



FRESENIUS KABI ONCOLOGY LIMITED

(CIN : U24231DL2003PLC119441)

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

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

Website: www.fresenius-kabi-oncology.com

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

NOTICE is hereby given that the Thirteenth Annual General Meeting (AGM) of the members of Fresenius Kabi Oncology Limited will be held on Friday, August 26, 2016, at 4.00 P.M. at Air Force Auditorium, Subroto Park, New Delhi - 110 010 to transact the following businesses:

ORDINARY BUSINESS

Item No. 1 - Adoption of accounts

To receive, consider and adopt the Balance Sheet as at March 31, 2016, 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 Dr. Michael Schonhofen

To appoint a Director in place of Dr. Michael Schonhofen (DIN - 02285726), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 3 - Appointment of Statutory Auditors

To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

M/s. G. Basu & Co., Chartered Accountants (Firm's Registration No. - 301174E), Statutory Auditors of the Company, holds the office till the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

Item No. 4 - Appointment of Mr. Steffen Georg Roser as a Director (Non- Executive category)

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

"RESOLVED THAT Mr. Steffen Georg Roser (DIN - 07239624), who was appointed as an Additional Director on August 20, 2015, pursuant to the provisions of section 161(1) and other applicable provisions of the Companies Act, 2013, who holds office only upto the date of ensuing Annual General Meeting of the Company and in respect of whom notice in writing under section 160 of the Companies Act, 2013 has been received from a member, proposing him as a candidate for the office of Director of the Company, be and is hereby appointed as a Director (Non- Executive category) of the Company, liable to retire by rotation."

Item No. 5 - Appointment of Mr. Karsten Peter Lerch as a Director

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

"RESOLVED THAT Mr. Karsten Peter Lerch (DIN - 07433486), who was appointed as an Additional Director on February 25, 2016, pursuant to the provisions of section 161(1) and other applicable provisions of the Companies Act, 2013, who holds office only upto the date of ensuing Annual General Meeting of the Company and in respect of whom notice in writing under section 160 of the Companies Act, 2013 has been received from a member, proposing him as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company not liable to retire by rotation."

Item No. 6 - Appointment of Mr. Karsten Peter Lerch as a Whole-Time Director with the designation of "Director & CFO"

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 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 consent(s), approval(s) and permission(s), if any, as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s) / approval(s) and 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 members be and is hereby accorded to the appointment of Mr. Karsten Peter Lerch (DIN - 07433486) as the Whole Time Director of the Company with the designation of "Director & CFO" for a period of three years w.e.f. February 25, 2016, 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 appointment including remuneration/ remuneration

structure, if any, of Mr. Karsten Peter Lerch 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."

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

Sd/-

Gurgaon
May 24, 2016

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. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 20, 2016 to Friday, August 26, 2016 (both days inclusive), in terms of the provisions of the Companies Act, 2013.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the company, a duly certified copy of the relevant Board Resolution/ Power of Attorney together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting.
5. A person can act as a proxy on behalf of Members not exceeding fifty (50) in number and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
6. Members/ Proxies are requested to bring duly filled admission/ attendance slips sent herewith the Annual Report to the meeting.
7. For the security and safety of the members, no article / baggage including water bottles and tiffins will be allowed at the venue of the meeting. The members / attendees are requested not to bring any article / baggage etc. at the venue of the meeting.

8. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address, to Company's Registrars at Link Intime India Private Limited, 44, Community Center, 2nd Floor, Naraina Industrial Area, Phase-I, New Delhi - 110028. Ph +91 11 41410592/93/94 Fax +91 11 41410591 E-mail - delhi@linkintime.co.in.
9. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to the Company's Registrar for the prescribed form.
10. The documents referred to in the accompanying notice and explanatory statement along with Statutory Registers are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting and will also be available for inspection at the meeting.
11. Members having any questions with regard to accounts are requested to write to the Company Secretary at least ten days in advance, to enable the Company to keep the information ready.
12. Electronic copy of the Annual Report for financial year 2015-16 is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for financial year 2015-16 are being sent through the permitted mode.

The Notice of the 13th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 13th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance/ Admission Slip and Proxy Form is being sent through the permitted mode.

13. Voting through electronic means:

- A. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and any other applicable rules made thereunder, a member of the Company holding shares either in physical form or in dematerialized form, may exercise his/her right to vote by electronic means in respect of the resolution(s) contained in the notice.
- B. The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by

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using an electronic voting system from a place other than the venue of Annual General Meeting).

- C. The Company shall also provide facility for voting through ballot or polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- D. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- E. The voting period begins on Tuesday, August 23, 2016 (9:00 am) and ends on Thursday, August 25, 2016 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, August 19, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- F. The procedure and instructions for remote e-voting are as follows:
- i) The shareholder should log on to the e-voting website www.evotingindia.com.
 - ii) Click on "Shareholders" tab to cast your votes.
 - iii) Now enter your User ID:
 - a) For CDSL : 16 digits beneficiary ID
 - b) For NSDL : 8 character DPID followed by 8 digits Client ID
 - c) Members holding shares in physical form should enter Folio Number registered with the Company.
 - iv) Next enter the image verification as displayed and click on login.
 - v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
 - vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on the Address slip of Annual Report or as provided in the email if Annual Report is sent through electronic mode.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- # *Please enter the DOB or Dividend Bank details in order to login. In case, if either of the details are not recorded with the depository or company. Please enter the member id / folio number in the dividend bank details field as mentioned in instruction (iii).*
- Vii) After entering these details appropriately, click on "SUBMIT" tab.
 - viii) Members holding shares in physical form will then reach directly the EVSN 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 on 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.
 - ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - x) Click on the EVSN for Fresenius Kabi Oncology Limited.
 - xi) 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.
 - xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - xiii) 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.
 - xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xv) You can also take the print out of the voting done by you by clicking on "Click here to print" option on the voting page.
 - xvi) If demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on forgot password & enter the details as prompted by the system.
 - xvii) Shareholders can also cast their votes using CDSL's mobile app m-voting available for Android based mobiles. The m-voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii) Note for Non - Individual Shareholders and Custodians:

- Non - Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 should be mailed to 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.
- xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com or complianceofficer.india@fresenius-kabi.com.
- G. In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy]: Please follow all steps from sl. no. (i) to sl. no. (xiv) above, to cast vote.
- H. A Member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a Member cast his / her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.
- I. The voting rights of Members shall be in proportion to the shares held by them on the paid-up equity share capital of the Company as on Friday, August 19, 2016 and as per the Register of Members of the Company.
- J. The Company has appointed M/s. Surender Kumar Jain & Associates, Chartered Accountants (FRN -004766N) as Scrutinizer for conducting the remote e- voting and voting process at the AGM in a fair and transparent manner.
- K. The Scrutinizer shall immediately after counting the votes cast in the Annual General Meeting, unblock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, and submit the same forthwith to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.
- L. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the consolidated Scrutinizer’s Report shall be placed on the Company’s website

www.fresenius-kabi-oncology.com and on the CDSL website www.cdslindia.com immediately after the result declared by the Chairman or by a person authorized by him in writing.

- M. The resolutions will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of the resolutions.

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

Item No. 4 - Appointment of Mr. Steffen Georg Roser as Director (Non-Executive category)

The Board of Directors of the Company had appointed Mr. Steffen Georg Roser, as an Additional Director in its meeting held on August 20, 2015, pursuant to the provisions of Section 161(1) & other applicable provisions of the Companies Act, 2013, read with article 117 of the Article of Association of the Company. Mr. Steffen Georg Roser holds office only upto the date of the ensuing Annual General Meeting.

The Company has received a notice under section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr. Steffen Georg Roser as a Director (Non-executive category) of the Company liable to retire by rotation.

Brief profile and justification for choosing Mr. Steffen Georg Roser as a Director (Non-Executive)

Mr. Steffen Georg Roser was born on March 10, 1965 in Erlangen, Germany. He obtained his Master’s Degree in Business Administration from the Frankfurt University, Germany in 1988. In the year 1989, he started his professional career as a Controller with Procter & Gamble. He joined Fresenius Group in the year 1994 as a Controller - Corporate and since then has handled many critical assignments within the Fresenius Group at different positions.

Taking into account the professional qualification, adequate international experience & long association with Fresenius Group and considering the requirement of core finance professional on the Board of the Company, the Board recommends appointment of Mr. Steffen Georg Roser as a Director (Non Executive category) liable to retire by rotation.

Mr. Steffen Georg Roser does not hold any share in the Company.

Except Mr. Steffen Georg Roser, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution set out at Item No. 4 of the accompanying Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

Item No. 5 & 6 - Appointment of Mr. Karsten Peter Lerch as a Director and Whole Time Director with the designation of “Director & CFO”

The Board of Directors of the Company had appointed Mr. Karsten Peter Lerch, as an Additional Director w.e.f. February 25, 2016, at its meeting held on February 25, 2016 pursuant to the provisions of Section 161(1) & other applicable provisions of the Companies Act, 2013, read with Article 117 of the Article of Association of the Company. Accordingly,

Mr. Karsten Peter Lerch holds office only up to the date of the ensuing Annual General Meeting.

The Company has received a notice under section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr. Karsten Peter Lerch as a Director of the Company not liable to retire by rotation.

The Board of Directors, in its meeting held on February 25, 2016, also appointed Mr. Karsten Peter Lerch as a Whole-Time Director with the designation of "Director & CFO" not liable to retire by rotation w.e.f. February 25, 2016, for a tenure of 3 years, subject to the approval of shareholders. The proposal has also been reviewed and recommended by the Nomination and Remuneration Committee of the Company in its meeting held on February 25, 2016.

Brief profile and justification for choosing Mr. Karsten Peter Lerch as the Whole Time Director

Mr. Karsten Peter Lerch was born on June 14, 1973 in Saarbrücken, Germany. He obtained his degree in Economics from Eberhard-Karls-University of Tübingen, Germany in the year 2000. He has experience of more than fifteen years at international level. In his professional career, he has handled many critical assignments and obtained extensive hands on experience in handling finance and treasury department.

He has worked with many Internationally reputed Companies in finance, accounts, controlling and compliance functions. He joined Fresenius Group in March 2014 and till recently was working as the Director Compliance & Process Excellence at Fresenius Kabi Deutschland GmbH, Pharmaceuticals Division.

In his professional career he has, *inter - alia*, handled many critical assignments related to implementing new organizational structures, improving business processes and leading efficiency gain initiatives etc. Before his induction on the Board, he was holding the position of CFO of the Company since January 2016.

He is well versed with the business and also aware about the functioning and internal management of the Company. He has also served in the Fresenius Kabi group at different positions. The Company is expected to immensely gain from his professional knowledge, skills and rich experience.

Central Government Approval

Since Mr. Karsten Peter Lerch is not resident of India in terms of clause (e), Part - I, Schedule - V of the Companies Act, 2013, the Company is also required to obtain the approval of Central Government for his appointment.

Payment of remuneration in view of losses suffered by the Company

As informed in the last year's annual report, the Company has been incurring losses due to disruption of production at Company's API plant at Kalyani (West Bengal) post an inspection conducted by the U.S. Food and Drug Administration (US-FDA) and adverse observations regarding GMP non-conformities in relation to manufacturing, documentation practices and product testing.

The Company has taken several remedial measures at Kalyani for again making it compliant with the US FDA requirements. The cost incurred in implementing remediation measures at Kalyani contributed in increased losses for the Company. Moreover, due to disruption of production at Kalyani, the Company was forced to procure raw material from outside, resulting in increased cost of inputs. It also led to disruption in supply to the customers, these factors led to losses for the Company during FY 2015-16 also.

In view of the losses incurred by the company during financial year 2015-16 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 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. Karsten Peter Lerch as minimum remuneration during his tenure with the Company as a Whole Time Director 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 its meeting held on February 25, 2016.

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 increased from ₹ 47,212.77 lacs in FY 2014-15 to ₹ 55,512.18 lacs in FY 2015-16. • Profit before tax (before extraordinary items) stands at a loss of ₹ 11,418.13 lacs during FY 2015-16. • Total Export Earning is ₹ 45,633.08 lacs during FY 2015-16.
5.	Foreign investments or collaborations, if any	More than 97.05% of the total paid-up share capital is held by Fresenius Kabi (Singapore) Pte. Ltd.

INFORMATION ABOUT THE APPOINTEE:

1.	Background Details	<p>Mr. Karsten Peter Lerch was born on June 14, 1973 in Saarbrücken, Germany. He has obtained his degree in Economics from Eberhard-Karls-University of Tübingen, Germany in the year 2000. He has overall professional experience of approx. 15 years.</p> <p>He has worked with many Internationally reputed Companies in finance, accounts, controlling and compliance functions. He joined Fresenius Group in March 2014 and till recently was working as the Director Compliance & Process Excellence with Fresenius Kabi Deutschland GmbH, Pharmaceuticals Division.</p> <p>In his professional career he has, <i>inter - alia</i>, handled many critical assignments related to implementing new organizational structures, improving business processes and leading efficiency gain initiatives etc. Before his induction on the Board, he was holding the position of CFO of the Company since January 2016.</p>
2.	Past Remuneration	₹ 155.69 lacs per annum (as CFO of Fresenius Kabi Oncology Ltd)
3.	Recognition or awards	Nil
4.	Job Profile and his suitability	<p>Job Profile:</p> <p>Responsible for overall Finance & Accounts department of the Company. Working towards better fund management and process improvement in finance & accounts function of the Company.</p> <p>Suitability :</p> <p>Has adequate educational and industrial exposure for discharging the assigned responsibility. Already served the Company as the “CFO” and well versed with its business, operations and management.</p>
5	Remuneration proposed	<p>A. Basic Salary</p> <p>In the scale of ₹ 1,00,00,000/- to ₹ 1,50,00,000/- 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 taking into account his performance.</p> <p>B. Performance linked incentive</p> <p>As per rules of the Company and approved by the Board of Directors from time to time.</p> <p>C. Perquisites & Allowances</p> <p>In addition to the prescribed salary and performance linked incentives, Mr. Karsten Peter Lerch 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., home location travel for himself and his immediate family, 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. Karsten Peter Lerch, 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>Minimum Remuneration</p> <p>The above remuneration shall be paid as minimum remuneration to Mr. Karsten Peter Lerch, in the event of absence or inadequacy of profit in any year during the tenure of his appointment.</p> <p>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</p>

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		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	None

OTHER INFORMATION:

1.	Reasons of loss or inadequate profits	<p>During a routine inspection conducted by the U.S. Food and Drug Administration at the Company's API plant located at Kalyani, the U.S. Food and Drug Administration made certain observations relating to GMP non-conformities in relation to manufacturing, documentation practices and product testing. The Company took immediate steps to implement remedial measures and had voluntarily put the production on hold in February, 2013 on temporary basis. The production at Kalyani was restarted in a phased manner in the month of July 2013.</p> <p>However, due to disruption of production and as a result of substantial cost incurred during the implementation of the aforementioned remedial measures at Kalyani, the Company has been incurring losses since FY 2013-14.</p>
2.	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none">• The Company has already taken necessary steps to ensure to comply with all the FDA norms in the future.• The Company is making sure that we not only satisfy the immediate actions agreed with FDA but also ensuring that such situations do not arise in future.• For the Company, immediate priority work is to get the Kalyani (West Bengal) site reapproved for manufacturing by US FDA.
3.	Expected increase in productivity and profits in measurable terms	<ul style="list-style-type: none">• As per the future plans of the Company, the productivity has been increasing gradually and expected to normalize by next year, subject to regulatory approvals and contingencies.• As per the current scheme of things, the Company should again be profitable from next two - three financial years.

DISCLOSURES

1.	Remuneration package of the managerial person	Please refer clause 5 of "Information about the appointee" section above.
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Mr. Karsten Peter Lerch does not hold any share in the Company.

Except Mr. Karsten Peter Lerch, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

Taking into account his qualification, vast experience and current association with the Company, the Board of Directors recommends the ordinary resolution set out at item no. 5 and special resolution set out at item no. 6 of the notice for approval by the members.

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

Sd/-
Nikhil Kulshreshtha
Director & Secretary
DIN 07178027

Gurgaon
May 24, 2016