



**UNICHEM**  
**LABORATORIES LTD.**

April 27, 2021

Department of Corporate Services  
Bombay Stock Exchange,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001.

Mr. Hari K.  
Asst. Vice President - Operations  
National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051.

Scrip Code: 506690

Scrip Code: UNICHEMLABS

Dear Sir,

**Subject: Postal Ballot Notice**

Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, and all other applicable provisions, Rules and Regulations, we hereby enclose Notice of Postal Ballot ('Notice') dated April 21, 2021 along with the explanatory statement, seeking approval of Members of the Company by way of a Special Resolution through remote e-voting ('e-voting') for:

**Approval for Re-appointment of Mr. Dilip Kunkolienkar (DIN: 02666678) as a Whole-time Director of the Company, designated as Director Technical and remuneration payable to him.**

The above re-appointment is already intimated to the exchanges on January 30, 2021.

As per the MCA Circulars and on account of the threats posed by the COVID-19 pandemic, the assent or dissent of the shareholders will be through remote e-voting only.

The Company will complete sending the e-mail of Postal Ballot Notice on April 27, 2021 to Shareholders of the Company whose names appear in the Register of Members/ List of Beneficial Owners as on Friday, April 23, 2021, the cut -off date.





**UNICHEM**  
**LABORATORIES LTD.**

The voting period begins on Wednesday, April 28, 2021, at 9:00 a.m. (IST) and ends on Thursday, May 27, 2021, at 5:00 p.m. (IST). During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date i.e., Friday, April 23, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Any response received from the Members after the closing of working hours i.e., 5:00 p.m. (IST) on Thursday, May 27, 2021, will not be valid. Results of the e-voting shall be announced on or before Saturday, May 29, 2021.

The Postal Ballot Notice and the e- voting results shall be uploaded on the Company's website i.e. [www.unichemlabs.com](http://www.unichemlabs.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) and that of the exchanges namely [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

Please take the above on record.

**For UNICHEM LABORATORIES LIMITED**



**PRADEEP BHANDARI**  
*Head – Legal & Company Secretary*  
Enc: a/a



**UNICHEM**  
LABORATORIES LTD.

CIN:L99999MH1962PLC012451

Unichem Bhavan, Prabhat Estate, Off S. V. Road, Jogeshwari (West), Mumbai - 400 102

Tel.: (022) 6688 8333 • Fax.: (022) 2678 4391

Website: [www.unichemlabs.com](http://www.unichemlabs.com) • E-mail Id.: [shares@unichemlabs.com](mailto:shares@unichemlabs.com)

## Notice of Postal Ballot

Dear Member(s),

Notice is hereby given that pursuant to the provisions of Section 110 and 108 of the Companies Act, 2013 ("the Act"), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, other applicable provisions, if any, of the Act, Rules, Regulations, Circulars, Notifications, Regulation 44 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") as amended from time to time, including any statutory modifications(s), clarifications(s), substitution(s) or re-enactment(s) thereof for the time being in force, and the General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020 and 39/2020 dated December 31, 2020, ("MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") for conducting the Postal Ballot Meeting through electronic means ("remote e-voting"), the Resolutions appended below are proposed for the approval of the Members of Unichem Laboratories Limited ("the Company") through Postal Ballot ("Postal Ballot") by only remote e-voting process. The Explanatory Statement under Section 102(1) of the Act, setting out the material facts and reasons for the proposed Resolution is also appended to this Notice.

### RESOLUTION

**Approval for Re-appointment of Mr. Dilip Kunkolienkar (DIN: 02666678) as a Whole-time Director of the Company, designated as Director Technical and remuneration payable to him.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to Sections 196, 197 and 203 read with Schedule V of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, Laws, Rules, Regulations if any, (including any statutory modifications(s), clarifications(s), substitution(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, and in

respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, consent of the Members of the Company, (subject to any such other approvals as may be required) be and is hereby accorded to the re-appointment of and terms of remuneration payable to, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Dilip Kunkolienkar's (DIN: 02666678) re-appointment, who has already attained the age of Seventy years, as the Whole-time Director of the Company, designated as Director Technical, for three years w.e.f. April 1, 2021, on the terms, conditions, and stipulations as set out in the statement annexed to the Notice convening this Postal Ballot Meeting;

**RESOLVED FURTHER THAT** Mr. Dilip Kunkolienkar, be and is hereby designated as a Key Managerial Personnel of the Company as per the provisions of Section 203(1)(i) of the Act;

**RESOLVED FURTHER THAT** subject to the provisions of the Act and the Rules, Circulars, Orders, and Notifications issued thereunder (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Act and /or guidelines for managerial remuneration issued by the Government of India, if any, from time to time or other appropriate authority in that behalf, as in force and as amended from time to time, the Board of Directors or any Committee thereof be and is hereby authorized to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Dilip Kunkolienkar, within the limits as may be specified under the Act from time to time;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized severally to do all such acts, deeds, and things as may be necessary to give effect to the above."

By order of the Board of Directors,  
For **Unichem Laboratories Limited**

**Pradeep Bhandari**

Mumbai  
April 21, 2021

Head – Legal & Company Secretary  
Membership No.: A14177

## NOTES

1. Explanatory Statement stating the material facts and reason for the proposed Special Resolution, pursuant to Section 102(1) of the Act is annexed herewith.
2. In compliance with the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on Friday, April 23, 2021. Members holding shares in physical mode and who have not registered their e-mail id with the Company may click on the link of the Company’s Registrar and Share Transfer Agents (RTA) Link Intime India Private Limited at [https://www.linkintime.co.in/EmailReg/Email\\_Registech.html](https://www.linkintime.co.in/EmailReg/Email_Registech.html) to have their e-mail ids registered. Shareholders holding shares in dematerialized form are requested to contact their respective Depository Participants for registering their e-mail id.
3. As per the MCA Circulars and on account of the threats posed by the COVID-19 pandemic, physical copies of the Notice, Postal Ballot forms, and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot Meeting. Members are requested to provide their assent or dissent through remote e-voting only.
4. A copy of the Notice is available on the website of the Company at [www.unichemlabs.com](http://www.unichemlabs.com), the website of the Stock Exchanges where the equity shares of the Company are listed, i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and on the website of our e-voting agency i.e. Central Depository Services (India) Limited (CDSL) at [www.evotingindia.com](http://www.evotingindia.com).
5. All documents referred to in the Notice will also be available electronically for inspection, without any fee, to Members from the date of circulation of the Postal Ballot Notice up to the closure of the voting period. Members seeking to inspect such documents can send an e-mail to [shares@unichemlabs.com](mailto:shares@unichemlabs.com).
6. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of Members as of Friday, April 23, 2021, i.e. the cut-off date. Any person who is not a Member as of the cut-off date should treat this Notice for information purposes only.
7. The voting period begins on Wednesday, April 28, 2021, at 9:00 a.m. (IST) and ends on Thursday, May 27, 2021, at 5:00 p.m.(IST). The e-voting module shall be disabled by CDSL for voting thereafter.
8. Members are requested to cast their vote through the remote e-voting process not later than 5:00 p.m. (IST) on Thursday, May 27, 2021, to be eligible for being considered, failing which it will be strictly considered that no vote has been received from the Member.
9. The Board of Directors of the Company has appointed Ms. Ragini Chokshi & Associates, Practicing Company Secretary (C. P. No. 1436), as the Scrutinizer to scrutinize the e-voting process fairly and transparently. She has communicated her willingness for such an appointment and will be available for the same.
10. The Scrutinizer’s decision on the validity of the e-voting shall be final and binding.
11. The Scrutinizer will submit her report to the Chairman, or any person authorized by the Chairman after the completion of scrutiny and the result of the voting by Postal Ballot through the remote e-voting process will be announced by the Chairman, or any person duly authorized by him, on or before Saturday, May 29, 2021. The results will also be displayed on the website of the Company, [www.unichemlabs.com](http://www.unichemlabs.com), and at the Registered Office of the Company, besides being communicated to the Stock Exchanges and the e-voting agency. The Chairman or any authorized person shall countersign the same.
12. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on Thursday, May 27, 2021, i.e. the last date specified for receipt of votes through the remote e-voting process.
13. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on Wednesday, April 28, 2021 at 9:00 a.m. (IST) and ends on Thursday, May 27, 2021 at 5:00 p.m. (IST). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, April 23, 2021 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](http://www.evotingindia.com).
  - (iii) Click on Shareholders
  - (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 No. 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](http://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 as given herein:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by the Income-Tax Department (Applicable for both demat Shareholders as well as physical Shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>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.</p> <p>If both the details are not recorded with the depository or company please enter the Member id / Folio No.in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (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 <Company Name> 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 login password then enter the User ID and the image verification code and click on Forgot Password and 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - 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.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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](http://www.evotingindia.com) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



**A STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, (THE ACT).**

Mr. Dilip Kunkolienkar was appointed as the Whole-time Director of the Company designated as Director Technical for three years w.e.f. from April 1, 2018. The said appointment was approved by the Members vide Special Resolutions at the Annual General Meeting (AGM) and Postal Ballot Meeting of the Company held on July 28, 2018, and December 13, 2018, respectively. His term ended on March 31, 2021. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on January 30, 2021, and Circular Resolution dated April 21, 2021, re-appointed Mr. Kunkolienkar who has already attained the age of Seventy years as a Whole-time Director of the Company designated as Director Technical for a further period of three years w.e.f. April 1, 2021 subject to the approval of the Shareholders. Mr. Kunkolienkar is not disqualified from being re-appointed as the Whole-time Director in terms of Section 164 of the Act.

In terms of Section 196(3) of the Companies Act, 2013 read with Part -1 of Schedule V provides that no Company shall appoint or continue the employment of any person as the Managing Director, Whole-time time Director or Manager who has attained the age of Seventy years unless it is approved by the Shareholders vide a Special Resolution. Mr. Kunkolienkar has already attained the age of Seventy years as of the date of his re-appointment which is effective from April 1, 2021.

Further in terms of the existing provisions of Section 197 read with Schedule V to the Act and the Rules made thereunder if, in any financial year, a company has no profits or its profits are inadequate, the Company may pay to its Directors, including any Managing or Whole-time Director or Manager, by way of remuneration any sum in excess of the limits specified in Part A of Section II of Part II of Schedule V, provided approval of the Shareholders is obtained by way of a Special Resolution.

**Details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Mr. Kunkolienkar aged Seventy years, is a Bachelor of Pharmacy from Mumbai University. He has more than four decades of rich exposure at various positions in the Pharmaceutical industry in various leading Pharmaceutical houses like Richardson Hindustan Limited, Geigy Limited, Raptakos Brett Company Limited, and German Remedies Limited.

Before being appointed as the Director Technical of the Company on April 1, 2018, Mr. Kunkolienkar served as Vice President – Global Generics & Compliance at the

Company with an additional charge of rendering formulation operation and technical services to unit heads and the Management.

He has diverse experience in the manufacture of tablets, capsules, parenterals, Oral Solid and Liquid Dosage forms, suppositories of various forms; with additional exposure to Bio studies, Product Viabilities, Planning, General Administration, Documentation, Regulatory Audits, Capex/ Revenue budgeting, Research & Development and API Marketing.

He is also member of the Audit Committee of the Company. He currently holds 75,538 equity shares of the Company allotted in terms of Employee Stock Option Schemes of the Company. Further 246,176 options have been granted to Mr. Kunkolienkar in terms of the Employee Stock Option Scheme 2018 yet to be exercised by him on the vesting date in terms of the said Scheme. Mr. Kunkolienkar has attended all the four Board Meetings of the Company held during the financial year 2020- 2021. Details of the past remuneration drawn by Mr. Kunkolienkar is given herein below.

He also serves as a Director in the Company's Wholly Owned Subsidiaries namely Unichem Pharmaceuticals (USA) Inc, Niche Generics Limited, UK, Unichem Laboratories Limited, Ireland, and Unichem (China) Private Limited, China.

He is not related to any of the Directors or Key Managerial Personnel of the Company or their relatives.

Except for Mr. Kunkolienkar and his relatives, none of the other Directors or the Key managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the said Special Resolution.

**Broad terms and conditions contained in the agreement made between the Company and Mr. Kunkolienkar upon his re-appointment include the following:**

**(A) SALARY, COMMISSION AND RETIREMENT BENEFITS**

**1. Basic Salary**

Rs. 5,58,000 (Rupees Five Lakhs Fifty-Eight Thousand Only) per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 8,03,520 (Rupees Eight Lakhs Three Thousand Five Hundred and Twenty Only) per month, over the tenure.

**2. Other Allowance**

Rs. 8,42,022 (Rupees Eight Lakhs Forty Two Thousand and Twenty Two only) per month with such increments as the Board may decide from

time to time, subject however to a ceiling of Rs.12,12,512 (Rupees Twelve Lakhs Twelve Thousand Five Hundred and Twelve Only) per month over the tenure. This allowance, however, will not be taken into account for the calculation of benefits such as provident fund, gratuity, superannuation, and leave encashment.

**3. Contribution to Provident Fund (Payable Monthly)**

Contribution by the Company to the Provident Fund at a rate not exceeding 12% of the Salary.

**4. Contribution to Pension Fund and Superannuation Fund (Payable Monthly)**

Contribution to the Pension Fund and/or Superannuation Fund at a rate not exceeding 15% of the Salary.

**5. Gratuity**

Gratuity payable in accordance with the Gratuity Scheme of the Company provided that it does not exceed one-half month's salary for every completed year of continuous service, since the date of appointment of Mr. Kunkolienkar.

**(B) PERQUISITES**

In addition to Salary, Mr. Kunkolienkar will be entitled to the following perquisites:

**1. Housing**

The Company shall provide a fully furnished rent-free residential accommodation or HRA as per the rules of the Company.

The Company shall bear expenses which may be incurred on such house in accordance with Mr. Kunkolienkar's status, on insurance, security charges, maintenance and repair of the house and the furniture and fixture therein, gas, electricity, and water.

**2. Medical reimbursement**

Reimbursement of actual medical expenses as per the policy of the Company. Mr. Kunkolienkar shall be covered under the Company's Group Mediclaim and Overseas Mediclaim Policy as per Company's policy from time to time.

**3. Leave Travel Concession**

Leave Travel Concession at the rate of one month's salary per annum in accordance with the rules of the Company.

**4. Club fees**

Fees of Corporate / Health Clubs (not exceeding 2 clubs) shall be borne by the Company.

**5. Conveyance**

Use of Company's car for the work of the Company as well as for personal use along with a driver, insurance, petrol, cost of repairs, overhauling, maintenance and garage rent.

**6. Communication Facilities**

The Company shall bear all expenses of communication facilities installed at the residence allotted to Director Technical including but not limited to Telephones (landlines/mobiles), Faxes, Computers/ Laptops, Internet connection.

**7. Personal Accident Insurance**

Personal Accident Insurance as per the Company's policy.

**8. Leave**

The Director Technical shall be eligible for leave as per the Rules of the Company.

**9. Entertainment, Travelling and other incidental Expenses**

The Company shall reimburse Mr. Kunkolienkar entertainment, traveling, and other incidental expenses actually and properly incurred for the business of the Company.

**10. Other benefits**

Mr. Kunkolienkar shall be entitled to the other benefits, schemes, privileges, and amenities as may be granted from time to time to the Top Management of the Company in accordance with the relevant schemes.

**11. Valuation of perquisites**

Perquisites mentioned above shall be evaluated in accordance with the Income Tax Rules, 1961 wherever applicable, and in other cases at the actual cost to the Company.

The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment(s) thereof for the time being in force, or otherwise as may be permissible at law.

**(C) OTHER TERMS RELATED TO REMUNERATION**

**1. Minimum Remuneration**

When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Kunkolienkar as minimum remuneration, subject to the approval of the Shareholders and such other statutory authorities, if required, and in terms of the provisions of the Companies Act, 2013, as applicable at the time of payment of such remuneration.

**2. Disentitlements**

Mr. Kunkolienkar shall not be entitled:

- (a) To supplement his earnings under the Agreement with buying or selling.

- (b) To commission involving the Company's transactions.
- (c) To sitting fees for attending Meetings of the Board of Directors of the Company or its committees.

Due to the COVID-19 pandemic, the Agreement executed between the Company and Mr. Kunkolienkar will be available for inspection electronically. Interested shareholders may write to the Company Secretary at [shares@unichemlabs.com](mailto:shares@unichemlabs.com) up to the last date of remote e-voting. The same be treated as written memorandum setting out the terms and conditions of his re-appointment under Section 190 of the Act.

The Board of Directors is of the opinion that the knowledge and vast experience of Mr. Kunkolienkar will be of immense benefit to the Company and hence recommends the above Resolution for the approval of the Members by way of a Special Resolution.

**STATEMENT PURSUANT TO THE PROVISIONS OF PART II SECTION II (B) (IV) OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT OF THE ABOVE RESOLUTION:**

**(I) GENERAL INFORMATION**

**1. Nature of Industry**

Unichem is an international, integrated, specialty pharmaceutical company. It manufactures and markets a large basket of pharmaceutical formulations as branded generics as well as generics in several markets across the world. The Company has strong skills in product development, process chemistry and

manufacturing of complex API as well as dosage forms. The Company has Six plants situated at Roha and Kolhapur, Maharashtra; Pilerne, Goa; Baddi, Himachal Pradesh; Pithampur, Madhya Pradesh and Ghaziabad, Uttar Pradesh. The R&D Centre called the Center of Excellence is located at Goa. The Company has a global footprint including in US, Europe, Ireland, South Africa and Brazil.

**2. Date or expected date of commencement of commercial production**

The Company started commercial production in the year 1962.

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**

Not Applicable

**4. Financial performance based on given indicators**

See Table 1

**5. Earnings in Foreign Exchange (accrual basis)**

See Table 2

**6. Foreign investments or collaborations, if any**

The Company does not have any foreign investment or collaborations except direct investments in Six Wholly Owned Overseas Subsidiaries (WOS) and an Associate Company in India as given in Table 3.

(₹ in lakhs)

Table 1	2020-2021 (Unaudited)		2019-2020 (Audited)		2018-2019 (Audited)		2017-2018 (Audited)	
	Nine Months ended Dec 31, 2020 (Standalone)	Nine Months ended Dec 31, 2020 (Consolidated)	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Total Income	90,535.18	1,00,337.47	1,00,405.54	1,30,193.43	1,06,928.12	1,27,845.97	72,935.57	87,586.03
Profit before Depreciation, Interest and Tax	11,013.83	11,431.66	855.96	4,130.64	4,074.94	1,498.38	(7,334.23)	(7,123.95)
Profit After Tax	5,321.88	4,851.98	(5,631.62)	(4,821.02)	704.20	(5,990.53)	(12,140.95)	(13,309.72)

(₹ in lakhs)

Table 2	2019-2020 Standalone	2018-2019 Standalone	2017-2018 Standalone
Foreign Exchange Earned (Accrual Basis)	82,587.98	87,223.26	59,711.07

(₹ in lakhs)

Table 3. Name of the Wholly Owned Subsidiary (WOS) and Associate Company	Nine Months ended December 31, 2020 (Unaudited)	2019-2020 (Audited)
Niche Generics Limited, UK (WOS)	7,007.87	6,988.39
Unichem Farmaceutica Do Brasil Ltda, Brazil (WOS)	7,086.72	7,086.72
Unichem Laboratories Limited, Ireland (WOS)	2,145.12	1,272.57
Unichem Pharmaceuticals (USA) Inc (WOS)	3,531.35	3,480.32
Unichem SA (Pty) Limited, South Africa (WOS)	12.14	12.14
Unichem (China) Pvt. Ltd. (WOS)	143.73	143.73
Synchron Research Services Pvt. Ltd (Associate)	569.31	569.31



Table 4

(₹ in lakhs)

Financial Year	Consolidated Salary	Perquisites and Allowances	Total Amount
*2020-2021	171.24	9.75	181.00
2019-2020	116.80	55.37	172.17
2018-2019	111.91	33.02	144.93

- i\* Unaudited Figures as approved by the Shareholders vide Special Resolutions at the Annual General Meeting (AGM) and Postal Ballot Meeting of the Company held on July 28, 2018, and December 13, 2018, respectively.
- ii. Mr. Kunkolienkar currently holds 75,538 equity shares of the Company, allotted in terms of Employee Stock Option Schemes of the Company.
- iii. 246,176 options have been granted to Mr. Kunkolienkar in terms of the Employee Stock Option Scheme 2018 yet to be exercised on the vesting date in terms of the said Scheme.
- iv. The Contract of employment is for three years which can be terminated by the Company and Mr. Kunkolienkar by giving Six months written notice or such mutually decided period.

## (II) INFORMATION ABOUT THE APPOINTEE

### Mr. Dilip Kunkolienkar

#### 1. Background details

Refer the statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013, (the Act) and Details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is not repeated here for the sake of brevity.

#### 2. Past Remuneration

Remuneration drawn by Mr. Dilip Kunkolienkar over the past four financial years as an employee of the Company is given in Table 4.

#### 3. Recognition or awards

Not Applicable

#### 4. Job Profile and his suitability

Refer above for details as given under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is not repeated here for the sake of brevity.

#### 5. Remuneration proposed

The remuneration proposed to be paid to Mr. Kunkolienkar is detailed in the statement given herein above and not repeated here for the sake of brevity.

#### 6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of origin)

The remuneration payable to Mr. Kunkolienkar has been considered by the Nomination and Remuneration Committee based on the profile, knowledge, experience and responsibilities discharged by him and has been benchmarked with the remuneration being drawn by peers in similar capacity in other Companies.

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

Mr. Kunkolienkar has no other pecuniary relationship with the Company, Directors or any Key Managerial Personnel or their relatives

except to the extent of his remuneration and shareholding in the Company and that held by his relatives if any. He is not related to any Directors or Key Managerial Personnel or their relatives.

## (III) OTHER INFORMATION

### 1. Reasons of loss or inadequate profits

On December 14, 2017, the Company sold and transferred its business of manufacture, sale marketing, and distribution of domestic formulations in India and Nepal, together with all specified tangible and intangible assets, contracts, rights, personnel and employees, data and records, inventory and other assets and liabilities by way of slump sale on a going concern basis, to Torrent Pharmaceuticals Limited, upon terms and conditions, as mutually agreed by the Parties.


The Company now focuses on the international market and Research & Development (R & D), with enhanced investment in R & D.

This change in business strategy to focus on International markets was expected to give the desired results over a period. Even though the financials of the Company have improved substantially, and the Company has started generating profits, it is envisaged that there may be loss/inadequacy of profits during the period for which remuneration is payable to Mr. Kunkolienkar and hence the said Resolution for the approval of the Members.

### 2. Steps taken or proposed to be taken for improvement

The Company has taken/ further proposes to:

- focus attention on all aspects of the international business including finished formulations, API, contract manufacturing, and contract research;
- increase its investments in R&D in the New Chemical and Biological Entities (NCE & NBE), Bio-similars and complex generics;
- control operating expenses and overheads across the organization; and

- 
- initiate various measures towards achieving organizational and operating efficiencies and strengthening core competencies.

**3. Expected increase in productivity and profits in measurable terms**

In addition to steps proposed to be taken for improvement as detailed herein above, key focus areas would be profit maximization, conservation of cash, operational efficiencies, cost, and working capital containment. This will further lead to improvement in productivity, sales and profitability.

**IV. DISCLOSURES**

The disclosures on the remuneration package of each managerial person and Director (except Mr. Kunkolienkar's which is given above) and details

of all elements of the remuneration package, details of fixed components, etc. shall be mentioned in the Corporate Governance Section of the Annual Report 2020-2021 of the Company.

By order of the Board of Directors,  
**For Unichem Laboratories Limited**

**Pradeep Bhandari**  
Head – Legal & Company Secretary

Membership No.: A14177

Mumbai

April 21, 2021