

NOTICE

**FRESENIUS KABI ONCOLOGY LIMITED
(CIN: U24231DL2003PLC119441)**

Regd. Office: B-310, Som Datt Chambers-I, Bhikaji Cama Place,
New Delhi – 110 066

E-mail: corporatesecretarial.india@fresenius-kabi.com

Website: www.fresenius-kabi-oncology.com

Phone: +91 11 26105570 Fax: +91 11 26195965

NOTICE is hereby given that Eighteen Annual General Meeting (AGM) of the shareholders of Fresenius Kabi Oncology Limited will be held on August 23, 2021 at 11:00 AM, at Registered Office of the Company at B-310, Som Datt Chambers-I, Bhikaji Cama Place, New Delhi – 110 066 India to transact the following businesses:

ORDINARY BUSINESS

Item No. 1 - Adoption of accounts

To receive, consider and adopt the Balance Sheet as at 31st March 2021, the statement of Profit and Loss for the year ended on that date together with the reports of the Auditors and Directors thereon.

Item No. 2 - Re-appointment of Mr. Nikhil Kulshreshtha

To appoint a Director in place of Mr. Nikhil Kulshreshtha (DIN – 07178027), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

Item No. 3 -Re-Appointment of Mr. Arvind Kumar Sharma as the Managing Director w.e.f. July 01, 2021

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

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 198,203 and any other applicable provisions of the companies act, 2013, rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with schedule V to the Companies Act, 2013, the approval of the shareholders of the company be and is hereby accorded for re-appointment of Mr. Arvind Kumar Sharma (DIN :- 0008144338) as Managing Director of the Company for another term of three consecutive years effective from 1st July 2021 until 30th June, 2024 on the terms and conditions of re-appointment and remuneration as set out in the explanatory statement attached to this notice.

RESOLVED FURTHER THAT the Board be and is hereby authorized to vary, alter and modify the terms and conditions of the re-appointment including remuneration/remuneration structure, if any, of Mr. Arvind Kumar Sharma as the Managing Director with in the limits prescribed in the Explanatory Statement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolution.”

Item No. 4 – Re-appointment of Mr. Nikhil Kulshreshtha as a Whole-time Director of the Company, with the designation of “Director & Secretary”, w.e.f. July 01, 2021

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

“RESOLVED THAT pursuant to the provision of sections 196, 197, 198 ,203 and all other applicable provisions read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) or any other law and subject to such conditions as are agreed to by the Board of Directors (hereinafter referred to as the “Board”, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorized by the Board in this behalf), consent of the shareholders be and is hereby accorded for the re-appointment of Mr. Nikhil Kulshreshtha (DIN - 07178027) as the Whole Time Director of the Company with the designation of “Director & Secretary” for a period of three years w.e.f. July 1, 2021, on the terms and conditions as set out in the Explanatory Statement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to vary, alter and modify the terms and conditions of the re-appointment including remuneration/remuneration structure, if any, of Mr. Nikhil Kulshreshtha as the Whole time Director, within the limits prescribed in the Explanatory Statement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolution.”

Item No. 5 – Appointment of Dr. Uday Chandrashekhar Shetty (DIN 02924182) as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force, Dr. Uday Chandrashekhar Shetty (DIN-02924182), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold the office for second term of five consecutive years with effect from 25th November, 2020 to 24th November, 2025.”

By Order of the Board of Directors
For Fresenius Kabi Oncology Limited

Place: Gurugram
Date: 30th June 2021

**Sd/-
Nikhil Kulshreshtha
Director & Secretary
DIN – 07178027**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ANNEXED HERETO.**
2. Shareholders should fill the attendance slip/ sheet for attending the Meeting.
3. Corporate shareholders intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

EXPLANATORY STATEMENT

IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3 – Re-Appointment of Mr. Arvind Kumar Sharma as the Managing Director w.e.f. July 01, 2021

In terms of the Companies Act, 2013 and rules made thereunder, the appointment of Mr Arvind Kumar Sharma (DIN - 07178027) as Managing Director of the company for a period of three consecutive years with effect from 1st July 2018 until 30th June, 2021 was approved by the shareholders on August 09, 2018. Pursuant to the provisions of the Companies Act, 2013, on the recommendation of the nomination and remuneration committee and subject to approval of the Shareholders, the board of directors of the company at its meeting held on 30th June 2021, approved re-appointment of Mr. Arvind Kumar Sharma as Managing Director of the Company for another term of three consecutive years effective from 1st July 2021 until 30th June, 2024.

Brief profile and justification for choosing Mr. Arvind Kumar Sharma as the new Managing Director

Mr. Arvind Sharma has over 33 years of rich and exhaustive experience in the manufacturing of Bulk Pharmaceutical Chemicals (APIs) & Biopharmaceuticals. Mr. Sharma completed his B.Tech in Biochemical Engineering from H.B.T.I., Kanpur and M. Tech in Biotechnology from Jadavpur University, Calcutta. Before his appointment as Managing Director of the Company, Mr. Sharma, was the Chief Operating Officer of the Company responsible for both Baddi and Kalyani Plants.

During his rich experience, he has worked in leadership positions with specialist pharmaceutical companies such as Arch Pharms Limited, Vitalife Laboratories, Concord Biotech Limited and KDL Biotech Limited. His area of expertise spans across manufacturing excellence, operations improvement, planning and systems development and workflow planning.

Since FKOL is a production and I&D unit for Fresenius Kabi, contributing both to the API and Formulations product portfolio, it is imperative that its operations are managed by experts having specialization in the domain. Also, the ongoing remediation exercise for obtaining US-FDA approval requires that a specialist pharmaceutical professional leads the operations.

Moreover, he has been instrumental in arriving at settlement with DOJ by closing the long outstanding case. Furthermore, his services would require in supervising and monitoring the effective implementation of CEP program for next three years at Kalyani Plant location.

The Board of Directors believe that being an expert of this domain, Mr. Sharma will be able to efficiently lead the Company towards new heights.

Payment of remuneration in view of losses suffered/inadequate profits generated by the Company

US FDA auditors inspected the Kalyani facility to evaluate compliance with cGMP (Current Good Manufacturing Practices) in the production of APIs, during January, 2013. Auditor

made some observations indicating some non-compliance at the Kalyani Plant and subsequently issued a warning letter.

As per US Laws, US FDA subsequently transferred the matter to the Department of Justice, (DOJ) USA for prosecuting the Company/Management/employees for its failure to maintain cGMP in Kalyani Plant as well as for other actions as mentioned in the Warning Letter.

Department Of Justice (DOJ), USA, subsequently issued Sub-Poena in Nov 2014 to Company seeking documents/ information for investigating the issues raised by US FDA. Under the advise of Company’s lawyers, Company decided to settled the matter with DOJ, rather than going into trial as trial is a long drawn process involving lots of time, energy, and money.

Accordingly, a Plea Agreement was executed with DOJ and the same was filed with the District Court of Nevada USA. On March 23, 2021, Hon’ble Court, consented to the Plea Agreement executed with DOJ and ordered the Company to make the payment of \$ 50 Million to the US Authorities.

In view of the above said payment of \$ 50 Million to US authorities, the Company suffered a loss during the FY 2020-21 and in terms of the provisions of Section 196, 197, 198, 203 any other applicable provisions, read with Schedule V of the Companies Act, 2013 and the rules made thereunder, a Special Resolution is required to be passed at General Meeting of the members for payment of managerial remuneration. Therefore, consent of members by way of a Special Resolution is sought for approval of remuneration paid to Mr. Arvind Kumar Sharma as minimum remuneration during his tenure with the Company as Managing Director, with effect from July 1, 2021, until the Company is able to earn adequate profits. This proposal has already been approved by the Nomination and Remuneration Committee and Board of Directors.

In terms of the provisions of Section - II of Part - II of Schedule - V of the Companies Act, 2013, read with applicable rules made thereunder, a statement of information is given below:

GENERAL INFORMATION

1.	Nature of Industry	Pharmaceuticals
2.	Date of commencement of commercial production	March 26, 2003
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	<ul style="list-style-type: none"> ➤ Total revenue decreased from INR 66966.16 lacs in FY 2019-20 to INR 63881.93 lacs in FY 2020-21. ➤ Profit/(Loss) before tax (after giving effect to extraordinary item), stands at INR (33,711.40) lacs during FY 2020-21.

		➤ Total Export Earning is INR 52487.24 lacs during FY 2020-21
5.	Foreign investments or collaborations, if any	100% of the total paid-up share capital is held by Fresenius Kabi (Singapore) Pte. Ltd.

INFORMATION ABOUT THE APPOINTEE:

1.	Background Details	<p>Mr. Arvind Sharma was born on July 15, 1962 in India. He obtained his degrees in B. Tech in Biochemical Engineering from H.B.T.I., Kanpur and M. Tech in Biotechnology from Jadavpur University, Calcutta.</p> <p>During his rich experience, he has worked in leadership positions with specialized pharmaceutical companies. He has handled many critical assignments related to optimizing the manufacturing set-up, driving the company. He has been also playing a key role in the restart plan at Kalyani Plant of the Company.</p>
2.	Past Remuneration	INR 166.75 lacs
3.	Recognition or awards	NIL
4.	Job Profile and his suitability	<p><u>Job Profile:</u></p> <ul style="list-style-type: none"> • Responsible for overall management of the Company, • Driving force for the growth of the Company. <p><u>Suitability:</u></p> <p>He has adequate qualification and experience in the pharmaceutical industry. Considering his technical & professional experience and long association with Company, he will be a fit person to lead the Company efficiently.</p> <p>Mr. Sharma has also undergone workshops and trainings on Good Manufacturing Practices, i.e. training on ICH Guidelines as per ICHQ7A and continuous training on basic GMP Guidelines, DMF Operations and Validations, Industrial Safety and Intellectual Property protection on contract manufacturing.</p>
5	Remuneration proposed	<p><u>A. Basic Salary</u></p> <p>In the scale of INR 90,00,000/- to INR 1,50,00,000/- per annum with authority to the Board of Directors to fix his salary within the scale from time to time. The annual or other increment will be merit based and take into account his performance.</p> <p><u>B. Performance linked incentive</u></p> <p>As per rules of the Company and approved by the Board of Directors from time to time.</p>

		<p><u>C. Perquisites & Allowances</u></p> <p>In addition to the prescribed salary and performance linked incentives, Mr. Arvind Sharma will also be entitled to perquisites and allowances like furnished accommodation or house rent allowance in lieu thereof, house maintenance allowance, including electricity, water, gas etc., contribution to PF, payment of gratuity and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board with Mr. Arvind Sharma, such perquisites and allowances will be subject to 200% of the basic salary.</p> <p>For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.</p> <p>Provisions for use of the Company's car for official duties and telephone at residence and mobile (including payment of local calls and long distance official calls) shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.</p> <p><u>Minimum Remuneration</u></p> <p>The above remuneration shall be paid as minimum remuneration to Mr. Arvind Kumar Sharma, in the event of absence or inadequacy of profit in any year during the tenure of his appointment. The terms and conditions of appointment and remuneration given herein be altered, varied and increased from time to time by the Board of Directors of the Company as it may, at its discretion deem fit, in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013, read with schedule V (including any statutory modification or re-enactment thereof for the time being in force), or any amendments made thereto from time to time.</p>
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The proposed remuneration is comparable and competitive, considering the industry, the managerial position and the credentials of the Managing Director.
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Not applicable

OTHER INFORMATION

1.	Reasons of loss or inadequate profits	<p>US FDA auditors inspected the Kalyani facility to evaluate compliance with cGMP (Current Goods Manufacturing Practices) in the production of APIs, during January, 2013. Auditors made some observations indicating some non-compliance at the Kalyani Plant and subsequently issued a warning letter.</p> <p>As per the US Laws, US FDA subsequently transferred the matter to the Department of Justice, (DOJ) USA for prosecuting the Company/Management/employees for its failure to maintain cGMP in Kalyani Plant as well as for other actions as mentioned in the Warning Letter.</p> <p>Department Of Justice (DOJ) , USA, subsequently issued Sub-Poena in Nov 2014 to Company seeking documents/ information for investigating the issues raised by US FDA. Under the advise of Company’s lawyers, Company decided to settled the matter with DOJ, rather than going into trial as trial is a long drawn process involving lots of time, energy, and money.</p> <p>Accordingly, a Plea Agreement was executed with DOJ and the same was filed with the District Court of Nevada USA. On March 23, 2021, Hon’ble Court, consented to the Plea Agreement executed with DOJ and ordered the Company to make the payment of \$ 50 Million to the US Authorities.</p> <p>In view of the above said payment of \$ 50 Million to US authorities, the Company suffered a loss during the FY 2020-21.</p>
2.	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> • The Company has taken effective steps towards settlement with DOJ by closing the long outstanding case and implementation of CEP program for next three years at Kalyani Plant location. The management is hopeful that on completion of all the planned remediation steps, the Company will be able to maximize its revenue to the full potential. • Additionally, the Company has changed its transfer pricing mechanism and now functions as the Contract Manufacturing Organisation (“CMO”) and Contract Research Organisation (“CRO”) for Fresenius Kabi, which will, going ahead, result in steady stream of margins.
3.	Expected increase in productivity and profits in measurable terms	As per the revised transfer pricing mechanism, fixed margins will be earned by it on its production volume.

DISCLOSURES

1.	The shareholders of the company shall be informed of the remuneration package of the managerial person	Please refer clause 5 of "Information about the appointee" section above.
----	--	---

Mr. Arvind Kumar Sharma does not hold any share in the company.

Except Mr. Arvind Kumar Sharma, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolutions set out at Item No. 3 of the accompanying Notice.

The Board of Directors recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the Members.

Item No. 4 – Re-appointment of Mr. Nikhil Kulshreshtha as a Whole-time Director of the Company, with the designation of "Director & Secretary", w.e.f. July 01, 2021

Pursuant to Sections 196, 197, 203, 204 and other provisions of the Companies Act, 2013, read with rules notified thereunder, Mr. Nikhil Kulshreshtha, was appointed as a Whole-time Director of the Company w.e.f. July 1, 2015, with the designation of "Director & Secretary", for a term of 3 years and was subsequently re-appointed as a whole-time Director of the Company w.e.f. July 1, 2018 for further period of 3 years and has been efficiently leading the Governance, Risk, Compliance, and Administrative functions of the Company since then. His present term is due for completion on June 30, 2021.

In view of Mr. Nikhil Kulshreshtha's long association with the Company, his experience, expertise and understanding of Indian legal systems, the Board of Directors of the Company, basis the recommendations of the Nomination and Remuneration Committee, had re-appointed him as a Whole-time Director, with the designation of "Director & Secretary" with effect from July 1, 2021 for another term of 3 (three) years.

Brief profile and justification for selecting Mr. Nikhil Kulshreshtha as a Whole-time Director

Mr. Nikhil Kulshreshtha is a member of the Institute of Company Secretaries of India (ICSI). Currently, he is holding the position of Director & Secretary and responsible for Legal, Compliances, Secretarial, Internal Audit, and Administrative functions of the Company. He has been associated with the Company since July, 2007.

Mr. Nikhil Kulshreshtha has overall professional experience of approx. 31 years and during this period, he has worked in different capacities with large Indian conglomerates like Bharti Airtel, HCL and DLF group companies handling Secretarial, Legal, Commercial, Accounts and Administrative functions.

FKOL operates in a highly regulated sector, having presence in multiple states. Moreover, majority production of the Company is exported. All these factors subject the Company to a plethora of laws, with a responsibility on the Board of Directors to ensure compliance of the same, under Section 134 of the Companies Act, 2013.

Mr. Kulshreshtha has been functioning as the head of Governance, Risk and Compliance functions, in addition to efficiently discharging the responsibilities as Company Secretary of FKOL, under Section 203 read with Section 204 of the Companies Act, 2013. His experience and expertise in managing legal & statutory matters of the Company ensure adequate assurance to the Board and executive management.

Hence, it is proposed to renew his tenure as Whole-time Director of the Company, so as to ensure effective governance and compliance of applicable regulations and statutes.

Payment of remuneration in view of losses suffered/inadequate profits generated by the Company

US FDA auditors inspected the Kalyani facility to evaluate compliance with cGMP (Current Goods Manufacturing Practices) in the production of APIs, during January, 2013. Auditors made some observations indicating some non-compliance at the Kalyani Plant and subsequently issued a warning letter.

As per the US Laws, US FDA subsequently transferred the matter to the Department of Justice, (DOJ) USA for prosecuting the Company/Management/employees for its failure to maintain cGMP in Kalyani Plant as well as for other actions as mentioned in the Warning Letter.

Department Of Justice (DOJ), USA, subsequently issued Sub-Poena in Nov 2014 to Company seeking documents/ information for investigating the issues raised by US FDA. Under the advise of Company's lawyers, Company decided to settled the matter with DOJ, rather than going into trial as trial is a long drawn process involving lots of time, energy, and money.

Accordingly, a Plea Agreement was executed with DOJ and the same was filed with the District Court of Nevada USA. On March 23, 2021, Hon'ble Court, consented to the Plea Agreement executed with DOJ and ordered the Company to make the payment of \$ 50 Million to the US Authorities.

In view of the above said payment of \$ 50 Million to US authorities, the Company suffered a loss during the FY 2020-21 and in terms of the provisions of Section 196, 197, 198, any other applicable provisions, read with Schedule V of the Companies Act, 2013 and the rules made thereunder, a Special Resolution is required to be passed at General Meeting of the shareholders for payment of managerial remuneration. Therefore, consent of Shareholders by way of a Special Resolution is sought for approval of remuneration paid to Mr. Nikhil Kulshreshtha as minimum remuneration during his tenure with the Company as Whole-time Director, with the designation "Director & Secretary" with effect from July 1, 2021, until the Company is able to earn adequate profits. This proposal has already been approved by the Nomination and Remuneration Committee and Board of Directors.

In terms of the provisions of Section - II of Part - II of Schedule - V of the Companies Act, 2013, read with applicable rules made thereunder, a statement of information is given below:

GENERAL INFORMATION

1.	Nature of Industry	Pharmaceuticals
2.	Date of commencement of commercial production	March 26, 2003
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	<ul style="list-style-type: none"> ➤ Total revenue decreased from INR 66966.16 lacs in FY 2019-20 to INR 63881.93 lacs in FY 2020-21. ➤ Profit/(Loss) before tax (after giving effect to extraordinary item), stands at INR (33,711.40) lacs during FY 2020-21. ➤ Total Export Earning is INR 52487.24 lacs during FY 2020-21
5.	Foreign investments or collaborations, if any	100% of the total paid-up share capital is held by Fresenius Kabi (Singapore) Pte. Ltd.

INFORMATION ABOUT THE APPOINTEE

1.	Background Details	<p>Mr. Nikhil Kulshreshtha was born on April 16, 1967 in New Delhi, India.</p> <p>He is a member of the Institute of Company Secretaries of India (ICSI). He has also attended management and leadership programs from national and international management institutions like IIM (Ahmadabad) and NUS, Singapore. He has been associated with the Company since year 2007. Presently, he is holding the position of Director & Secretary and responsible for Legal, Compliances, Secretarial, Internal Audit, and Administration functions of the Company besides being the Company Secretary and Chief Administrative Officer of the Company.</p> <p>Mr. Kulshreshtha has overall professional experience of approx. 31 years and during this period, he has worked in different capacities with large Indian conglomerates like Bharti Airtel, HCL and DLF group companies handling Secretarial, legal, commercial, Accounts and Administrative functions.</p>
2.	Past Remuneration	INR 223.18 lacs
3.	Recognition or awards	None
4.	Job Profile and his suitability	<p><u>Job Profile:</u></p> <ul style="list-style-type: none"> • Responsible for Legal, Corporate Governance &

		<p>Compliances, Secretarial, Internal Audit and Administration department of the Company,</p> <ul style="list-style-type: none"> • Responsible for overall legal and administration of the Company besides being the Company Secretary and Chief Administrative Officer of the Company. <p><u>Suitability:</u></p> <p>Has adequate educational and industrial exposure for discharging the assigned responsibility. Already served the Company at Sr. Management level and well versed with its business, operations and management.</p>
5	Remuneration proposed	<p>A. <u>Basic Salary</u></p> <p>In the scale of INR 85,00,000/- to INR 1,35,00,000/- per annum with authority to the Board to fix his salary within the scale from time to time. The annual or other increment will be merit based and take into account his performance.</p> <p>B. <u>Performance linked incentive</u></p> <p>As per rules of the Company and approved by the Board of Directors from time to time.</p> <p>C. <u>Perquisites & Allowances</u></p> <p>In addition to the prescribed salary and performance linked incentives, Mr. Nikhil Kulshreshtha will also be entitled to perquisites and allowances like furnished accommodation or house rent allowance in lieu thereof, house maintenance allowance, including electricity, water, gas etc., contribution to PF, payment of gratuity and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board with Mr. Nikhil Kulshreshtha, such perquisites and allowances will be subject to 200% of the basic salary.</p> <p>For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.</p> <p>Provisions for use of the Company's car for official duties and telephone at residence and mobile (including payment of local calls and long distance official calls) shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.</p> <p><u>Minimum Remuneration</u></p> <p>The above remuneration shall be paid as minimum</p>

		remuneration to Mr. Nikhil Kulshreshtha, in the event of absence or inadequacy of profit in any year during the tenure of his appointment. The terms and conditions of appointment and remuneration given herein be altered, varied and increased from time to time by the Board of Directors of the Company as it may, at its discretion deem fit, in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013, read with schedule V (including any statutory modification or re-enactment thereof for the time being in force), or any amendments made thereto from time to time.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The proposed remuneration is comparable and competitive, considering the industry, the managerial position and the credentials of the Director
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Not applicable

OTHER INFORMATION

1.	Reasons of loss or inadequate profits	<p>US FDA auditors inspected the Kalyani facility to evaluate compliance with cGMP (Current Goods Manufacturing Practices) in the production of APIs, during January, 2013. Auditors made some observations indicating some non-compliance at the Kalyani Plant and subsequently issued a warning letter.</p> <p>As per the US Laws, US FDA subsequently transferred the matter to the Department of Justice, (DOJ) USA for prosecuting the Company/Management/employees for its failure to maintain cGMP in Kalyani Plant as well as for other actions as mentioned in the Warning Letter.</p> <p>Department Of Justice (DOJ) , USA, subsequently issued Sub-Poena in Nov 2014 to Company seeking documents/ information for investigating the issues raised by US FDA. Under the advise of Company's lawyers, Company decided to settled the matter with DOJ, rather than going into trial as trial is a long drawn process involving lots of time, energy, and money.</p> <p>Accordingly, a Plea Agreement was executed with DOJ and the same was filed with the District Court of Nevada USA. On March 23, 2021, Hon'ble Court,</p>
----	---------------------------------------	---

		<p>consented to the Plea Agreement executed with DOJ and ordered the Company to make the payment of \$ 50 Million to the US Authorities.</p> <p>In view of the above said payment of \$ 50 Million to US authorities, the Company suffered a loss during the FY 2020-21.</p>
2.	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> The Company has taken effective steps towards settlement with DOJ by closing the long outstanding case and implementation of CEP program for next three years at Kalyani Plant location. The management is hopeful that on completion of all the planned remediation steps, the Company will be able to maximize its revenue to the full potential. Additionally, the Company has changed its transfer pricing mechanism and now functions as the Contract Manufacturing Organisation (“CMO”) and Contract Research Organisation (“CRO”) for Fresenius Kabi, which will, going ahead, result in steady stream of margins.
3.	Expected increase in productivity and profits in measurable terms	As per the revised transfer pricing mechanism, fixed margins will be earned by it on its production volume.

DISCLOSURES

1.	The shareholders of the company shall be informed of the remuneration package of the managerial person	Please refer clause 5 of “Information about the appointee” section above.
----	--	---

Taking into account his qualification, vast experience and long association with the company, the Board of Directors recommends the Special Resolution set out at Item no. 4 of the notice for approval by the members.

Mr. Nikhil Kulshreshtha does not hold any share in the Company.

Except Mr. Nikhil Kulshreshtha, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

Item No. 5 – Appointment of Dr. Uday Chandrashekhar Shetty (DIN - 02924182) as an Independent Non-Executive Director

The Board of Directors of the Company had appointed Dr. Uday Chandrashekhar Shetty, as an Additional Director under the Category of Independent Non Executive Director at its meeting held on November 25, 2020 pursuant to the provisions of section 149, 152 & other applicable provisions of the Companies Act, 2013 read with Article 118 of the Article of Association of the Company.

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company have recommended appointment of Dr. Uday Chandrashekhar Shetty as an Independent Non-Executive Director, pursuant to the provisions of section

149 , 152 & other applicable provisions of the Companies Act, 2013 read with Schedule IV of the Act and Article 118 of the Articles of Association of the Company. The members are requested to approve the appointment of Dr. Shetty as an Independent Non-executive Director of the Company, not liable to retire by rotation for a period of five years effective from 25th November, 2020 to 24th November, 2025.

Justification for selecting Dr. Uday Chandrashekhar Shetty as the Independent Director

Dr. Shetty holds a Ph.D (Tech) from the Mumbai University. He is a Pharmaceutical Professional with over 30 years of experience in quality management, product development, technology transfers and manufacturing operations.

He has supervisory experience in EHS, Engineering, Purchase, Finance and Marketing / Sales for CRO's. Previously, he has served as the co-founder Director of a Contract Research Organization. He has also gained unparallel experience while working with leading pharmaceutical companies like Janssen, Burroughs Wellcome and American Cyanamid.

He supervised large teams of Quality Assurance, Quality Control, Product Development and Manufacturing personnel. As site head with Janssen, he also supervised general management functions like Finance, Purchase, Imports, Engineering, EHS and Project Management.

Dr. Shetty has set-up, nurtured and developed a number of organizations to deliver superior business results in the field of Pharmaceutical Manufacturing, Quality management, Contract Research and Manufacturing. Presently, Dr. Shetty serves as the Director of a non-profit organization "GMP Education" which imparts free online Pharmaceutical Education. Additionally, he also serves as the Chairman of the International Society of Pharmaceutical Engineering, India affiliate and as a member of the Technical Committee of Indian Drug Manufacturer's Association.

Dr. Shetty was on Board of the Company as an Independent Non Executive Director for a period of over one year between May 2019 to September 2020. This is the second term of Dr. Shetty once approved by the members.

Taking into account his qualification and rich industry experience, the Board recommends appointment of Dr. Shetty as an Independent Non-executive Director, not liable to retire by rotation, for a period of five years effective 25th November, 2020, by passing this Special Resolution as set out in Item No. 5.

Dr. Shetty does not hold any share in the Company.

Except Dr. Shetty, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5.

By Order of the Board of Directors
For Fresenius Kabi Oncology Limited

Place: Gurugram
Date: June 30, 2021

Sd/-
Nikhil Kulshreshtha
Director & Secretary
DIN: 07178027