



Divi's Laboratories Limited

February 04, 2025

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

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

Trading Symbol: **DIVISLAB**

Scrip Code: **532488**

Dear Sir / Madam,

Sub: Postal Ballot Notice

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further to the outcome of meeting of the Board of Directors dated February 03, 2025, we herewith submit the Postal Ballot Notice dated February 03, 2025 (“Notice”) to seek approval of Members of the Company for the following resolution:

S. No	Description of the resolution	Resolution
1.	Re-appointment of Dr. Kiran S. Divi (DIN: 00006503) as Whole-time Director and Chief Executive Officer of the Company	Special Resolution

The Notice is being sent through electronic mode only to those Members, whose email addresses are registered with the Company/Registrar and Transfer Agent/ Depositories and whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the **Cut-off date, i.e Friday, January 31, 2025**, seeking their approval as set out in the Notice.

The Company has engaged the services of Kfin Technologies Limited (‘Kfintech’) to provide remote e-voting facility to its Members. **The e-voting commences on Wednesday, February 05, 2025 at 9:00 a.m. (IST) and ends on Thursday, March 06, 2025 at 5.00 p.m. (IST)**. The e-voting shall be disabled by Kfintech thereafter. Results of the Postal Ballot will be announced on or before 5.00 p.m. (IST) Saturday, March 08, 2025.

The Postal Ballot Notice along with e-voting instructions is being made available on the Company’s website at <https://www.divislabs.com> and on the website of Kfintech <https://evoting.kfintech.com>.

This is for your information and records.

Thanking You,
Yours faithfully,
For Divi's Laboratories Limited

M. Satish Choudhury
Company Secretary & Compliance Officer

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

Tel : +91-40-6696 6300/400, Fax : 91-40-6696 6460., CIN : L24110TG1990PLC011854

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



DIVI'S LABORATORIES LIMITED

Regd. Off.: Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad – 500 032, Telangana, India, CIN: L24110TG1990PLC011854; Tel: 91-40-66966300/400, Fax: 91-40-66966460, E-mail: mail@divislabs.com, Website: www.divislabs.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Circulars issued by the Ministry of Corporate Affairs]

Dear Members,

NOTICE is hereby given that pursuant to the provisions of Section 110 read with Section 108 of the Companies Act, 2013 (**“the Act”**), together with Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014 (**“the Rules”**), the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (**“SS-2”**), and in accordance with the requirements prescribed by the Ministry of Corporate Affairs (**“MCA”**) for holding general meetings/conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 read with other relevant circulars issued in this regard, the latest being General circular 09/2024 dated September 19, 2024 (collectively referred as the **“MCA Circulars”**), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) and other applicable provisions, of the Act, rules, regulations, circulars and notifications (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the resolution, as set out hereunder, is proposed for approval of the Members of Divi's Laboratories Limited (**“Company”**) through Postal Ballot by passing requisite resolution, only by voting through electronic means (**“remote e-voting” / “e-voting”**).

The statement pursuant to the provisions of Section 102(1) read with Section 110 and other applicable provisions of the Act read with the Rules thereunder and additional information as required under the SEBI Listing Regulations, setting out all material facts relating to the resolution mentioned in this Postal Ballot Notice (**“Notice”**) is annexed to this Notice for your consideration.

In compliance with the MCA Circulars, the Company is sending this Notice only in electronic form to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent (**“RTA”**)/ Depositories. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope is not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would only take place through the remote e-voting system. The detailed procedure for remote e-voting forms part of the 'Notes' section to this Notice.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules thereunder, the MCA Circulars and SS-2, the Company is providing remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. Accordingly, the Company has engaged the services of Kfin Technologies Limited (**“Kfintech”**) to provide remote e-voting facility to its Members on the proposed resolution.

Members are requested to read the instructions for casting their votes electronically by referring 'Notes' section of this Notice. The votes can be cast during the following voting period:

Commencement of e-voting:	9.00 a.m. (IST) on Wednesday, February 05, 2025
End of e-voting:	5.00 p.m. (IST) on Thursday, March 06, 2025

The Postal Ballot Notice will also be placed on the website of the Company (www.divislabs.com) and on the website of Kfintech (<https://evoting.kfintech.com>).

The Board of Directors has appointed Mr. V. Bhaskara Rao, a Practicing Company Secretary (Membership No.: FCS5939), or failing him Mr. S. Hari Kishore Babu, a Practicing Company Secretary (Membership No.: FCS11462) as Scrutiniser for conducting the Postal Ballot, through e-voting process, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose. The Scrutiniser's decision on the validity of the votes cast in the Postal Ballot shall be final.

The Scrutiniser will submit his report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced on or before Saturday, March 08, 2025. The said results along with the Scrutiniser's Report would be intimated to BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website <https://www.divislabs.com/> and on the Kfintech's website <https://evoting.kfintech.com>.

SPECIAL BUSINESS:

Item No. 1 - Re-appointment of Dr. Kiran S. Divi (DIN: 00006503) as Whole-time Director and Chief Executive Officer of the Company

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), Regulation 17 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended from time to time and such other consents and permissions as may be necessary, and as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors of the Company, approval of Members of the Company be and is hereby accorded for the re-appointment of Dr. Kiran S. Divi (DIN: 00006503), as Whole-time Director and Chief Executive Officer of the Company for a further period of 5 (five) years, on expiry of his present term of office, i.e., with effect from April 01, 2025, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment including remuneration as it may deem fit and as may be acceptable to Dr. Kiran S. Divi, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board of Directors
for Divi's Laboratories Limited**

Place: Hyderabad

Date: February 03, 2025

Sd/-

M. Satish Choudhury
Company Secretary & Compliance Officer
Membership No. F12493

Registered Office:

Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills,
Gachibowli, Hyderabad - 500 032, Telangana, India.
CIN: L24110TG1990PLC011854
Tel: 91-40-66966300, Fax: 91-40-66966460
e-mail: mail@divislabs.com

Notes:

1. The Explanatory Statement pursuant to Section 102 and 110 of the Act read with applicable Rules setting out all material facts of the business specified above is annexed hereto. Brief profile and other additional information pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking appointment/re-appointment, is also annexed to the Notice.
2. In compliance with the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose names appear on the Register of Members / Register of Beneficial Owners as on **Friday, January 31, 2025 ("Cut-Off Date")**, received from the Depositories and whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-Off Date.
3. This Postal Ballot Notice will also be available on the Company's website, <https://www.divislabs.com>, websites of the Stock Exchanges where the equity shares of the Company are listed i.e. BSE Limited, www.bseindia.com and National Stock Exchange of India Limited, www.nseindia.com and on the website of Kfin Technologies Limited <https://evoting.kfintech.com>.
4. In accordance with the MCA Circulars, the Company has made necessary arrangements for the Members to register their e-mail address. Members who have not registered their e-mail address are requested to register the same (i) with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form, and (ii) Members holding shares in physical mode, who have not registered / updated their e-mail address with the Company, are requested to register / update their e-mail address by submitting Form ISR-1 (available on the website of the Company at <https://www.divislabs.com/investor-relations/shareholders-contact/#downloads>) duly filled and signed along with requisite supporting documents to Company's RTA i.e. Kfin Technologies Limited at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032. In case of any queries/difficulties in registering the email address, Members may write to cs@divislabs.com or einward.ris@kfintech.com.
5. Only a Member, whose name is recorded in the Register of Members / Register of Beneficial Owners, as on the Cut-Off Date, maintained by the Depositories shall be entitled to participate in the e-voting. A person who is not a Member as on the Cut-Off Date, should treat this Notice for information purpose only.
6. Pursuant to the provisions of Sections 108, 110 and other applicable provisions of the Act and the Rules made thereunder, the MCA Circulars, Regulation 44 of the SEBI Listing Regulations read with Section VI-C of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 as amended ("**SEBI Master Circular**"), SS – 2 and any amendments thereto, the Company is providing the facility to the Members to exercise their right to vote on the proposed resolution electronically. The instructions for e-voting are provided as part of this Notice.

7. **The e-voting period commences at 9:00 a.m. (IST) on Wednesday, February 05, 2025 and ends at 5:00 p.m. (IST) Thursday, March 06, 2025.**

The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by Kfintech upon expiry of the aforesaid period.

8. The resolution, if approved, shall be deemed to have been passed on the last date of e-voting i.e. Thursday, March 06, 2025. Further, the resolution passed by the Members through Postal Ballot will be deemed to have been passed as if they have been passed at a general meeting of the Members.
9. All the documents referred to in this Postal Ballot Notice will be available for inspection electronically without any fee by the Members from the date of circulation of this Postal Ballot Notice until the last date of e-voting. Members seeking to inspect such documents can send an email to cs@divislabs.com from their registered email address mentioning their names, folio numbers, DP ID and Client ID during the period.

10. PROCEDURE FOR REMOTE E-VOTING:

I. E-voting Facility:

The Company has engaged the services of Kfin Technologies Limited for providing remote e-voting facility to all its members.

The manner of voting, including remote voting by (i) individual shareholders holding shares of the Company in demat mode, (ii) shareholders other than individuals holding shares of the Company in demat mode, (iii) shareholders holding shares of the Company in physical mode, and (iv) Members who have not registered their e-mail address is explained in the instructions given herein below.

The Members whose names appear on the Register of Members/Register of Beneficial Owners as on **Cut-off Date, i.e. January 31, 2025**, will be considered for the purpose of remote e-voting. The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting:	9:00 a.m.(IST) on Wednesday, February 05, 2025
End of remote e-voting:	5:00 p.m. (IST) on Thursday, March 06, 2025

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by Kfintech upon expiry of the aforesaid period.

Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.

II. Remote e-voting:

A. Information and instructions for 'remote e-voting' by Individual Shareholders holding shares of the Company in demat mode:

As per SEBI Master Circular, **all "individual shareholders holding shares of the Company in demat mode" can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants.** The procedure to login and access remote e-voting, as devised by the Depositories / Depository Participant(s), is given below:

Procedure to login through websites of Depositories	
National Securities Depository Limited (“NSDL”)	Central Depository Services (India) Limited (“CDSL”)
<p>1. User already registered for IDeAS e-Services facility of NSDL may follow the following procedure:</p> <ul style="list-style-type: none"> i. Type in the browser / Click on the following e-services link: https://eservices.nsd.com ii. Click on the button “Beneficial Owner” available for login under ‘IDeAS’ section. iii. A new page will open. Enter your User ID and Password for accessing IDeAS. iv. On successful authentication, you will enter your IDeAS service login. Click on “Access to e-voting” under Value Added Services on the panel available on the left hand side. v. Click on “Active E-voting Cycles” option under E-voting. vi. You will see Company Name: “Divi’s Laboratories Limited” on the next screen. Click on the e-voting link available against Divi’s Laboratories Limited or select e-voting service provider “Kfintech” and you will be re-directed to the e-voting page of Kfintech to cast your vote without any further authentication. 	<p>1 User already registered for Easi / Easiest facility of CDSL may follow the following procedure:</p> <ul style="list-style-type: none"> i. Type in the browser / Click on any of the following links: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi / Login to My Easi option under Quick Login (best operational in Internet Explorer 10 or above and Mozilla Firefox) ii. Enter your User ID and Password for accessing Easi / Easiest. iii. You will see Company Name: “Divi’s Laboratories Limited” on the next screen. Click on the e-voting link available against Divi’s Laboratories Limited or select e-voting service provider “Kfintech” and you will be re-directed to the e-voting page of Kfintech to cast your vote without any further authentication.
<p>2. Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:</p> <ul style="list-style-type: none"> i. To register, type in the browser / Click on the following e-services link: https://eservices.nsd.com ii. Select option “Register Online for IDeAS” available on the left hand side of the page iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc. iv. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote. 	<p>2. Users not registered for Easi/Easiest facility of CDSL may follow the following procedure:</p> <ul style="list-style-type: none"> i. To register, type in the browser / Click on the following link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration ii. Proceed to complete registration using your DP ID-Client ID (BO ID), etc. iii. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.
<p>3. Users may directly access the e-voting module of NSDL as per the following procedure:</p>	<p>3. Users may directly access the e-voting module of CDSL as per the following procedure:</p>

<p>i. Type in the browser / Click on the following link: https://www.evoting.nsd.com/</p> <p>ii. Click on the button “Login” available under “Shareholder/Member” section.</p> <p>iii. On the login page, enter User ID (that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL’s e-voting platform)/ through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen.</p> <p>iv. On successful authentication, you will enter the e-voting module of NSDL. Click on “Active E-voting Cycles” option under E-voting. You will see Company Name: “Divi’s Laboratories Limited” on the next screen. Click on the e-voting link available against Divi’s Laboratories Limited or select e-voting service provider “Kfintech” and you will be re-directed to the e-voting page of Kfintech to cast your vote without any further authentication.</p>	<p>i. Type in the browser / Click on the following links: www.cdslindia.com / https://www.evotingindia.com</p> <p>ii. Provide Demat Account Number and PAN</p> <p>iii. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account.</p> <p>iv. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against Divi’s Laboratories Limited or select e-voting service provider “Kfintech” and you will be re-directed to the e-voting page of Kfintech to cast your vote without any further authentication.</p>
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Procedure to login through their demat accounts / Website of Depository Participant

i. Individual shareholders holding shares of the Company in Demat mode can access e-voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL.

ii. An option for “e-voting” will be available once they have successfully logged-in through their respective logins. Click on the option “e-voting” and they will be redirected to e-voting modules of NSDL/CDSL (as may be applicable).

iii. Click on the e-voting link available against “Divi’s Laboratories Limited” or select e-voting service provider “Kfintech” and you will be re-directed to the e-voting page of Kfintech to cast your vote without any further authentication.

Members who are unable to retrieve User ID / Password are advised to use ‘Forgot User ID’ and ‘Forgot Password’ option available on the websites of the Depositories / Depository participants.

<p>Contact details in case of any technical issues NSDL website</p>	<p>Contact details in case of any technical issues CDSL website</p>
<p>Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no. 1800 1020 990/ 022-4886 7000</p>	<p>Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911</p>

B. Information and instructions for 'remote e-voting' by (i) Shareholders other than individuals holding shares of the Company in demat mode and (ii) Shareholders holding shares in physical mode:

1. In case a Member receives an e-mail from the Company / Kfintech [for Members whose e-mail address is registered with the Company / Depository Participant(s)]:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>
- ii. Enter the login credentials (User ID and password provided in the e-mail). The E-voting Event Number+Folio No. or DP ID Client ID will be your User ID. If you are already registered with Kfintech for e-voting, you can use the existing password for logging-in. If required, contact toll-free numbers 1800-309-4001 (from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days) for assistance on your existing password.
- 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 upon logging-in for the first time. 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 address, 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. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Divi's Laboratories Limited and click on "Submit"
- 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 "Against" but the total number in "For/Against" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "Abstain". If the Member does not indicate either "For" or "Against" it will be treated as "Abstain" and the vote will not be counted under either head.
- viii. Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. 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.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.
- xii. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are also required to send legible scanned certified true copy (PDF / JPG Format) of the Board Resolution/ Power of Attorney/ Authorization Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at e-mail id: bhaskararaoandco@gmail.com with a copy marked to

evoting@kfintech.com. Such authorisation shall contain necessary authority for voting by its authorised representative(s). It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be “Corporate Name EVEN”.

2. In case of a Member whose e-mail address is not registered / updated with the Company / Kfintech / Depository Participant(s), please follow the following steps to generate your login credentials:

- i. Members who have not registered / updated their e-mail address, are requested to register/ update the same (i) with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form, and (ii) Members holding shares in physical mode, who have not registered / updated their e-mail address with the Company, are requested to register / update their e-mail address by submitting Form ISR-1 (available on the website of the Company at <https://www.divislab.com/investor-relations/shareholders-contact/#downloads>) duly filled and signed along with requisite supporting documents to Kfin Technologies Limited at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032.
- ii. After due verification, the Company / Kfintech will forward your login credentials to your registered e-mail address.
- iii. Follow the instructions at II(b)(1) (i) to (xii) to cast your vote.
- iv. Members can also update their mobile number and e-mail address in the “user profile details” in their e-voting login on <https://evoting.kfintech.com>.

C. Any Member who has forgotten the User ID and Password, may obtain / generate / retrieve the same from Kfintech in the manner as mentioned below:

- i. 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.kfintech.com>, the Member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate password.
- ii. Member may call on Kfintech’s toll-free number 18003094001 (from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days).
- iii. Member may send an e-mail request to einward.ris@kfintech.com. After due verification of the request, User ID and password will be sent to the Member.
- iv. If the Member is already registered with Kfintech’s e-voting platform, then he / she / it can use his / her / its existing password for logging-in.

D. In case of any query and/or grievance on e-voting, Members may refer to the Help & Frequently Asked Questions (FAQs) section / E-voting user manual available at the download section of Kfintech’s website for e-voting: <https://evoting.kfintech.com> or contact at the details mentioned below:

Mr. P Nageswara Rao, Manager,
KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032
Phone No. 040 – 67161526
Toll free No. 1800-309-4001 (from 9 a.m. (IST) to 6 p.m. (IST) on all working days)
e-mail: einward.ris@kfintech.com or evoting@kfintech.com

EXPLANATORY STATEMENT TO THE POSTAL BALLOT NOTICE:

Statement pursuant to Section 102 and 110 of the Companies Act, 2013, read with the rules made thereunder, as applicable, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2)

Item No. 1

Dr. Kiran S. Divi joined Divi's Laboratories Limited on August 10, 2001, as Director (Business Development). He was re-appointed as Whole-time Director and Chief Executive Officer of the Company for a period of five years commencing from April 01, 2020 to March 31, 2025 liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, from a Member signifying his intention to propose the candidature of Dr. Kiran S. Divi as a Director.

Dr. Kiran S. Divi has given his consent to act as Whole-time Director and Chief Executive Officer. He confirmed that he satisfies all the conditions set out in Part –I of Schedule V to the Act and also conditions set out under Section 196(3) of the Act, for being eligible for appointment as Whole-time Director and Chief Executive Officer of the Company and he is not disqualified from being a Director in terms of Section 164 of the Act.

He has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018, issued by the BSE Limited and the National Stock Exchange of India Limited pertaining to the enforcement of SEBI Orders regarding the appointment of Directors by the listed companies.

Other details of Dr. Kiran S. Divi, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, are provided in the "**Annexure**" to the Notice.

The Nomination and Remuneration Committee ("NRC") after considering the performance evaluation of Dr. Kiran S. Divi and considering his knowledge, expertise, experience, contribution and time commitment, has recommended to the Board his re-appointment for a term of 5 (five) years. The Audit Committee ("AC") has approved the proposal for the said re-appointment including the remuneration.

Pursuant to recommendation of NRC, AC and based on its evaluation, the Board of Directors of the Company at its meeting held on February 03, 2025 has, subject to approval of Members, re-appointed Dr. Kiran S. Divi (DIN: 00006503) as a Whole-time Director and Chief Executive Officer of the Company, for a further period of 5 (five) years from the expiry of his present term, i.e., with effect from April 01, 2025 on terms and conditions including remuneration as recommended by the NRC.

Dr. Kiran S. Divi oversees all the corporate functions and operations at the Company's manufacturing facilities. Under his direction, Divi's has been developing business strategies and plans ensuring their alignment with the short term and long-term objectives. He is responsible for overall supervision of business operations, strategy planning, marketing, quality assurance, regulatory affairs and corporate HR of the Company. The re-appointment of Dr. Kiran S. Divi is in the interest of the Company and its stakeholders.

The Board recommends the resolution set forth in Item No. 1 relating to the re-appointment of Dr. Kiran S. Divi as Whole-time Director and Chief Executive Officer of the Company, who shall be liable to retire by rotation, by way of a Special Resolution. Members' approval is sought for the re-

appointment of and remuneration payable to Dr. Kiran S. Divi in terms of the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Broad particulars of the terms of re-appointment of and remuneration payable to Dr. Kiran S. Divi are as under:

Salary, perquisites, and other allowances:

- a) Salary of ₹ 7,70,000/- (Rupees Seven Lakh Seventy Thousand only) per month.
- b) In addition to the aforesaid salary, he shall be entitled to following perquisites and allowances:
 - i. Rent free furnished accommodation or house rent allowance in lieu thereof.
 - ii. Re-imbursment of expenses for watch and ward, gas, electricity, and water.
 - iii. Re-imbursment of medical expenses, personal accident insurance premium and premium on medi-claim policy.
 - iv. Personal accident insurance premium and medical insurance premium for self and family.
 - v. Leave travel concession for self and his family including dependents.
 - vi. Re-imbursment of actual Club fees.
 - vii. Company's contribution towards pension scheme or superannuation fund or provident fund as per Company's policy.
 - viii. Gratuity payable as per the Rules of the Company
 - ix. Encashment of un-availed leave as per the rules of the Company
 - x. 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 re-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 to the extent these singly or together are not taxable under the Income Tax law, gratuity and encashment of un-availed leave, as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included in the aforesaid perquisites limit.

However, the aggregate monetary value of the perquisites in any year shall not exceed 50% of his annual salary.

Remuneration based on net profits: In addition to salary, perquisites and allowances mentioned above, Dr. Kiran S. Divi shall be entitled to remuneration @ 1% of the net profits of the respective financial year of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 due and payable in the month of June in succeeding financial year.

Reimbursement of expenses: Expenses incurred for travelling, boarding and lodging during business trips, use of car(s) on Company's business and communication expenses at residence, shall be paid/reimbursed at actuals and not considered as perquisites.

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 salary, perquisites, allowances and remuneration as a



percentage of profits not exceeding the maximum limits as prescribed under Section II, Part II of Schedule V of the Act as amended from time to time as minimum remuneration to Dr. Kiran S. Divi.

The above may be treated as a written memorandum setting out the terms of re-appointment of Dr. Kiran S. Divi under Section 190 of the Act.

Dr. Murali K. Divi and Ms. Nilima Prasad Divi, Directors of the Company being related to Dr. Kiran S. Divi are deemed to be interested in the resolution. Dr. Kiran S. Divi and his relatives may also be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and/ or their relatives is in any way concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set forth in Item No. 1 of this Notice for approval of the members by way of a Special Resolution.

**By Order of the Board of Directors
for Divi's Laboratories Limited**

Place: Hyderabad

Date: February 03, 2025

Sd/-

M. Satish Choudhury
Company Secretary & Compliance Officer
Membership No. F12493

Registered Office:

Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills,
Gachibowli, Hyderabad - 500 032, Telangana, India.

CIN: L24110TG1990PLC011854

Tel: 91-40-66966300, Fax: 91-40-66966460

e-mail: mail@divislabs.com

“ANNEXURE”**Additional information of the Director recommended for re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards****Dr. Kiran S. Divi (DIN: 00006503)****Brief Profile:**

Dr. Kiran S. Divi has been the Director on Board of Divi's Laboratories Limited (Divi's) for over the past 25 years. He officially took on the role of leading the Company as the Chief Executive Officer starting January 2020. He oversees all the corporate functions and operations at the Company's manufacturing facilities. Under his direction, Divi's has been developing business strategies and plans ensuring their alignment with the short term and long-term objectives. He is responsible for overall supervision of business operations, strategy planning, marketing, quality assurance, regulatory affairs and corporate HR of the Company.

Prior to joining Divi's, Dr. Kiran S. Divi has gained extensive knowledge and understanding of the Pharmaceutical Industry with an extra focus on the US Generic Market.

Age: 48 years

Qualification: Post-graduate degree in Pharmacy from Jawaharlal Nehru Technological University (JNTU), Kakinada, Andhra Pradesh and Ph.D. degree from Gandhi Institute of Technology and Management (GITAM), Visakhapatnam, Andhra Pradesh.

Nature of expertise in specific functional areas: Dr. Kiran S. Divi has rich and wide experience in the Company's business, particularly in manufacturing and business operations, marketing, quality assurance, regulatory affairs, and corporate HR.

Terms and Conditions of appointment: As per the resolution at Item No. 1 of the Notice read with the Explanatory Statement thereto, Dr. Kiran S. Divi is proposed to be re-appointed as a Whole-time Director & Chief Executive Officer for a period of 5 (five) years with effect from April 01, 2025.

Remuneration proposed to be paid: As per the resolution at Item No. 1 of the Notice read with the Explanatory Statement thereto.

Remuneration (including sitting fees, if any) last drawn (FY 2023-24): ₹22.75 crores

Date of first appointment on Board: August 10, 2001

Number of shares held in the Company: 5,40,00,000 equity shares

Relationship with other Directors, Manager and other Key Managerial Personnel of the Company:

Dr. Kiran S. Divi is related to Dr. Murali K. Divi, Managing Director and Ms. Nilima Prasad Divi, Whole-time Director (Commercial) of the Company.

Number of Board meetings attended during the year: Dr. Kiran S. Divi attended all 4 Board meetings held during the current year (till the date of this Postal Ballot Notice).

Name of other Companies in which he holds Directorship: (i) Divi's Biotech Private Limited; (ii) Divi's Resorts and Agro Farms Private Limited; (iii) Divi's Properties Private Limited; (iv) Divi's Finvest Private Limited; (v) Divi's Laboratories Europe AG and (vi) Divis Laboratories (USA), Inc. Other than Divi's Laboratories Limited, Dr Kiran S. Divi does not hold Directorship in any other listed company.

Chairman/ Member of the Committee(s) of Board of Directors:

- Divi's Laboratories Limited: Chairperson of Risk Management and Sustainability Committee.
- Divi's Properties Private Limited: Member of Corporate Social Responsibility Committee.

Listed entities from which he has resigned in the past three years: Nil