



EXTRACT OF THE ORDINARY RESOLUTION PASSED BY THE MEMBERS AT THE THIRTY-SIXTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON AUGUST 8, 2018.

“RESOLVED THAT in supersession of previous Resolutions passed in this regard and pursuant to the provisions of the Articles of Association of the Company, Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ('Act') read with Schedule V of the Act, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any amendments and enactments thereof and subject to other approvals as may be necessary, consent and approval of the Company be and is hereby accorded for the re-appointment of Mr. Nilesh Deshbandhu Gupta (DIN 01734642) as Managing Director of the Company, for a period of five years effective September 1, 2018, as per the terms and conditions set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT Mr. Nilesh Deshbandhu Gupta shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors ('the Board', which term shall be deemed to mean and include any Committee constituted by the Board) be and is hereby authorised to take such steps as may be necessary to give effect to this Resolution.”

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

At its meeting held on May 8, 2013, the Board appointed Mr. Nilesh Deshbandhu Gupta as Managing Director of the Company, for a period of five years w.e.f. September 1, 2013, which was approved by the Members by postal ballot. His present term will expire on August 31, 2018.

Considering Mr. Gupta's performance, experience, qualifications, expertise, responsibilities shouldered, volume of the Company's business and profits and as recommended by the Nomination and Remuneration Committee (NRC), the Board at its meeting held on May 15, 2018, re-appointed Mr. Gupta as Managing Director, for a period of five years w.e.f. September 1, 2018 on the terms and conditions set out herein below.

A brief profile of Mr. Gupta is given in the Corporate Governance Report, which forms part of the Annual Report.

ABSTRACT OF THE TERMS OF RE-APPOINTMENT AND REMUNERATION OF MR. NILESH DESHBANDHU GUPTA, MANAGING DIRECTOR: -

Salary and allowances:

- (a) Basic ₹ 42,660,636/- per annum.
- (b) Management Allowance ₹ 12,290,076/- per annum.
- (c) Flexible Benefits ₹ 1,500,000/- per annum.

Performance-linked Incentive:

An amount not exceeding 50% of the fixed cost to the Company, as may be determined by the Board of Directors ('the Board', which term shall be deemed to mean and include any Committee constituted by the Board) at the end of each financial year.

Others:

Mr. Gupta shall be entitled to two chauffeur driven cars, telephones, computers and other communication facilities at residence as may be required. He may be granted 'Stock Options/Stock Appreciation Rights', if permissible, under SEBI Guidelines or other benefits in lieu thereof as the Board may decide. He shall also be entitled to provident fund, superannuation, gratuity, mediclaim, accident and life insurance coverage and leave with full pay and encashment thereof as prescribed under the Company Rules. Mr. Gupta shall be entitled to membership fees including life membership for maximum two clubs and other minor memberships as may be decided by the Board.



Subject to overall ceiling on remuneration, Mr. Gupta may be given annual increments not exceeding 25% of his last drawn fixed cost to the Company and any other allowances, benefits and perquisites as the Board may decide from time to time. The next increment will be effective from July 1, 2018, in line with the Company's annual increment cycle.

Explanation:

Perquisites shall be evaluated as prescribed under the Income Tax Rules, wherever applicable and in the absence of any such rules, at actual cost.

Overall remuneration:

The overall remuneration of Mr. Gupta in any one financial year shall not exceed the limits prescribed by Section 197 and Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') and Rules made thereunder, including any amendments or enactments thereof, as may from time to time be in force.

The above terms of remuneration for Mr. Gupta were recommended by the NRC at its meeting held on May 15, 2018.

Considering Mr. Gupta's experience, expertise, leadership qualities, responsibilities shouldered by him, volume of the Company's business and profits earned by it, the terms of his remuneration are reasonable.

Mr. Gupta holds 901064 fully paid-up equity shares of the face value of ₹ 2/- each in the Company.

Pursuant to the provisions of Section 190 of the Act, the terms of re-appointment and remuneration of Mr. Gupta shall be open for inspection by any Member without payment of fee.

Mr. Nilesh Deshbandhu Gupta and Mrs. Manju D. Gupta and Ms. Vinita Gupta who are related to him are interested in the said Resolution. None of the other Directors/Key Managerial Personnel or their relatives are interested in or concerned with the said Resolution.

The Board recommends passing of the said Resolution.

**CERTIFIED TRUE COPY
FOR LUPIN LIMITED**

**R. V. SATAM
COMPANY SECRETARY
ACS-11973**

