

Notice to Members

NOTICE is hereby given that the 47th Annual General Meeting of the Members of **THEMIS MEDICARE LIMITED** will be held at the Registered Office of the Company at Plot No. 69-A, GIDC Industrial Estate, Vapi, Dist. Valsad, Gujarat-396 195 on Wednesday, 27th September, 2017 at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2017, together with the Auditors' Report and Directors' Report thereon.
2. To appoint a Director in place of Mr. Lajos Kovacs (DIN 01297326) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and in this regard, to consider and if thought –fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. R. P. Sardar & Co., Chartered Accountants (Firm Registration No. 109273W), be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditors M/s M. T. Ankleshwaria & Co., Chartered Accountants (Firm Registration no. 100501W), to hold office from the conclusion of 47th Annual General Meeting (AGM) until the conclusion of the 52nd AGM (subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting) and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration plus applicable taxes for the said period and permit reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties.”

SPECIAL BUSINESS:

4. Ratification of Remuneration to Cost Auditor

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment hereof, for the time being in force), M/s. B.J.D. Nanabhoy & Co., Cost Accountants (Firm Registration No. 0011) Mumbai, be appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost accounts maintained by the Company in respect of bulk drugs and formulations for the financial year ended 31st March, 2018, on a remuneration as fixed by the Board of Directors of the Company for the aforesaid financial year, plus applicable taxes and out-of-pocket expenses incurred by them in performance of their duties;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this Resolution.”

5. Appointment of Dr. Gabor Gulacsi (DIN: 06975242) as a Non Executive Director, liable to retire by rotation.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 (“the Rules”), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Dr. Gabor Gulacsi (DIN: 06975242) who was appointed by the Board of Directors as an Additional Director of the Company with effect from February 14, 2017, pursuant to Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, who being eligible, offers

himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act along with the requisite deposit, from a Member proposing the candidature of Dr. Gabor Gulacsi for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

6. **Appointment of Mrs. Jayshree D. Patel (DIN: 00033316) as a Whole-Time Director**

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Section II of Part II of Schedule V to the Companies Act, 2013 and Articles of Association of the Company, Mrs. Jayshree D. Patel (DIN: 00033316) who was appointed as an Additional Director on the Board with effect from 28th March, 2017 (“appointment date”), in terms of Section 161 of the Companies Act, 2013, (and in respect of which the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying its intention to propose Mrs. Jayshree D. Patel as a candidate for the office of a director of the Company), be and is hereby appointed as Whole-Time Director of the Company, to hold office for a period of 5 (five) years with effect from 28th March, 2017.

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded to pay the remuneration, as set out in the Explanatory Statement annexed to this Notice convening the Annual General Meeting, to Mrs. Jayshree D. Patel (DIN: 00033316), for three (3) years with the effect from March 28, 2017.

RESOLVED FURTHER THAT in case the Company does not earn any profits or earns inadequate profits the remuneration payable to Mrs. Jayshree D. Patel (DIN: 00033316) as set out in the Explanatory Statement annexed to this Notice convening the Annual General Meeting shall be subject to the ceiling limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013. However, in case the

Company does not earn any profits or earns inadequate profits the remuneration payable to Mrs. Jayshree D. Patel (DIN: 00033316) may exceed the above ceiling subject to the prior approval of Central Government and such other approvals, if any necessary.

RESOLVED FURTHER THAT the Board and / or its Committee be and is hereby authorised in its absolute discretion to decide/determine, fix and/ or vary/alter/modify within the limit stated above, the remuneration (including Remuneration in the event of absence or inadequacy of profits in any financial year) payable to Mrs. Jayshree D. Patel (DIN: 00033316), from time to time and to comply with all legal provisions and to do all such acts, deeds, things and matters etc., as may be considered necessary, desirable, expedient or proper to give effect to this resolution.”

7. **Re-designation of Dr. Sachin D. Patel as a Managing Director and Chief Executive Officer (MD & CEO) (DIN: 00033353) of the Company and payment of remuneration.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Section II of Part II of Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to such other approvals, permissions and sanctions, consent of the members of the Company be and is hereby accorded to re-designate Dr. Sachin D. Patel (DIN: 00033353) as Managing Director & Chief Executive Officer (MD & CEO) of the Company for a period of 5 (five) years with effect from February 14, 2017.

RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to pay the remuneration, as set out in the Explanatory Statement annexed to this Notice convening the Annual General Meeting, to Dr. Sachin D. Patel (DIN: 00033353), as Managing Director & Chief Executive Officer (MD & CEO) of the Company for three (3) years with the effect from February 14, 2017.

RESOLVED FURTHER THAT in case the Company does not earn any profits or earns inadequate profits the remuneration payable to Dr. Sachin D. Patel (DIN: 00033353) as set out in the Explanatory Statement annexed to this Notice convening the Annual General Meeting shall be subject to the ceiling limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013. However, in case the Company does not earn any profits or earns inadequate profits the remuneration payable to Dr. Sachin D. Patel (DIN: 00033353) may exceed the above ceiling subject to the prior approval of Central Government and such other approvals, if any necessary.

RESOLVED FURTHER THAT the Board and / or its Committee be and is hereby authorised in its absolute discretion to decide/determine, fix and/ or vary/alter/modify within the limit stated above, the remuneration (including Remuneration in the event of absence or inadequacy of profits in any financial year) payable to Dr. Sachin D. Patel (DIN: 00033353), from time to time and to comply with all legal provisions and to do all such acts, deeds, things and matters etc., as may be considered necessary, desirable, expedient or proper to give effect to this resolution.”

8. **Re-designation of Dr. Dinesh S. Patel (DIN: 00033273) as Whole-Time Director Designated as ‘Executive Vice Chairman’ of the Company and payment of remuneration.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Section II of Part II of Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to such other approvals, permissions and sanctions, consent of the members of the Company be and is hereby accorded to re-designate Dr. Dinesh S. Patel (DIN: 00033273) as Whole-Time Director (Designated as ‘Executive Vice Chairman’) of the Company for a period of 5 (five) years with effect from February 14, 2017.

RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to pay the minimum remuneration, as set out in the Explanatory Statement annexed to this Notice convening the Annual General Meeting, to Dr. Dinesh S. Patel (DIN: 00033273), as Whole-Time Director (Designated as ‘Executive Vice Chairman’) of the Company for three (3) financial years with the effect from April 1, 2017.

RESOLVED FURTHER THAT in case the Company does not earn any profits or earns inadequate profits the remuneration payable to Dr. Dinesh S. Patel (DIN: 00033273) as set out in the Explanatory Statement annexed to this Notice convening the Annual General Meeting shall be subject to the ceiling limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013. However, in case the Company does not earn any profits or earns inadequate profits the remuneration payable to Dr. Dinesh S. Patel (DIN: 00033273) may exceed the above ceiling subject to the prior approval of Central Government and such other approvals, if any necessary.

RESOLVED FURTHER THAT the Board and / or its Committee be and is hereby authorised in its absolute discretion to decide/determine, fix and/ or vary/alter/modify within the limit stated above, the remuneration (including Remuneration in the event of absence or inadequacy of profits in any financial year) payable to Dr. Dinesh S. Patel (DIN: 00033273), from time to time and to comply with all legal provisions and to do all such acts, deeds, things and matters etc., as may be considered necessary, desirable, expedient or proper to give effect to this resolution.”

By order of the Board of Directors

SD/-

Sangameshwar Iyer

Company Secretary & Compliance Officer
Membership No. A6818

MUMBAI : 21st August, 2017

Regd. Office : Plot No. 69-A, GIDC Industrial Estate,
Vapi-396 195, Dist. Valsad, (Gujarat).

CIN : L24110GJ1969PLC001590

NOTES:

A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

1. The Instrument appointing the Proxy, duly completed, stamped and signed, should reach the Registered Office of the Company not less than forty-eight hours before the time of the Annual General Meeting. Members are requested to note that 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. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In terms of Section 152 of the Companies Act, 2013, Mr. Lajos Kovacs (DIN 01297326), Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.
5. The details of the Directors seeking appointment/reappointment under item nos. 2, 5, 6, 7 and 8 of this Notice, are annexed hereto in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings.
6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
8. 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.
9. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
10. The Company has notified closure of Register of Members and Share Transfer Books from Thursday, 21st September, 2017 to Wednesday, 27th September, 2017 (both days inclusive).
11. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012.
12. 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 to the Company/Link Intime India Pvt. Ltd. (Registrar and Share Transfer Agent), Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

13. Instructions for shareholders voting electronically are as under:

Pursuant to the provisions of Section 108 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, as amended and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

The Board of Directors of the Company has appointed Mr. Shirish Shetye, a Practicing Company Secretary, Mumbai, as a Scrutinizer to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the purpose.

- (i) The voting period begins on Saturday, 23rd September, 2017 (at 9.00 am) and ends on Tuesday, 26th September, 2017 (till 5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date), i.e. 20th September, 2017 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 | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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) | 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. <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 for the relevant **Themis Medicare 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 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**
 - a) 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.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c) 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.
 - d) 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.
 - e) 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. **In case of members receiving the physical copy:**
 - A. The Ballot Form will be provided for the benefit of shareholders, who do not have access to E-voting facility.
 - B. Pursuant to the applicable provisions of the Companies Act, 2013 & Listing Regulations, members who do not have access to E-voting facility, may exercise their right to vote on business to be transacted at the Annual General Meeting of the Company by submitting the Ballot Form.
 - C. At the end of the discussion on the resolutions on which voting is to be held, the members who are present at the meeting but have not cast their votes by availing the e-voting facility will be allowed voting with the assistance of Scrutinizer by way of ballot /polling paper.
 - D. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the

presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.themismedicare.com and on the website of CDSL www.evotinindia.com immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4:

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on 10th May, 2017, the Board has, considered and approved the appointment of M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai as the cost auditor for the financial year 2017-18 at a remuneration of ₹2,57,000/- per annum plus applicable service tax and reimbursement of out of pocket expenses, if any, in connection with the Cost Audit.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

The Board has recommended to the members to pass the above resolution.

Item No. 5:

Pursuant to the provisions of Sections 152, 161(1) and other applicable provisions of the Act read with applicable Rules framed thereunder and the Articles of Association of the Company, the Board of Directors had, on the recommendation of the Nomination and Remuneration Committee, appointed Dr. Gabor Gulacsi as an Additional Director of the Company with effect from February 14, 2017.

The Company has received a Notice from member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

Dr. Gabor Gulacsi is an Economist and holds Doctorate in Economic Sciences and is well experienced in the field of finance and management and general business administration.

Dr. Gabor Gulacsi is on the Board of Richter Themis Medicare (India) Private Limited.

The Board recommends passing of the Ordinary Resolution as set out in the Item no. 5 of the Notice for the appointment of Dr. Gabor Gulacsi as a Director, liable to retire by rotation.

Except Dr. Gabor Gulacsi being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

Item No. 6:

Pursuant to the provisions of Sections 149, 152, 161(1) and other applicable provisions of the Act read with applicable Rules framed thereunder and the Articles of Association of the Company, the Board of Directors had, on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Jayshree D. Patel as an Additional Director (Whole-Time Director) with effect from March 28, 2017 on below mentioned terms and Remuneration.

- i. Salary of ₹3.50 Lakhs per month.
- ii. Any increase in the salary will be decided on a yearly basis, as approved by the Nomination and Remuneration Committee and the Board of Directors in accordance with provisions of Schedule V and other applicable provisions of the Companies Act, 2013.

In addition to above, she shall be entitled to the following perquisites:

1. Provision of Car for use on Company's business.
2. Reimbursement of Telephone expenses.

The Company has received a Notice from member in writing along with requisite deposit under Section 160 of the Act, proposing her candidature for the office of Director.

Mrs. Jayshree D. Patel has vast experience in finance as well as general administration and has, in immediate past, served as a Consultant of the Company.

Mrs. Jayshree D. Patel is on the Board of Artemis Biotech Limited, Vividh Distributors Pvt. Ltd, Pharmaceutical Business Group (India) Limited, Themis Distributors Private Limited and Vividhmargi Investments Private Limited.

The Board recommends the passing of the Special Resolution as set out in the Item no. 6 of the Notice for the appointment of Mrs. Jayshree D. Patel, as a Whole-Time Director, not liable to retire by rotation.

Mrs. Jayshree D. Patel being an appointee is interested in the proposed Resolution. None of the Directors, Managers and Key Managerial Personnel except Dr. Dinesh S. Patel, Dr. Sachin D. Patel and Ms. Reena S. Patel, being relatives of Mrs. Jayshree D. Patel, are concerned or interested in the above resolution.

The Board has recommended to the members to pass the above resolution.

Item No. 7:

At the 45th Annual General Meeting of the Company held on 21st September, 2015, a Special Resolution was passed approving re-appointment of Dr. Sachin D. Patel as Whole Time Director designated as (Deputy Managing Director) for a period of 5 years with effect from 29th June, 2015.

The Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, re-designated Dr. Sachin D. Patel as Managing Director & Chief Executive Officer (MD & CEO) of the Company for a period of 5 years w.e.f 14th February, 2017 important terms of which are disclosed in this explanatory statement.

Following is the extract of the terms of contract and revised remuneration payable to Dr. Sachin D. Patel effective from 14th February, 2017 for a period of 5 years:

1. Salary of ₹4.75 Lakhs per month.
2. Any increase in the salary will be decided on a yearly basis, as approved by the Nomination and Remuneration Committee and the Board of Directors in accordance with provisions of Schedule V and other applicable provisions of the Companies Act, 2013.

In addition to above, he shall be entitled to the following perquisites:

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund, if any, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

2. Contribution, if any, to Gratuity Trust not exceeding half a month's salary for each completed year of service.
3. Provision of Car for use on Company's business.
4. Reimbursement of Telephone expenses.
5. Encashment of leave at the end of the tenure.

Reimbursement of following:

1. Electricity, gas, water bill & other utilities
2. Maintenance and other major repairs at residential premises
3. Reimbursement of actual medical expenses including hospitalization for self and family members
4. Family members include self, spouse and dependent children.

Commission, if any, payable as per the provisions of the Companies Act, 2013 and as determined by the Nomination and Remuneration Committee of the Company from time to time.

Dr. Sachin D. Patel holds qualification of PH.D.CChem. from the University of Cambridge. U.K.

Dr. Sachin D. Patel is on the Board of Gujarat Themis Biosyn Ltd, Richter Themis Medicare (I) Pvt. Ltd, Long Island Nutritionals Pvt Ltd, Artemis Biotech Limited, Themis Lifestyle Pvt Ltd, Vividhargi Investments Private Limited, Bombay North Star Foundation and Carpo Medical Limited (UK).

Dr. Sachin D. Patel being an appointee is interested in the proposed Resolution. None of the Directors, Managers and Key Managerial Personnel except Dr. Dinesh S. Patel, Mrs. Jayshree D. Patel and Ms. Reena S. Patel, being relatives of Dr. Sachin D. Patel, are concerned or interested in the above resolution.

The Board has recommended to the members to pass the above resolution.

Item No. 8:

At the 45th Annual General Meeting of the Company held on 21st September, 2015, a Special Resolution was passed approving re-appointment of Dr. Dinesh S. Patel as Managing Director and Chief Executive Officer for a period of 5 years with effect from 29th June, 2015.

The Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, re-designated Dr. Dinesh S. Patel as Whole-Time Director (Designated as 'Executive Vice Chairman') of the Company for a period of 5 years w.e.f 14th February, 2017 important terms of which are disclosed in this explanatory statement.

Dr. Dinesh S. Patel will attain the age of 70 years on November 02, 2018 and hence appointment and continuation of his employment as Executive Vice Chairman requires the approval of members by way of a Special Resolution. Therefore, it is proposed to pass a Special Resolution for his appointment as Whole-Time Director (Designated as 'Executive Vice Chairman') for a period of 5 years w.e.f 14th February, 2017.

Following is the extract of the terms of contract and revised remuneration payable to Dr. Dinesh S. Patel effective from 14th February, 2017 for a period of 5 years:

1. Salary of ₹5 Lakhs per month.
2. Any increase in the salary will be decided on a yearly basis, as approved by the Nomination and Remuneration Committee and the Board of Directors in accordance with provisions of Schedule V and other applicable provisions of the Companies Act, 2013.

In addition to above, he shall be entitled to the following perquisites:

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund, if any, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Contribution, if any, to Gratuity Trust not exceeding half a month's salary for each completed year of service.
3. Provision of Car for use on Company's business.
4. Reimbursement of Telephone expenses.
5. Encashment of leave at the end of the tenure.

Reimbursement of following:

5. Electricity, gas, water bill & other utilities
6. Maintenance and other major repairs at residential premises
7. Reimbursement of actual medical expenses including hospitalization for self and family members
8. Family members includes self, spouse and dependent children.

Commission, if any, payable as per the provisions of the Companies Act, 2013 and as determined by the Nomination and Remuneration Committee of the Company from time to time.

Dr. Dinesh S. Patel holds qualification as PH.D. CChem., FRSC (London.)

Dr. Dinesh S. Patel is on the Board of Gujarat Themis Biosyn Ltd, Richter Themis Medicare (I) Pvt. Ltd, Artemis Biotech Limited, Pharmaceutical Business Group (India) Limited, Themis Lifestyle Pvt Ltd and Vividhmargi Investments Private Limited

Dr. Dinesh S. Patel being an appointee is interested in the proposed Resolution. None of the Directors, Managers, Key managerial Personnel except Dr. Sachin Patel, Mrs. Jayshree D. Patel and Ms. Reena S. Patel, being relatives of Dr. Dinesh S. Patel are concerned or interested in the above resolution.

The Board has recommended to the members to pass the above resolution.

By order of the Board of Directors

SD/-

Sangameshwar Iyer

Company Secretary & Compliance Officer

Membership No. A6818

MUMBAI : 21st August, 2017
 Regd. Office : Plot no. 69-A, GIDC Industrial Estate,
 Vapi-396 195, Dist. Valsad, (Gujarat).
 CIN : L24110GJ1969PLC001590

Annexure to Items 2, 5, 6, 7 and 8 of the Notice

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

| Name of the Director | Mr. Lajos Kovacs | Dr. Gabor Gulacsi |
|--|--|--|
| Date of Birth | 30/08/1960 | 08/05/1958 |
| Nationality | Hungary | Hungary |
| Date of Appointment on the Board | 26/03/1997 | 14/02/2017 |
| Qualifications | Chemical Engineer | Economist, Doctorate in Economic Sciences. |
| Expertise in specific functional Area | R & D Management & over 35 years of industrial Manufacturing | Financial and Economic decision making |
| Number of shares held in the Company | Nil | Nil |
| List of the directorships held in other companies* | Nil | Nil |
| Number of Board Meetings attended during the year | Nil | 1 |
| Chairman/ Member in the Committees of the Boards of companies in which he is Director* | Nil | Nil |
| Relationships between Directors inter-se | None | None |
| Remuneration details | Nil | Nil |
| *Directorship includes Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether Listed or not). | | |

| Name of the Director | Mrs. Jayshree D. Patel | Dr. Sachin D. Patel |
|--|---|---|
| Date of Birth | 13/10/1951 | 18/01/1975 |
| Nationality | Indian | Indian |
| Date of Appointment on the Board | 20/05/1995 | 14/02/2007 |
| Qualifications | B.A. (Hons.) with Psychology | Doctorate in Biological Chemistry from Christ's college, University of Cambridge, UK. |
| Expertise in specific functional Area | Vast experience in finance as well as general administration and has, in the immediate past, served as a Consultant of the Company. | He is associated with Company for last 17 years at present as Managing Director & CEO. Earlier held position of Deputy Managing Director, Director- Business Development and senior managerial position in the Company. |
| Number of shares held in the Company | 636414 | 520405 |
| List of the directorships held in other companies* | 1. Artemis Biotech Limited 2. Pharmaceutical Business Group (India) Limited | 1. Gujarat Themis Biosyn Ltd 2. Artemis Biotech Limited |
| Number of Board Meetings attended during the year | 6 | 5 |

| Name of the Director | Mrs. Jayshree D. Patel | Dr. Sachin D. Patel |
|--|---|--|
| Chairman/ Member in the Committees of the Boards of companies in which he is Director* | <u>Chairperson:</u> None <u>Member</u> None | <u>Chairman</u> a) Audit Committee – Nil b) Stakeholder Relationship Committee – Gujarat Themis Biosyn Ltd. <u>Member</u> a) Audit Committee – Themis Medicare Ltd, Gujarat Themis Biosyn Ltd b) Stakeholder Relationship Committee – Themis Medicare Limited |
| Relationships between Directors inter-se | Mrs. Jayshree D. Patel is wife of Dr. Dinesh S. Patel, mother of Dr. Sachin D. Patel and mother-in-law of Mrs. Reena S. Patel | Dr. Sachin D. Patel is son of Dr. Dinesh S. Patel & Mrs. Jayshree D. Patel and husband of Mrs. Reena S. Patel |
| Remuneration details | Proposed Remuneration – Rs. 3,50,000/- p.m | Proposed Remuneration – Rs. 4,75,000/- p.m |
| *Directorship includes Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether Listed or not). | | |

| Name of the Director | Dr. Dinesh S. Patel |
|--|--|
| Date of Birth | 02/11/1948 |
| Nationality | Indian |
| Date of Appointment on the Board | 29/06/2007 |
| Qualifications | Doctorate in Medicinal Chemistry. Fellow of the Royal Society of Chemistry, London, U.K. |
| Expertise in specific functional Area | More than 40 years experience in Medicinal and pharmaceutical research, Fermentation Technology & exploitation of new molecules. Associated with the Company in past as Managing & CEO / Whole Time Director for last more than 25 years |
| Number of shares held in the Company | 676707 |
| List of the directorships held in other companies* | 1. Gujarat Themis Biosyn Ltd. |
| Number of Board Meetings attended during the year | 7 |
| Chairman/ Member in the Committees of the Boards of companies in which he is Director* | <u>Chairman:</u> None <u>Member</u> a) Audit Committee- Nil b) Stakeholder Relationship Committee – Gujarat Themis Biosyn Ltd |
| Relationships between Directors inter-se | Dr. Dinesh S. Patel is husband of Mrs. Jayshree D. Patel, father of Dr. Sachin D. Patel and father-in-law of Mrs. Reena S. Patel. |
| Remuneration details | Proposed Remuneration – ₹5,00,000/- p.m |
| *Directorship includes Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether Listed or not). | |

Annexure to the Explanatory Statement

Information as required under Section II of Part II of Schedule V of the Companies Act, 2013 and forming part of the explanatory statement to the Notice convening the Annual General Meeting.

(For Item Nos. 6 to 8).

I. GENERAL INFORMATION

Nature of Industry:- Pharmaceuticals

Date or expected date of commencement of commercial production:-

The Company was incorporated on May 31, 1969 and commenced its business on August 16, 1969.

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:- Not applicable.

Financial performance:-

(Based on Audited published financial statement)

(₹ In Lakhs)

| Particulars | 31.03.2017 | 31.03.2016 |
|---------------------------|------------|------------|
| Total Revenue | 21,945.86 | 20562.88 |
| Less: Expenses | 20,245.81 | 19110.38 |
| Profit/ (Loss) before tax | 1,700.05 | 1452.50 |
| Less – Tax Expense | 53.99 | 53.99 |
| Profit/ (Loss) after tax | 1,754.04 | 1506.49 |

Foreign Investments or Collaborators, if any:- NA

II. INFORMATION ABOUT THE APPOINTEES

a) Mrs. Jayshree D. Patel (Item No. 6 of the Notice)

1. Background details:-

B. A. (Hons.) with Psychology. Actively associated with the day to day affairs of the Group for past 35 years. Managing Director of erstwhile Artemis Biotech Ltd. for 7 years which is merged with the Company. Prior to that more than 15 years Managing Director of two group private limited Companies.

2. Remuneration:-

The Nomination & Remuneration Committee and Board of Directors of the Company has approved remuneration of ₹3.50 Lakhs per month as per Companies Act, 2013 read with rules made there under and Schedule V of the Act.

3. Recognition and Awards:- Nil

4. Job Profile and his suitability:-

Being Managing Director of erstwhile Artemis Biotech Ltd., she has experience of overall Pharma Industry operations. As a Whole Time Director, she will be actively involved in day to day affairs of the Company such as financial and administrative operations.

5. Remuneration proposed:-

The proposed remuneration is ₹3.50 Lakhs per month pursuant to provision of Companies Act, 2013 read with rules made thereunder and Schedule V of the Act.

6. Comparative remuneration profile with respect to industry, size of the company profile of the position and person:-

Taking into consideration the size of the Company, profile of Mrs. Jayshree D. Patel, Whole-Time Director, responsibility shouldered on her and the industry standard, the remuneration proposed is commensurate with the remuneration packages paid to Managerial Personnel in similar companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:-

Mrs. Jayshree D. Patel does not have any other pecuniary relationship with the Company directly or indirectly. Mrs. Jayshree D. Patel is a relative of Dr. Dinesh S. Patel (Husband), Dr. Sachin D. Patel (Son) and Mrs. Reena S. Patel (Daughter in law).

b) Dr. Sachin D. Patel (Item No. 7 of the Notice)

1. Background details:-

Conferred with Ph.D. degree in Chemistry by the Board of Graduate Studies, University of Cambridge, U. K. in the year 2000. He was previously associated with the Company as a Whole-Time Director designated as “Deputy Managing Director” and prior to that held the position Director– Business Development.

2. Remuneration:

The Nomination & Remuneration Committee and Board of Directors of the Company have approved remuneration of ₹4.75 Lakhs per month as per Companies Act, 2013 read with rules made there under and schedule V of the Act.

3. Recognition and Awards:-

The Royal Society of Chemistry Price in Analytical Chemistry in the year 1995. Glaxo Wellcome Price in Organic Chemistry in the year 1995 and Nehru Hinduja Fellowship in the year 2000.

4. Job Profile and his suitability:-

Responsible for overall management of the Company and to oversee the Company’s affairs in the area of Research activities, co-marketing arrangements for research based products, strengthening Company’s marketing activities of formulation products in India as well as new business developments in India and abroad for Active Pharmaceutical Ingredients and formulations.

5. Remuneration proposed:-

The proposed remuneration is ₹4.75 Lakhs per month pursuant to provision of Companies Act, 2013 read with rules made thereunder and Schedule V of the Act.

6. Comparative remuneration profile with respect to industry, size of the Company profile of the position and person:-

Taking into consideration the size of the Company, profile of Dr. Sachin D. Patel, Managing Director & CEO, responsibility shouldered on him and the industry standard, the remuneration proposed is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:-

Dr. Sachin D. Patel does not have any other pecuniary relationship with the Company directly or indirectly. Dr. Sachin D. Patel is a relative of Dr. Dinesh S. Patel (Father), Mrs. Jayshree D. Patel (Mother) and Mrs. Reena S. Patel (Spouse).

c) Dr. Dinesh S. Patel (Item No. 8 of the Notice)

1. Background details:-

Dr. Dinesh S. Patel holds Doctorate in Medicinal Chemistry, and has more than 40 years experience in Medicinal and pharmaceutical research, Fermentation Technology & exploitation of new molecules and was in immediate past associated with the Company as Managing Director & CEO. He was re-designated by the Board as Executive Vice Chairman with effect from 14th February, 2017.

2. Remuneration:

The Nomination & Remuneration Committee and Board of Directors of the Company has approved remuneration of ₹5.00 Lakhs per month as per Companies Act, 2013 read with rules made there under and schedule V of the Act.

3. Recognition and Awards:-

Past President of Indian Drug Manufacturers Association (IDMA), Past Executive Committee Member of Indian Merchant Chamber and Advisor to Central Drug Research Institute.

4. Job Profile and his suitability:-

At present Whole-Time Director (Designated as Executive Vice Chairman) of the Company. He has also held the position of Managing Director & CEO of the Company in the immediate past and prior to that, he has also held the position of Chief Executive / Executive Director in the Company since 1983.

5. Remuneration proposed:-

The proposed remuneration is ₹5.00 Lakhs per month pursuant to provision of Companies Act, 2013 read with rules made thereunder and Schedule V of the Act.

6. Comparative remuneration profile with respect to industry, size of the Company profile of the position and person:-

Taking into consideration the size of the Company, profile of Dr. Dinesh S. Patel, Executive Vice Chairma, responsibility shouldered on him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:-

Dr. Dinesh S. Patel does not have any other pecuniary relationship with the Company directly or indirectly. Dr. Dinesh S. Patel is a relative of Mrs. Jayshree D. Patel (Spouse), Dr. Sachin D. Patel (Son) and Mrs. Reena S. Patel (Daughter in Law).

III. OTHER INFORMATION

Reasons of loss or inadequate profits:- Not Applicable

Steps taken or proposed to be taken for improvement:-

The Company has taken up modernization and expansion from time to time.

Expected increase in productivity and profits in measurable terms:-

The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. With the measures taken from time to time in respect of product development, new product introduction in the market, capacity improvement, new market tapping in India and overseas countries as well as measures of cost reduction being undertaken on a continuous basis. The management feels that the productivity and profitability of the Company will improve over period of time.

DISCLOSURES

All the relevant information required to be disclosed in the Board of Directors' Report under the heading "Report on Corporate Governance" attached to the Annual Report will be disclosed as and when required.