**Dr. Murali K. Divi**  
Chairman & Managing Director  
(DIN: 00005040)

Registered Office:  
1-72/23(P)/DIVIS/303,  
Divi Towers, Cyber Hills,  
Gachibowli, Hyderabad – 500 032  
CIN: L24110TG1990PLC011854  
e-mail: mail@divisilabs.com

#### NOTES:

1. Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 4 to 7 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person

seeking appointment/ re-appointment as Director are also provided in the Statement.

2. A member entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The instrument appointing proxy, duly completed, should be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

3. Corporate Members intending to send their authorized representatives are requested to send a certified copy of the Board resolution or upload it on the e-voting portal, authorizing their representatives to attend and vote at the Annual General Meeting.

4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

5. Members / proxies / authorized representatives are requested to bring the attendance slips duly filled in for attending the meeting.

6. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.

7. Closure of register of Members and Dividend:

a) The Company has notified that Register of Members and Transfer Books will be closed from 19th September, 2017 to 25th September, 2017 (both days inclusive) for determining the names of the Members eligible for dividend, if approved, on equity shares. In respect of shares held in dematerialized mode, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose.

b) The Board of directors of the company at its meeting held on 26th May 2017 has recommended a dividend of ₹10/- per equity share of ₹2/- as final dividend for the financial year 2016-17. The dividend, if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on 18th September, 2017.



- c) Members may please note that the Dividend Warrants are payable at par at the designated branches of the Bank printed on reverse of the Dividend Warrant for an initial period of 3 months only. Thereafter, the Dividend Warrant on revalidation is payable only at limited centers / branches. The members are, therefore, advised to encash Dividend Warrants within the initial validity period.
8. Bank particulars:
- In order to provide protection against fraudulent encashment of the warrant, members holding shares in physical form are requested to intimate the Company under the signature of sole / first joint holder, the following information to be incorporated on the Dividend Warrants:
- (i) Name of the Sole / First joint holder and the Folio Number.
- (ii) Particulars of Bank account, viz.,
- Name of the Bank
  - Name of the Branch
  - Complete address of the Bank with Pin Code Number
  - Account type, whether Savings (SB) or Current account (CA)
  - Bank Account Number allotted by the Bank
9. Shareholders holding shares in electronic form may kindly note that their Bank account details as furnished by their Depositories to the Company will be printed on their Dividend Warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such shareholders for deletion of / change in such Bank details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Shareholders are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts or to the company's share transfer agent, M/s Karvy Computershare Private Limited, if the shares are held in physical form.
10. Non-Resident Indian Shareholders are requested to inform the registrars, M/s. Karvy Computershare Private Limited immediately:
- a) the change in the Residential status on return to India for permanent settlement.
- b) the particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
11. M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31-32, Gachibowli, Financial Dist., Nanakramguda, Hyderabad – 500 032 acts as the Company's Registrar and Share Transfer Agent and all correspondence may be addressed directly to them. In respect of shares held in Electronic form, shareholders have to send requests or correspond through their respective Depository Participants.
12. Members are advised to register/ update their address, e-mail addresses and bank mandates with their depository participants in case of shares held in electronic form; and with the Company's Registrar and Share Transfer agent, M/s Karvy Computershare Private Limited in case shares held in physical form.
13. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. Shareholders desirous of making nominations are requested to send their requests in to the Registrar and Share Transfer Agent M/s. Karvy Computershare Private Limited.
14. Pursuant to the provisions of Section 124 of the Act, the unpaid or unclaimed dividend for the Financial year 2009-10 is due to be transferred to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Unclaimed dividend for the year(s) 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16 (interim dividend) are held in separate Bank accounts and shareholders who have not received the dividend / encashed the warrants are advised to write to the Company or Registrar and Share Transfer Agents with complete details. The details of the unpaid / unclaimed amounts lying with the Company as on 29th August, 2016 (date of last Annual General Meeting) are available on the website of the Company and on Ministry of Corporate Affairs' website.
- Pursuant to the applicable provisions of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more will be transferred to the demat account of IEPF Authority. The company has already initiated necessary action for transfer of all shares in respect of which dividend has not been paid or claimed by members for seven consecutive years or more. Members are advised to visit the website of the company to ascertain the details of shares liable for transfer in the name of IEPF Authority.
- The shareholders whose unclaimed dividend/ shares as transferred to the IEPF Authority can now claim their unclaimed dividend and shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority.
15. The annual report for the financial year 2016-17 is being sent through email to those members who have opted to receive electronic

communication or who have registered their email addresses with the Company/depository participants. The physical copy of the annual report has been sent to those members who have either opted for the same or have not registered their email addresses with the Company/depository participant. The members will be entitled to a physical copy of the annual report for the financial year 2016-17 upon sending a request to the Company. The Notice of the 27th AGM and the Annual Report 2016-17 will be available on the Company's website [www.divisilabs.com](http://www.divisilabs.com).

16. Members who would like to receive all communication including Annual Report, Notices, Circulars, etc. from the Company in electronic mode in lieu of physical copy (in order to save paper) and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail addresses:

- in respect of electronic shareholding – through their respective Depository Participants;
- in respect of physical shareholding – by sending a request to the Company's Registrar and Share Transfer Agents, mentioning therein their folio number and e-mail address.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agents.

18. All documents referred to in this Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on any working day till the date of AGM.

**19. Remote e-voting**

In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules 2014, as amended and Regulation 44 of the SEBI Listing Regulations and Secretarial Standards on General Meetings (SS2) issued by the Institute of Company Secretaries of India, Divi's Laboratories Limited ("the Company") is pleased to provide to the shareholders the facility to cast their vote electronically through e-voting services provided by M/s. Karvy Computershare Private Limited ("Karvy") on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM who have not

already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to AGM may attend the AGM but shall not be entitled to cast their vote again.

Process for remote e-voting:

The Company has engaged the services of M/s. Karvy Computershare Private Limited ('Karvy') for facilitating remote e-voting to enable the Shareholders to cast their vote electronically.

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

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

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 (E-Voting Event Number) followed by Folio Number.
Password	Your unique password is sent separately/ provided in the email forwarding the electronic notice.

- (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 shareholder 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 numbers 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/Power of Attorney/ 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\_EVENT 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 AGM Notice by Post:
- 1. Please use the User ID and initial password as provided in the AGM Notice Form.
  - 2. Please follow all steps from Sr.No. 1 to 11 as mentioned in (A) above, to cast your vote.
- C. In case of any query 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) or contact Karvy's toll free number 1-800-34-54-001 or phone no. 040 – 6716 1500 for any further clarifications.
- D. The remote e-voting facility is available during the following period:
- (i) Commencement of remote e-voting: From 9.00 a.m. on 21st September, 2017
  - (ii) End of remote e-voting: up to 5.00 p.m. on 24th September, 2017
  - (iii) The remote e-voting will not be allowed beyond the aforesaid date and time. The e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
20. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not be allowed to vote again at the Meeting.
21. The Board of Directors of the Company at its meeting held on 27th June, 2017 has appointed Mr. V Bhaskara Rao, Practising Company Secretary, as Scrutinizer to scrutinize the remote e-voting and poll in a fair and transparent manner. He has communicated his willingness to be appointed and will be available for the same purpose. The Scrutinizer's decision on the validity of e-voting shall be final.
22. The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners as on cut-off date i.e., 18th September, 2017. Members holding shares either in physical form or dematerialized form may cast their vote electronically.
23. Any person who becomes a member of the company after the dispatch of the Notice of the AGM and holds shares as on the cut-off date i.e., 18th September, 2017, may obtain User ID and password in the manner as mentioned below:
- (a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> E-Voting Event Number+ Folio No. or DP ID Client ID to 9212993399.  
  
Example for NSDL: MYEPWD <SPACE> IN12345612345678  
Example for CDSL : MYEPWD <SPACE> 1402345612345678  
Example for Physical : MYEPWD <SPACE> XXXX1234567890
  - b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - c) Member may call Karvy's toll free number 1-800-3454-001
  - d) Member may send an e-mail request to evoting@karvy.com.



24. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., 18th September, 2017 only shall be entitled to avail the facility of remote- e-voting and Poll.
25. The Scrutinizer after scrutinizing the votes cast at the meeting (Poll) and through remote e-voting, will, not later than two days of conclusion of the Meeting, make a consolidated scrutinizers' report and submit the same to the Chairman.
26. Resolutions shall be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the Resolutions.
27. The result of the voting along with Scrutinizers' Report will be communicated to the stock exchanges and will also be hosted on the website of the Company [www.divislab.com](http://www.divislab.com) and on Karvy's website (<https://evoting.karvy.com>) within two (2) days of passing of resolutions.

## EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013)

### Item No. 3

Mr. Kiran S. Divi (41 years) is a graduate in Pharmaceutical Sciences from College of Pharmacy, Manipal, Karnataka and holds a post-graduate degree in Pharmacy from Jawaharlal Nehru Technological University (JNTU), Kakinada, Andhra Pradesh.

He joined the Board of the company on 10.08.2001 and has been designated as Whole-time Director on the Board. Mr. Kiran was involved in understanding the markets in USA for active Pharma ingredients and intermediates for about two years before joining the Board. Mr. Kiran is responsible for Marketing, Regulatory affairs and Operations of the company.

### Directorships held in other companies

Divi's Biotech Private Limited  
 Divi's Resorts Private Limited  
 Divi's Properties Private Limited

### Memberships/ Chairmanships of Committees in other companies

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

### Shareholding in the company

He holds 4,60,00,000 equity shares of the Company.

For details such as number of meetings of the Board attended during the year and remuneration drawn, please refer to the Board's Report and the Corporate Governance Report.

Except Mr. Kiran S. Divi, Dr. Murali K. Divi, Ms. Nilima Motaparti and their relatives, none of the Directors or Key Managerial Personnel of the Company is in any way, concerned or interested in the resolution. The Board commends the Resolution at Item No. 3 for approval by the members.

### Item No. 4

The Companies Act, 2013 ('the Act') was notified effective April 1, 2014. Section 139 of the Act lays down the criteria for appointment and mandatory rotation of statutory auditors. Pursuant to Section 139 of the Act and the Rules made thereunder, it is mandatory for a company to rotate the statutory auditors on completion of maximum term permitted under the said section.

The existing Statutory Auditors, M/s. PVRK Nageswara Rao & Co., Chartered Accountants, Hyderabad have been acting as statutory auditors of the company since 1991 and have completed ten years with the Company by the time the Act was notified. Pursuant to Section 139(2) of the Act and the rules notified in this regard, the existing auditors will be completing the maximum transitional period of three years at the ensuing 27th AGM.

Based on the recommendation of Audit Committee and Board of Directors on 27th June 2017 M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) have been proposed to be appointed as Statutory Auditors of the Company to hold office from the conclusion of 27th Annual General Meeting held on September 25, 2017 for 5 consecutive years till the conclusion of the 32nd Annual General Meeting of the Company in the calendar year 2022 (subject to ratification by the shareholders at each Annual General Meeting).

### Item No. 5

The Board of Directors of the Company appointed, Dr. Ramesh B.V. Nimmagadda as an Additional Director of the Company with effect from June 27, 2017, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("Act") and the Articles of Association of the Company.

In terms of the provisions of Section 161(1) of the Act, Dr. Ramesh Nimmagadda will hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160(1) of the Act proposing the candidature of Dr. Ramesh Nimmagadda for the office of Independent Director of the Company.



Dr. Ramesh B.V. Nimmagadda is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Dr. Ramesh B.V. Nimmagadda that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations. The resolution seeks the approval of members for the appointment of Dr. Ramesh Nimmagadda as an Independent Director of the company up to June 26, 2022 pursuant to 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. Ramesh Nimmagadda fulfills the conditions for his appointment as an Independent Director as specified in the Act and SEBI Listing Regulations. Dr. Ramesh Nimmagadda is independent of the management.

Dr. Ramesh B.V. Nimmagadda (70 years) has an F.R.C.P.C., from Canada and started his career as Medical Oncologist at Saint John Hospital, Canada in the year 1979. He was a Member of N.C.I., Clinical Trials Group, Canada. During the years 1982-1985, he was Member of Royal College Speciality Committee in Medical Oncology, Director at Provincial Cancer Registry, N.B., Canada and Director, Canadian Cancer Society, N.B., Canada.

Dr. Ramesh has shifted to India in the year 1985 and has been with M/s. Apollo Cancer Hospital, Chennai, as Senior Medical Oncologist. Since 1993 he has been Director of Medical Oncology at Apollo Speciality Cancer Hospital, Chennai.

Dr. Ramesh Nimmagadda is a member of several Oncology Organizations like American Society of Clinical Oncology, Indian Society of Oncology, Indian Society of Medical and Paediatric Oncology, Indian Co-operative Oncology Network.

Dr. Ramesh does not hold any shares of the company. He is neither a director nor a Member /Chairman of Committees of other Companies.

Copy of the draft letter of appointment of Dr. Ramesh Nimmagadda 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. Ramesh Nimmagadda, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution. The Board commends the Resolution at Item No. 5 for approval by the members.

#### **Item No. 6**

The Board of Directors, at its meeting held on June 27, 2017 appointed Ms. Nilima Motaparti, as an Additional Director of the Company with effect from June 27, 2017 and have appointed her as a whole-time Director of the

Company effective from the same date, for a period of five years, subject to the approval of the Members. Her appointment has been recommended by the Nomination and Remuneration Committee. The Audit Committee has approved the terms and conditions of her appointment, as she, is a related party as per Section 2(76) of the Act.

As per the provisions of Section 161(1) of the Act, she holds office of Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received a notice under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, along with the requisite deposit.

Ms. Nilima Motaparti (35 years) has a Master's Degree in International Business from Gitam Institute of Foreign Trade, Visakhapatnam and in International Finance from Glasgow University, U.K. Ms. Nilima has significant international exposure in UK and Scotland for over 5 years before joining the company and has commercial acumen and familiarity with international environment on material requirement planning and financing.

Ms. Nilima Motaparti joined the company on July 2, 2012 as Chief Controller (Commercial) in the management cadre of the Company. She oversees the commercial functions comprising of Procurement as well as Finance/Accounting/Secretarial, CSR Projects and work towards cost control in these areas. She has played a key role in helping the Company to implement just-in time inventory management and global procurement practices.

#### **Directorships held in other companies**

Divi's Biotech Private Limited  
Divi's Resorts Private Limited  
Divi's Properties Private Limited  
Lightbox Creations Private Limited  
Mezzequity Software Services Limited  
Paper Engineering Services Private Limited  
Volta Granites Private Limited  
Vinyl Chemicals Private Limited  
Sri Sarathi Studios Private Limited

#### **Memberships/ Chairmanships of Committees in other companies**

She is neither a Member nor Chairman of Committees of other Companies.

#### **Shareholding in the company**

She holds 5,40,00,000 equity shares of the Company.

It is proposed to seek the members' approval for the appointment of and payment of remuneration to Ms. Nilima Motaparti as whole-time Director in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Act and the Rules made thereunder.



Broad particulars of the terms of remuneration payable to Ms. Nilima Motaparti are as under:

**Salary, perquisites and other allowances:**

- i) Salary of ₹4,00,000/- per month.
- ii) In addition to the aforesaid salary, she shall be entitled to following Perquisites and allowances:
  - a) Rent free furnished accommodation or house rent allowance in lieu thereof
  - b) Re-imbursement of expenses for gas, electricity and water
  - c) Re-imbursement of medical expenses
  - d) Personal accident insurance premium and premium on mediclaim policy
  - e) Leave travel concession for self and her family including dependents
  - f) Re-imbursement of actual Club fees
  - g) Company's contribution towards pension scheme or superannuation fund together with provident fund not exceeding 25% of the salary wherein contribution towards provident fund shall not exceed 12% of the salary.
  - h) Gratuity payable as per the Rules of the Company/ Trust
  - i) Use of company car for official purposes and telephone at residence (including payment for local calls and long distance official calls)
  - j) Encashment of un-availed leave as per the rules of the company
  - k) All other payments in the nature of perquisites and allowances agreed by the Board of Directors from time to time

Perquisites shall be evaluated as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. However, contribution towards pension scheme, superannuation fund, provident fund, gratuity fund, use of company car for official purposes and telephone at residence and encashment of un-availed leave at the end of the year shall not be included in the aforesaid perquisites limit.

**Minimum Remuneration**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Director, the Company does not have profits or its profits are inadequate, the company will pay remuneration by way of salary, perquisites and allowances, commission not exceeding

the maximum limits as prescribed under Section II, Part II of Schedule V to the Act as amended from time to time as minimum remuneration to Ms. Nilima Motaparti.

**Aggregate remuneration**

The aggregate of remuneration, commission and perquisites / benefits including contribution towards provident fund, superannuation fund, gratuity fund, payable to Ms. Nilima Motaparti, individually or to all whole time directors of the Company taken together, shall not exceed during any financial year 5% / 10% of profits of the Company calculated in accordance with the provisions of Sections 198 of the Companies Act, 2013.

Ms. Nilima Motaparti satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for her appointment. She is not disqualified from being appointed as Directors in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of appointment of Ms. Nilima Motaparti under Section 190 of the Act.

Ms. Nilima Motaparti is interested in the resolution set out at Item No. 6 of the Notice, as the same relates to her appointment and remuneration payable to her. Dr. Murali K. Divi and Mr Kiran S Divi being related to Ms. Nilima Motaparti are deemed to be interested in the resolution. The relatives of Ms. Nilima may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Resolution at Item No. 6 for approval by the Members.

**Item No. 7**

The Board of Directors of the Company appointed, Dr. S. Ganapaty as an Additional Director of the Company with effect from July 22, 2017, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company.

In terms of the provisions of Section 161(1) of the Act, Dr. S. Ganapaty will hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 (1) of the Act proposing the candidature of Dr. S. Ganapaty for the office of Independent Director of the Company.

Dr. S. Ganapaty is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.



The Company has received a declaration from Dr. S. Ganapaty that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations. The resolution seeks the approval of members for the appointment of Dr. S. Ganapaty as an Independent Director of the company up to July 21, 2022 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Dr. S. Ganapaty fulfills the conditions for his appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations.

Dr. S. Ganapaty (64 years) has an M.Pharm., from Andhra University, Visakhapatnam, M.Sc. in Pharmacology from University of Strathclyde, Glasgow, U.K., and has a Ph.D., from Andhra University.

After a brief stint as Chief Pharmacist, Government Pharmacy, Pondicherry from the year 1976 to 1979, Dr. Ganapaty joined Andhra University, Visakhapatnam, Andhra Pradesh during the year 1980 as Faculty for Pharmaceutical Sciences and held various positions as Member, Advisory Committee, University Scientific Instrumentation Center, Associate Dean (Student Affairs), Warden for the College of Engineering, Chairman of the Faculty of Pharmaceutical Sciences, Principal of the University College of Pharmaceutical Sciences and Rector of the University. He is currently Principal & Dean, GITAM Institute of Pharmacy, GITAM University, Visakhapatnam, Andhra Pradesh.

He has teaching and research experience in pharmaceutical sciences for over 35 years and has supervised several doctorate students. He has published over 145 research papers in national and international journals and has 3 patents.

Dr. Ganapaty received several awards for best Ph.D thesis, Best Researcher, Best Academician, National award as Pharmacy Teacher for the year 2007 and was Fellow of AP Academy of Sciences, Member of Board of Studies of several Universities in India. He was member of Editorial Board of several Pharmaceutical magazines and publications. He is a Life Member in a many Professional Bodies (IPA, IPGA, APTI, ISPC) and American Chemical Society.

Dr. Ganapaty does not hold any shares of the company. He is neither a director nor a Member /Chairman of Committees of other Companies.

Copy of the draft letter of appointment of Dr. Ganapaty 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. Ganapaty, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution. The Board commends the Resolution at Item No. 7 for approval by the members.

For and on behalf of the Board

Hyderabad  
22nd July 2017

**Dr. Murali K. Divi**

Chairman & Managing Director  
(DIN: 00005040)

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



## DIVI'S LABORATORIES LIMITED

CIN : L24110TG1990PLCo11854

Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad-500032, Telangana, India.

Tel.: +91 40 2378 6300; Fax: +91 40 2378 6460

E-mail : mail@divislabs.com; URL : www.divislabs.com

**Share Transfer Agent:** M/s.Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31-32,  
Gachibowli, Financial District, Nanakramguda, Hyderabad-500032  
CIN : U74140TG2003PTCo41636

### ATTENDANCE SLIP

Regd. Folio No.		* DP ID :	
No. of Equity Shares held		* Client ID :	

I/We hereby record my/our presence at the 27th Annual General Meeting of the Company to be held at Global Peace Auditorium, Brahma Kumaris, Shanti Sarovar, Academy for Better World, Gachibowli, Hyderabad – 500 032 at 10.00 A.M. on Monday the 25th day of September, 2017.

### SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING

\_\_\_\_\_  
**if Member, Please sign here**

\_\_\_\_\_  
**If Proxy, Please sign here**

Note : This form should be signed and handed over at the Meeting Venue.

\*Applicable for investors holding shares in electronic form.

# AGM VENUE ROUTE MAP





# DIVI'S LABORATORIES LIMITED

CIN : L24110TG1990PLC011854

Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad-500032, Telangana, India.

Tel.: +91 40 2378 6300; Fax: +91 40 2378 6460

E-mail : mail@divislabs.com; URL : www.divislabs.com

**Share Transfer Agent:** M/s.Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31-32,

Gachibowli, Financial District, Nanakramguda, Hyderabad-500032

CIN : U74140TG2003PTC041636

## PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules,2014)

Name of the Member(s).....

Registered address : .....

E-mail id : .....

Folio No./Client ID : .....

DP ID : .....

I/We, being the member(s) of.....shares of the above named Company, hereby appoint

1. Name .....

Address .....

E-mail id.....Signature.....,or failing him

2. Name .....

Address .....

E-mail id.....Signature.....,or failing him

3. Name .....

Address .....

E-mail id ..... Signature.....

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company to be held at Global Peace Auditorium, Brahma Kumaris, Shanti Sarovar, Academy for Better World, Gachibowli, Hyderabad – 500 032 at 10.00 A.M. on Monday the 25th day of September, 2017 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I/We wish my above proxy(ies) to vote in the manner as indicated in the box below :

Resolutions	For	Against	Abstain
1 Adoption of Audited Financial Statements, Reports of the Board of Directors and Auditors for the year ended 31st March, 2017			
2 Declaration of dividend on Equity Shares for the financial year ended 31st March, 2017			
3 Re-appointment of Mr. Kiran S. Divi (DIN:00006503), who retires by rotation and being eligible, offers himself for re-appointment			
4 Appointment of Statutory Auditors and fixation of their remuneration			
5 Appointment of Dr. Ramesh B. V. Nimmagadda (DIN:07854042) as an Independent Director			
6 Appointment of Ms. Nilima Motaparti (DIN:06388001) as a Whole-time Director			
7 Appointment of Dr. S. Ganapaty (DIN:07872766) as an Independent Director			

Signed this.....day of.....2017.

Affix a  
revenue  
stamp

\_\_\_\_\_  
**Signature of shareholder**

\_\_\_\_\_  
**Signature of first proxy holder**

\_\_\_\_\_  
**Signature of second proxy holder**

\_\_\_\_\_  
**Signature of third proxy holder**

\*\*This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

**Note :**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent, of the total share capital of the company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.