

**MOREPEN LABORATORIES LIMITED**

**Regd. Off:** Morepen Village, Nalagarh Road, Near Baddi, Distt. Solan, H.P.- 173 205

**CIN:** L24231HP1984PLC006028; **Website:** www.morepen.com;

**E-mail id:** investors@morepen.com; **Tel No.:** +91-1795-266401-03, 244590; **Fax No.:** +91-1795-244591

**NOTICE**

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting ('AGM') of the members of Morepen Laboratories Limited ('the Company') will be held on **Wednesday, 30<sup>th</sup> day of September, 2020** at 11.00 A.M. through Video Conferencing/ Other Audio Visual Means ('VC'/ 'OAVM'), to transact the following business:

**Ordinary business****Item no. 1 – Adoption of financial statements**

To receive, consider and adopt the audited financial statement including consolidated financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon.

**Item no. 2 – Appointment of Dr. Arun Kumar Sinha as a Director liable to retire by rotation**

To appoint a Director in place of Dr. Arun Kumar Sinha (DIN: 00450783), who retires by rotation at this annual general meeting and being eligible, offers himself for re-appointment.

**Special business****Item no. 3 – Appointment of Dr. Savita (DIN: 08764773) as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) and pursuant to provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable rules, regulations and guidelines of the Securities and Exchange Board of India, Dr. Savita (DIN: 08764773) who was appointed by the Board as an Additional Director in the capacity of Independent Director of the Company effective from 22<sup>nd</sup> June, 2020 in terms of Section 161 of the Companies Act, 2013, and whose appointment as an Independent Director is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years with effect from 22<sup>nd</sup> June, 2020 to 21<sup>st</sup> June, 2025 and shall not liable to retire by rotation.

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

**Item no. 4 – Amendment to main Object Clause of the Memorandum of Association of the Company**

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 Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), and subject to the necessary approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or

suggested by any such appropriate authorities, the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) is authorized to accept as it may deem fit, Clause III of the Memorandum of Association, in relation to the main objects to be pursued by the Company on its incorporation, be and is hereby altered by inserting the following clauses:

**Insertion of following Clauses after Sub Clause III in the “Main Objects”:**

4. To undertake, engage, construct, manufacture, run, manage, design, promote, administer and offer all kinds of hospitals, diagnostic laboratories, dispensaries, pharmacies, clinics, drug house, health care/rejuvenation centers/clubs and facilities for yoga/meditation, gym(s), spa(s), medical tourism, nursing centers, schools, colleges, paramedical activities including manufacturing, production, buying, selling, supplying, imports and exports, merchants, agents of goods/ materials related to aforesaid activities and also includes sanitization, public health care and cleanliness and general public welfare.
5. To carry on the business of research and development, consultation(s), counselling in the field of health care, health management systems.
6. To design, establish and develop on a turnkey basis outlets for all kinds of products and to acquire, set up, construct, establish, run, operate and manage stores, markets, malls, shopping outlets, health destinations, hotels, restaurants, travel agents, theatres, proprietors of art saloons, beauty parlors, shopping arcades, fitness health clubs, rejuvenation centers and clubs, cafeterias, food parlors and any other business which can be conveniently and efficiently carried on in connection therewith and carry on business as agents, franchisee(s), distributors and dealers of medicinal products, health foods and supplements for the consumer market and of operating, establishing, providing and managing e-commerce websites, direct to home and mail order services for various categories of products including pharma and services in India or in any other part of the world.
7. To act as consultants and render technical and managerial services in the field of medical research and running of health care facilities including multi-speciality and general hospitals, laboratories, dispensaries, clinics, day care centers, pharmacies, diagnostic centers/laboratories and health clubs.
8. To design, manufacture, import, export, buy, sell, install, maintain and improve all kinds of equipment and instrumentation for any spare parts, accessories, or anything or things required and necessary for the above mentioned business.

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

**Item no. 5 – Increase in authorised share capital of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Section 13, 61 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), the authorized share capital of the Company be and is hereby increased from the existing ₹ 210,00,00,000/- (Rupees Two Hundred Ten Crore Only) divided into 45,00,00,000 (Forty Five Crore) Equity Shares of ₹ 2/- (Rupees Two Only) each and 1,20,00,000 (One Crore Twenty Lakh) Preference Shares of ₹ 100/- (Rupees One Hundred Only) each to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crore Only) divided into 65,00,00,000 (Sixty Five Crore) Equity Shares of ₹ 2/- (Rupees Two Only) each and 1,20,00,000 (One Crore Twenty Lakh) Preference Shares of ₹ 100/- (Rupees One Hundred Only) each by creation of additional 20,00,00,000 (Twenty Crore) Equity Shares of ₹ 2/- (Rupees Two Only) each.

**RESOLVED FURTHER THAT** Clause V of the Memorandum of Association of the Company be and is hereby amended and substituted by the following:

- V. The Authorized Share Capital of the Company is ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crore Only) divided into 65,00,00,000 (Sixty Five Crore) Equity Shares of ₹ 2/- (Rupees Two Only) each and 1,20,00,000 (One Crore Twenty Lakh) Preference Shares of ₹ 100/- (Rupees One Hundred Only) each.

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

**Item no. 6 - Adoption of Memorandum of Association of the Company pursuant to the Companies Act, 2013**

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 Section 4, 13 and any other applicable provisions of the Companies Act, 2013 ("the Act"), read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the Table A of the Schedule I of the Act, consent of the members be and is hereby accorded for alteration in the Memorandum of Association of the Company by deleting the objects of the Company mentioned under Clause III (C) – "Other Objects" and adopt altered Memorandum of Association in the place of existing Memorandum of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**Item no. 7 – Increase in remuneration of Mr. Sushil Suri (DIN: 00012028), Chairman & Managing Director of the Company**

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 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), pursuant to provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable rules, regulations and guidelines of the Securities and Exchange Board of India, approval of the members be and is hereby accorded to payment of such remuneration to Mr. Sushil Suri (DIN: 00012028), Chairman & Managing Director of the Company with effect from 1<sup>st</sup> April, 2020, as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of appointment and / or remuneration, pursuant to provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

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

**Item no. 8 – Increase in remuneration of Mr. Sanjay Suri (DIN: 00041590), Whole-Time Director of the company**

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 read with Schedule V and other applicable

provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), pursuant to provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable rules, regulations and guidelines of the Securities and Exchange Board of India, approval of the members be and is hereby accorded to payment of such remuneration to Mr. Sanjay Suri (DIN: 00041590), Whole-time Director of the Company, as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of appointment and / or remuneration, pursuant to provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

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

**Item no. 9 - Adoption of Article of Association of the Company pursuant to the Companies Act, 2013**

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 Section 14 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this Meeting be and are hereby approved and adopted in substitution, and to the entire exclusion which are contrary to the Table F of the first schedule and the applicable provisions of the Companies Act, 2013, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**Item no. 10 - Ratification of the remuneration of M/s. Vijender Sharma & Co., Cost Auditors of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force and as per the recommendation of the Audit Committee, the Company hereby ratifies the remuneration of M/s. Vijender Sharma & Co., Cost Accountants, (FRN: 000180), appointed as Cost Auditors of the Company by the Board of Directors of the Company, to audit the cost records relating to manufacturing of Bulk Drugs and Formulations for the financial year 2020-2021, at a remuneration of ₹ 2,00,000/- (Rupees Two Lakh Only) excluding applicable taxes and out of pocket expenses.

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

**Item no. 11 - Fixation of minimum fee for serving various documents on members of the Company**

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

**“RESOLVED THAT** pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the company may serve documents on its members, by sending the document(s) that he / she is entitled to receive as a member under the Act by post or by registered post or by speed post or by courier or such electronic or other mode as may be prescribed, depending on event and circumstance of each case from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or its duly constituted committee be and is hereby authorized to decide, in respect of any advance request for sending documents in a particular mode of delivery by any member provided at least one week in advance of the dispatch of the document by the company along with requisite fee duly received by the company and that no such request shall be entertained by the company post-dispatch of such documents by the company to the member, the charges payable for such delivery, as prescribed below for each mode of dispatch.

SI. No.	Mode of dispatch	Minimum rate per document at the minimum slab of the weight of the document in each category in INR.	
		Within India	International
1.	Ordinary post	10	1.2 times of the actual charges in each case
2.	Registered post	50	
3.	Speed post	50	
4.	Courier	50	
5.	Electronic mail (e-mail)	10	10

**RESOLVED FURTHER THAT** the Board of Directors of the company or its duly constituted committee be and is hereby authorised to amend or alter such charges from time to time either keeping in view the change of charges as applicable to that mode or in any situation so warrants and to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By order of the Board of Directors  
For Morepen Laboratories Limited**

**Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028**

**Date: 31<sup>st</sup> August, 2020  
Place: New Delhi**

**NOTES:**

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and its rules framed thereunder (hereinafter referred to as the 'Act') relating to businesses to be transacted at the 35th Annual General Meeting (hereinafter referred to as 'AGM'), as set out in item no(s). 3 to 11 and relevant details as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the 'Listing Regulations') and Secretarial Standard -2 of General Meeting issued by the Institute of Company Secretaries of India ('ICSI'), is annexed thereto.
2. The Board of Directors have considered and decided to include item no(s). 3 to 11 given above as Special Business in this AGM, as they are unavoidable in nature.
3. Pursuant to Section 110(1)(a) read with Secretarial Standards 2 of ICSI, resolution proposed in item no. 04 shall be passed through postal ballot. However, the Companies (Amendment) Act, 2017, w.e.f., 08 February, 2018,

provided that business(es) required to be transacted by means of postal ballot under clause 110(1)(a), may be transacted at a general meeting by the company which is required to provide the facility to members to vote by electronic means under section 108, in the manner provided in that section. The Company is providing e-Voting facilities to the members, therefore, resolution as set out in item no. 04 is proposed for approval of members in this AGM.

4. In view of outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide General Circular no. 14/2020 dated April 8, 2020, General Circular no. 17/2020 dated April 13, 2020 and General Circular no. 20/2020 dated May 5, 2020 (collectively 'MCA Circulars'), permitted companies to conduct AGM through video conferencing ('VC') or Other Audio Visual Means ('OAVM') and various circulars issued by the Securities and Exchange Board of India ('SEBI') on holding of AGM through VC or OAVM during the calendar year 2020. In compliance with the MCA and SEBI Circulars and applicable provisions of the Act and Listing Regulations, the 35<sup>th</sup> AGM of the Company is being convened and conducted through VC/ OAVM.
5. The Company has enabled the members to participate at the 35<sup>th</sup> AGM through the VC/ OAVM facility provided by National Depository Services Limited ('NSDL'). The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC/ OAVM shall be allowed on a first-come-first-served basis.
6. Pursuant to the provisions of the Act, members are entitled to attend and vote at the AGM, are entitled to appoint a proxy to attend and vote on his/her behalf. Since the 35<sup>th</sup> AGM is being held through VC/ OAVM, therefore physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be made available for the 35<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip and route map are not annexed to this Notice.
7. Corporate members are required to send a certified copy of the board resolution authorizing their representative to attend the AGM through VC/ OAVM and vote on their behalf at e-mail i.d. of the Company at 'investors@morepen.com' with a copy marked to 'evoting@nsdl.co.in' and institutional investors are encouraged to attend and vote at the meeting through VC/ OAVM.
8. The Company has provided the facility to members to exercise their right to vote by electronic means both through remote e-Voting and e-Voting during the AGM. The process of remote e-Voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-Voting facility is in addition to voting that will take place at the 35<sup>th</sup> AGM being held through VC/ OAVM.
9. Members joining the meeting through VC/ OAVM, who have not already cast their vote by means of remote e-Voting, shall be able to exercise their right to vote through e-Voting at the AGM. The members who have cast their vote by remote e-Voting prior to the AGM may also join the AGM through VC/ OAVM but shall not be entitled to cast their vote again.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The Company has appointed Mr. Praveen Dua (FCS: 3573, CP: 2139), Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the e-Voting process in a fair and transparent manner.
12. The Register of Members and Share Transfer books will remain closed from Thursday, 24<sup>th</sup> September, 2020 to Wednesday, 30<sup>th</sup> September, 2020 (both days inclusive).
13. The details of the Directors seeking appointment/ re-appointment at the 35<sup>th</sup> AGM are provided in Annexure A of this Notice. The Company has received the requisite consents/declarations for the appointment/ re-appointment under the Companies Act, 2013 and the rules made thereunder.

14. All documents referred to in the Notice and accompanying Explanatory Statement, as well as the Annual Report, are open for inspection at the Corporate Office of the Company on all working days, excluding Saturday between 11.00 A.M to 1.00 P.M. up-to the date of the AGM.
15. The following documents will be available for inspection by the Members electronically during the 35<sup>th</sup> AGM. Members seeking inspect to such documents may send an email to company @ investors@morepen.com, in advance.
  - Register of Directors and Key Managerial Personnel and their shareholding; and
  - Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013.
  - Any other documents information which are required as per the preceding paragraph of this notice and annual report.
16. In accordance with the proviso to Regulation 40(1) of the Listing Regulations, with effective from 1<sup>st</sup> April, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding Equity Shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.
17. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:-
  - a) the change in the residential status on return to India for permanent settlement, and
  - b) the particulars of the NRE account with a Bank in India, if not furnished earlier.
18. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The prescribed nomination form can be obtained from the Registrar and Share Transfer Agent of the Company.
19. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar & Transfer Agent at info@masserv.com in case the shares are held in physical form, quoting their folio number. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
20. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its RTA i.e., Mas Services Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
21. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
22. In case of any queries regarding the Annual Report, the Members may write to 'investors@morepen.com' or 'info@masserv.com' to receive an email response.

**Process for dispatch of Annual Report and registration of email id for obtaining copy of Annual Report**

23. In line with the MCA and SEBI Circulars, the notice of the 35<sup>th</sup> AGM along with the Annual Report 2019-20 is being sent only by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2019-20 will also be available on the

Company's website at [www.morepen.com](http://www.morepen.com), websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited viz., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

24. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi 110020 with folio no. and name.
25. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company through an email at [investors@morepen.com](mailto:investors@morepen.com), till Friday, 25<sup>th</sup> September, 2020.

**Procedure for joining the 35<sup>th</sup> AGM through VC / OAVM:**

26. Members may note the VC/OAVM facility will provided by NSDL, allows participation of 1,000 members on first come first serve basis. However, this number does not include the large shareholders (i.e., shareholding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
27. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-Voting login credentials and selecting the link available against the EVEN for Company's AGM. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.
28. Facility of joining the AGM through VC/ OAVM shall open 30 minutes before the time scheduled for the AGM and will be available on first come first serve basis.
29. Members who need assistance before or during the AGM, can contact NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990 or contact our Registrar Transfer Agent at [info@masserv.com](mailto:info@masserv.com) / 011-26387281/82/83.
30. As per the provisions under the MCA Circulars, members attending the 35<sup>th</sup> AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**Procedure to raise question/ seek clarifications with respect to Annual Report at the ensuing 35th AGM:**

31. Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number (DP ID and Client ID)/folio number, email id, mobile number at '[investors@morepen.com](mailto:investors@morepen.com)'. Questions / queries received by the Company till 05.00 p.m. on Friday, 25<sup>th</sup> September, 2020 shall only be considered and responded during the AGM.
32. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number & number of shares at '[info@masserv.com](mailto:info@masserv.com)' and '[investors@morepen.com](mailto:investors@morepen.com)' before Friday, 25<sup>th</sup> September, 2020 (till 5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
33. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

**Procedure for remote e-Voting and e-Voting during the AGM**

34. All the members of the Company including retail individual investors, institutional investors, etc. are encouraged to attend and vote in the AGM to be held through VC/OAVM.



35. In compliance with the provisions of Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations re-enactment(s) thereof for the time being in force), members are provided e-Voting facility to cast their votes, by electronic means for voting through remote e-Voting, for participation in the 35<sup>th</sup> AGM through VC/OAVM facility and e-Voting during the 35<sup>th</sup> AGM.
36. The remote e-Voting period will commence on Saturday, 26<sup>th</sup> September, 2020 at 9.00 a.m. and will end on Tuesday, 29<sup>th</sup> September, 2020 at 5.00 p.m. The remote e-Voting module will be disabled by NSDL for voting thereafter. Members holding shares either in physical form or in dematerialized form, as on Wednesday, 23<sup>rd</sup> September, 2020 i.e., cutoff date, may cast their vote electronically including those preference shareholders whose dividends have remained unpaid for more than two years, are entitled to cast their votes on the resolutions set forth in this Notice.

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote

**Instructions and information relating to e-Voting are as follows:**

**Instructions**

The instructions for remote e-Voting are as under:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>**

- A. Visit the e-Voting website of NSDL.  
Open web browser by typing the following: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
- B. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section.
- C. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e., IDeAS, you can log-in at <https://eservices.nsdl.com> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., cast your vote electronically.
- D. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL/CDSL) or Physical	Your User ID is:
i) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****
ii) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your User ID is 12*****
iii) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if Folio Number is 001*** and EVEN is 101456, then User ID is 101456001***

- E. Your password details are given below:
- i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - iii) How to retrieve your 'initial password'? If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered with the depositories, for procuring user id and Password and for registration of email ID for e-Voting, please follow the steps mentioned below:

- (a) In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), self-attested copy of PAN Card, self-attested copy of Aadhar Card by email to [info@masserv.com](mailto:info@masserv.com)
  - (b) In case shares are held in demat mode, please provide DPID CLENT ID (16 digit DP ID+ CLIENT ID or 16-digit beneficiary ID), Name, client master or copy of consolidated account statement, self-attested copy of PAN Card, self-attested copy of Aadhar Card by writing an email to [info@masserv.com](mailto:info@masserv.com)
- F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
- i) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - ii) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - iii) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- G. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
- H. Now, you will have to click on 'Login' button.
- I. After you click on the 'Login' button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

- A. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- B. After clicking on Active Voting Cycles, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
- C. Select 'EVEN' of '**MOREPEN LABORATORIES LIMITED**'.
- D. Now you are ready for e-Voting as the Voting page opens.
- E. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for

which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

- F. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- G. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- H. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- I. For the votes to be considered valid, the Institutional shareholders (other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution /Authority Letter etc. to the Scrutinizer through e-mail at 'cspraveendua@gmail.com' / 'investors@morepen.com' with a copy marked to 'evoting@nsdl.co.in'.
- J. Members may contact to Mr. Deepanshu Rastogi, Assistant Manager, Mas Services Limited at 'info@masserv.com'/011-26387281/82/83 or Ms. Pallavi Mhatre, Manager, NSDL at 'evoting@nsdl.com' / 1800-222-990 for any grievances connected with electronic means / e-Voting.
- K. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e voting user manual for Shareholders available at the Downloads section of 'www.evoting.nsdl.com' or call on toll free no.: 1800-222-990.

**The instructions for e-Voting during the AGM are as under:**

- (i). The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.
- (ii). Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.

**General Guidelines for Members**

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website 'www.morepen.com' and on the website of NSDL i.e., 'www.evoting.nsdl.com' immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited, BSE Limited where the shares of the Company are listed.

Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com to reset the password.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SEBI (LODR) REGULATIONS, 2015, AS AMENDED.**

### **Item no. 3**

Pursuant to requirements of Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, the Board of Directors, on the recommendation of the Nomination & Remuneration Committee, was appointed Dr. Savita (DIN: 08764773) as an Additional Director (Independent Category) on the Board of the Company, not liable to retire by rotation, pursuant to Section 161 of the Companies Act, 2013 on 22<sup>nd</sup> June, 2020 to hold office upto the date of ensuing 35<sup>th</sup> Annual General Meeting of the Company.

Dr. Savita, is holding a Post Graduate Degree in Commerce and has also qualified University Grant Commission ('UGC') National Eligibility Test in year 2007. She has worked at different positions in the field of education over the last 8 years. She has written several 'Research Papers' on variety of management skills which were published in National as well as International journals from time to time.

The Company has received a declaration from her to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, she fulfills the criteria of Independence and possesses appropriate skills, experience and knowledge for being appointed as an Independent Director. Considering her vast experience and knowledge and strategic guidance her appointment would be in the interest of the Company.

The Board of Directors recommends the appointment of Dr. Savita as an Independent Director of the Company for a term of five (5) consecutive years commencing from 22<sup>nd</sup> June, 2020, not liable to retire by rotation, as set in the Notice of 35<sup>th</sup> AGM.

Pursuant to Secretarial Standards - 2, Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the necessary details of Dr. Savita are given in '**Annexure A**'

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution

The Board recommends the Ordinary Resolution set out at item no. 3 of the Notice for approval by the members.

### **Item no. 4, 5 & 6**

With evolving trends in Pharmaceuticals Sector which is currently growing robust rate, it is expected that the pace of growth will get further momentum in the coming years, which will provide opportunities of growth and business expansion for the various market intermediaries operating in the Pharmaceutical market.

Considering the various growth opportunities, it is proposed to expand the horizon of the business activities wherein the main objects of the company will also include setting up hospitals, diagnostic centers, health clubs, health consultancy and other related activities thereto.

In this regard, the Board of Directors at their meeting held on 14<sup>th</sup> February, 2020 had approved (subject to the approval of members) the amendment, added new clause 4 to 8 as prescribed in resolution set out at item no. 4 of this notice, in the Memorandum of Association of the Company.

Further, the existing Authorized Share Capital of the Company is ₹ 210,00,00,000/- (Rupees Two Hundred Ten Crore Only) divided into 45,00,00,000 (Forty-Five Crore) Equity Shares of ₹ 2/- (Rupees Two Only) each and 1,20,00,000

(One Crore Twenty Lakh) Preference Shares of ₹ 100/- (Rupees One Hundred Only) each. With a view to augment long-term capital for the business of the Company, the Board of Directors of the Company is proposed to increase authorized capital by 20.00 Crore Equity Shares of ₹ 2/- (Rupees Two Only) each.

Therefore, the authorized share capital of the Company be increased to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crore Only) divided into 65,00,00,000 (Sixty Five Crore) Equity Shares of ₹ 2/- (Rupees Two Only) each and 1,20,00,000 (One Crore Twenty Lakh) Preference Shares of ₹ 100/- (Rupees One Hundred Only) each.

The proposed increase of authorized share capital requires the approval of the Members set out at item no. 5 to this notice. Consequent upon the increase in authorized share capital of the Company, its Memorandum of Association will require alteration so as to reflect the increase in the authorized share capital.

The Companies Act, 2013, has prescribed a new format of Memorandum of Association ("MOA") for public companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by removing Clause III (C) - 'Other Objects' and such other changes as required to align with the prescribed format of the MOA as per the Companies Act, 2013 and its rules made thereunder. The Board at its meeting held on 22<sup>nd</sup> June, 2020 has approved alteration of the MOA of the Company and the Board now seek Members' approval set out in item no. 6 of this notice.

The Board recommends the Special Resolutions set out at item no. 4 & 6, and Ordinary Resolution set out at item no. 5 of the Notice for approval by the members.

The draft altered MOA of the Company after incorporating the above proposed changes in physical form is open for inspection by the Members of the Company at the Corporate Office of the Company during business hours on all working days, excluding Saturdays between 11.00 A.M. to 1.00 P.M. upto the date of the Meeting.

A copy of altered MOA shall be given to the members of the Company upon receipt of a request for the same, in writing, during the notice period. The said MOA will also be available for inspection by members during the Meeting.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution.

**Item no. 7**

Mr. Sushil Suri (DIN: 00012028), is a fellow member of the Institute of Chartered Accountants of India (ICAI) and possesses a vast experience of more than 29 years in the various fields including finance, operations, management and managerial entrepreneurship in the pharmaceutical and hospitality industry. He is serving on the Board of Morepen Laboratories Limited since February, 1992 while he is acting as Chairman & Managing Director of the Company since October, 2000

The present term of Mr. Suri will be ending on 19<sup>th</sup> October, 2023 and his salary was revised up-to ₹ 5.00 Crore by passing a Special Resolution at 34<sup>th</sup> Annual General Meeting held on 13<sup>th</sup> September, 2019.

Keeping in view that Mr. Sushil Suri possesses rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, the Board of Directors on the recommendation of the Nomination and Remuneration Committee at its meeting held on 22<sup>nd</sup> June, 2020 has approved payment of remuneration up-to ₹ 10,00,00,000/- (Rupees Ten Crore Only) per annum for the further period from 01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023 (i.e., for 3 years) to Mr. Sushil Suri, for which approval of the members is required. No sitting fees will be paid to the Mr. Sushil Suri for attending meeting of the Board of Directors or any committee thereof. The details of remuneration are as under;

S. No.	Particulars	Amount (Rs.)
1.	Basic Pay	Up-to ₹ 5.00 Cr. per annum.
2.	Perquisites & Allowances	Up-to ₹ 2.00 Cr. per annum.
3.	Commission &/or Incentive	Up-to ₹ 3.00 Cr. per annum

Pursuant to the Companies (Amendment) Act, 2017, first proviso of Section 197(1) of the Companies Act, 2013, amended with effect from 12<sup>th</sup> September, 2018, the Company through Special Resolution may make payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V. The requirement of approval of the Central Government has been omitted.

Provided also that the company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, therefore, requirements of prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, has not arisen before proposing this resolution for your approval.

Pursuant to Secretarial Standards - 2, Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 & the Companies Act, 2013, the necessary details of Mr. Sushil Suri are given in '**Annexure A**' and pursuant to Schedule V of the Companies Act, 2013, information is given in '**Annexure B**'.

Save and except Mr. Sushil Suri, himself and Mrs. Anju Suri and Mr. Sanjay Suri, being relative of Mr. Sushil Suri in the capacity of Directors and Shareholders of the Company, none of Directors/ Key Managerial Personnel of the Company/ their relatives are in anyway, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at item no. 7 of the Notice for approval by the members.

#### **Item no. 8**

Mr. Sanjay Suri (DIN: 00041590), Whole Time Director is a science graduate from Punjab University India. He is serving the board of the Company w.e.f. 13<sup>th</sup> August, 2019. The affairs of the company are managed under his active involvement, guidance and supervision. He has around 27 years of business experience and has good knowledge in the field of accounts, finance, banking and operations of pharmaceutical business. His key role is planning, directing and coordinating the affairs of the API Business of the Company. He is also involved in formulating policies, managing daily operations, planning strategies, initiating efficient systems and procedures for effective functioning of the Company. Mr. Suri is responsible for:

- An overall administration of the API business,
- Implementation of pharmaceutical quality systems from time to time to comply with requirements of United States Food & Drug Administration and other regulators of various other countries.
- Business development, management reviews etc. from time to time.

Keeping in view, the valued contribution in the conduct and growth of business and vast experience of Mr. Sanjay Suri, the Board with the recommendation of the Nomination and Remuneration Committee at its meeting held on 31<sup>st</sup> August, 2020 has approved payment of remuneration up-to ₹ 7,00,00,000/- (Rupees Seven Crore Only) per annum for the further period from 1<sup>st</sup> April, 2020 to 12<sup>th</sup> August, 2022 (i.e., period up-to which is his appointment had approved by the members in the 34<sup>th</sup> AGM) to Mr. Sanjay Suri, for which approval of the members is required. No sitting fees will be paid to the Mr. Sanjay Suri for attending meeting of the Board of Directors or any committee thereof. The details of remuneration are as under;

S. No.	Particulars	Amount
1.	Basic Pay & Allowances	Upto ₹ 3.00 Cr. per annum.
2.	Perquisites	Upto ₹ 1.50 Cr. per annum.
3.	Commission &/or Incentives	Upto ₹ 2.50 Cr. per annum

Pursuant to the Companies (Amendment) Act, 2017, first proviso of Section 197(1) of the Companies Act, 2013, amended with effect from 12<sup>th</sup> September, 2018, the Company through Special Resolution may make payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V. The requirement of approval of the Central Government has been omitted.

Provided also that the company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, therefore, requirements of prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, has not arisen before proposing this resolution for your approval.

Pursuant to Secretarial Standards - 2, Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 & the Companies Act, 2013, the necessary details of Mr. Sanjay Suri are given in 'Annexure A' and pursuant to Schedule V of the Companies Act, 2013, information is given in 'Annexure B'.

Save and except Mr. Sanjay Suri, himself and Mr. Sushil Suri and Mrs. Anju Suri, being relative of Mr. Sanjay Suri in the capacity of Directors and Shareholders of the Company, none of Directors / Key Managerial Personnel of the Company / their relatives are in anyway, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at item no. 8 of the Notice for approval by the members.

#### **Item no. 9**

The existing Articles of Association ('AOA') are based on the Companies Act, 1956 whereby several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956. Additionally, some of the regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 ('the Act'). Substantive sections of the Act which deal with the general working of companies stand notified.

Several regulations of the existing AOA of the Company require alteration or deletions in several articles. Therefore, it is considered expedient to replace existing clauses of AOA which are not align with Table 'F' of the Act, which sets out the model articles of association for a company limited by shares.

The Board at its meeting held on 22<sup>nd</sup> June, 2020 has approved alteration of the AOA of the Company and the Board now seek Members' approval for the same.

The draft altered AOA of the Company after incorporating the above proposed changes in physical form is open for inspection by the Members of the Company at the Corporate Office of the Company during business hours on all working days, excluding Saturdays between 11.00 A.M. to 1.00 P.M. upto the date of the Meeting. A draft copy of the altered AOA shall be given to the members of the Company upon receipt of a request for the same, in writing, during the notice period. The said AOA will also be available for inspection by members during the Meeting.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at item no. 9 of the Notice for approval by the members.

#### **Item no. 10**

As per the recommendations of the Audit Committee, the Board of Directors of the Company have appointed M/s. Vijender Sharma & Co., Cost Accountants, as Cost Auditors of the Company, to conduct the audit of the cost records of

the Company for the financial year ending 31<sup>st</sup> March, 2021 (FY 2020-21) pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force).

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors of the Company, has to be approved by the shareholders of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at item no. 10 of the Notice for approval by the members.

**Item no. 11**

Section 20 of the Companies Act, 2013 which deals with service of documents, inter-alia, enables the company to dispatch any document to a member as per his preferred mode on receipt of specific request subject to deposit of such fee as determined by the members in the general meeting. Accordingly, consent of the members is sought for passing a resolution authorizing the board of directors to decide the fee payable as set out at item no. 11 of the notice on dispatch of document as per the choice of mode selected by any member of the company.

The rate indicated in the resolution is optimum rate per document at the standard slab of the weight in the respective category of each mode of dispatch as mentioned thereat.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any other officials of the Company is, in any way, financially or otherwise, concerned or interested in the resolution.

The Board recommends the Ordinary Resolution set out at item no. 11 of the Notice for approval by the members.

**By order of the Board of Directors  
For Morepen Laboratories Limited**

**Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028**

**Date: 31<sup>st</sup> August, 2020  
Place: New Delhi**



**Details of Directors seeking appointment/re-appointment at the Annual General Meeting**

(Pursuant to Secretarial Standards - 2, Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 & Companies Act, 2013)

<b>Particulars</b>	<b>Mr. Sushil Suri</b>	<b>Mr. Sanjay Suri</b>	<b>Dr. Savita</b>	<b>Dr. A. K. Sinha</b>
Date of Birth (Age)	18.01.1964 (56 years)	04.08.1968 (52 Years)	10.09.1984 (36 years)	17.03.1951 (69 years)
Date of first Appointment	01.02.1992	13.08.2019	22.06.2020	15.06.2005
Qualifications	B.Sc., FCA	B. Sc.	M.Com, P.hd.	M.Sc. - Chemistry, Ph.D. - Chemistry, PG Diploma in Personnel Management & Industrial Relations
Expertise in specific functional areas	Wide experience of more than 29 years in the various fields including finance, operations, management and managerial entrepreneurship in the pharmaceutical and hospitality industry.	He has around 27 years of experience in the field of accounts, finance, banking and operations of pharmaceutical business.	Vast experience in the area of Education.	Wide professional and technical expertise of more than 48 years in the pharmaceutical industry.
Directorships in other Companies (excluding foreign companies)	<ul style="list-style-type: none"> <li>• Shivalik Pesticides and Chemicals Pvt. Ltd</li> <li>• Concept Credits and Consultants Private Limited</li> <li>• Scope Credits and Financial Services Private Limited</li> <li>• React Investments and Financial Services Private Limited</li> <li>• Seed Securities and Services Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Shivalik Pesticides and Chemicals Pvt. Ltd</li> <li>• Blueheaven Marketing Private Limited</li> <li>• Mid-Med Financial Services and Investments Private Limited</li> <li>• Solitary Investments and Financial Services Private Limited</li> <li>• Solace Investments and Financial Services Private Limited</li> </ul>	Nil	Nil

	<ul style="list-style-type: none"> <li>• Epitome Holdings Private Limited</li> <li>• Brook Investments and Financial Services Private Limited</li> <li>• Square Investments and Financial Services Private Limited</li> <li>• Liquid Holdings Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Liquid Holdings Private Limited</li> <li>• Total Care Limited</li> <li>• Dr. Morepen Limited</li> <li>• Happier Life Private Limited</li> </ul>	Nil	Nil	Nil
Memberships/Chairmanships of Board Committees in other Companies (includes only Audit Committee and Shareholders/Investor Grievance Committee)	Nil	Nil	Nil	Nil	Nil
Details of remuneration sought to be paid and last drawn (approved) remuneration	Proposed- upto Rs. 10 crore Last drawn - upto Rs. 5 crore	Proposed- upto 7 Crore per annum Last drawn - upto 3.5 Crore per annum	Except sitting fees, no amount will be paid.	N.A	
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Spouse of Mrs. Anju Suri and Brother of Mr. Sanjay Suri, Directors of the company.	Brother of Mr. Sushil Suri, Chairman and Managing Director and Brother in law of Mrs. Anju Suri, Director of the company.	Nil	Nil	
No. of meetings of Board attended during the year (2019-20)	7	5	Not applicable	7	
Number of shares held in the Company	55,01,510	34,17,240	Nil	100	
DIN	00012028	00041590	08674773	00450783	
Terms and Conditions of appointment/ Reappointment	As set out in item no. 3 of the Explanatory Statement	As set out in item no. 4 of the Explanatory Statement	As set out in item no. 5 of the Explanatory Statement	Executive Director, liable to retire by rotation and being eligible, offer himself for re-appointment	

## Disclosure pursuant to Schedule V of the Companies Act, 2013

### I. GENERAL INFORMATION

#### (1) Nature of the Industry

The pharmaceutical industry discovers, develops, produces, and markets drugs or pharmaceutical drugs for use as medications to be administered (or self-administered) to patients, with the aim to cure them, vaccinate them, or alleviate the symptoms. Morepen Laboratories Limited ('Morepen'/ 'the Company'), being a Pharmaceutical Company is dealing in generic or brand medications and medical devices. The Company is subject to a variety of laws and regulations that govern the patenting, testing, safety, efficacy and marketing of drugs.

#### (2) Date or expected commencement of commercial production

The Company commenced its operations since 1<sup>st</sup> December, 1984.

#### (3) In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus.

Not Applicable

#### (4) Financial Performance\* based on given indicators:

(₹ in Lakh)

Particular	2019-20	2018-19	2017-18
Sales & other Income	80,140.46	72,091.47	56,437.05
Profit before depreciation, Interest and Tax but after Prior Period Items	7134.04	6,697.40	6,391.88
Depreciation/ Amortization	3,443.39	3,800.78	3,339.95
Interest and Finance Charges	196.75	207.08	429.46
Profit/Loss before Exceptional Item and Tax	2,979.03	2,689.54	2,622.47
Exceptional Gain/ (Loss)	-	-	-
Profit/ (Loss) before Tax	2,979.03	2,689.54	2,622.47

\*on standalone basis.

#### (5) Foreign Investments or Collaborations, if any

Except investment in Morepen Inc., Subsidiary Company, the company is not having any foreign investment/ foreign collaboration.

**II. INFORMATION ABOUT APPOINTEE:**

S. no.	Particulars	Mr. Sushil Suri	Mr. Sanjay Suri
(1)	Back ground details including qualification, experience etc.	Mr. Sushil Suri has more than 2 decades of experience in pharmaceuticals industry and has played an active role in the evolution of the pharma sector since 1992. His experience and expertise span all segments of the pharma industry including the fields of strategic & financial planning, manufacturing, capital structuring, collaborations and joint ventures etc. He is a qualified Chartered Accountant & a Fellow member of the Institute of Chartered Accountants of India.	Mr. Sanjay Suri has more than 27 years of experience in pharmaceuticals industry experience including in the field of accounts, finance, banking and international sales and marketing, exports, joint ventures, statutory and regulatory approvals related to USFDA. His experience and expertise span all segments of the pharma industry including the fields of strategic and manufacturing, etc. He is a Bachelor of Science.
(2)	Past Remuneration as Director of the Company	Rs. 170.97 lakh was paid during the financial year 2019-20, maximum approved limit in the 34 <sup>th</sup> AGM was Rs. 5 Crore per annum.	Rs. 60.90 lakh was paid during the financial year 2019-20, maximum approved limit in the 34 <sup>th</sup> AGM was Rs. 3.50 Crore per annum.
(3)	Recognition or awards	Mr. Sushil Suri is associated with the pharmaceutical industry from more than 2 decades. He has diversified experience of finance, operations, management and managerial entrepreneurship in the pharmaceutical industry.	Mr. Sanjay Suri heading API Business of the Company and instrumental in attainment of USFDA approvals of manufacturing plants of the Company.
(4)	Job Profile and suitability	As Chairman Managing Director of the Company, Mr. Sushil Suri is responsible for all matters pertaining to finance, raising of funds, investor relations and business development. Mr. Suri has vast experience and expertise span in all segments of the pharma industry including the fields of strategic & financial planning, capital structuring, collaborations & joint ventures, manufacturing and sales/ marketing. He is highly suitable for the job assigned to him..	Mr. Sanjay Suri is playing key role is planning, directing, coordinating the affairs of the API Business of the Company. He is also involved in formulating policies, managing daily operations, planning strategies, initiating efficient systems and procedures for effective functioning of the Company. Mr. Suri is highly suitable for the job assigned to him.
(5)	Remuneration Proposed/ remuneration sought to be paid	The remuneration is proposed to pay him is up-to Rs. 10,00,00,000/- per annum from 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2023.	The remuneration is proposed to pay him is up-to Rs. 7,00,00,000/- per annum from 1 <sup>st</sup> April, 2020 to 12 <sup>th</sup> August, 2022.

(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Sushil Suri is fully justifiable and comparable to that prevailing in the industry, keeping in view the profile and the position of Chairman and Managing Director respectively and enriched knowledge & vast experience. He shall be looking after and responsible for the whole affairs of the management of the Company and shall be accountable to the Board of Directors of the Company.	The remuneration of Mr. Sanjay Suri is fully justifiable and comparable to that prevailing in the industry, keeping in view the profile handled by him, having enriched knowledge and vast experience. He shall be looking after manufacturing facilities of all plants of the Company in Himachal Pradesh.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	<p>Mr. Sushil Suri is a promoter &amp; director of the Company. He is spouse of Mrs. Anju Suri, and elder brother of Mr. Sanjay Suri, Directors of the Company.</p> <p>Except and otherwise, Mr. Sushil Suri does not have any pecuniary relationship with the Company and is not related with any other director or any other managerial personnel(s) of the Company.</p>	<p>Mr. Sanjay Suri is a member of promoter group of the Company. He is younger brother of Mr. Sushil Suri and brother in law of Mrs. Anju Suri, Directors of the Company.</p> <p>Except and otherwise, Mr. Sanjay Suri does not have any pecuniary relationship with the Company and is not related with any other director or any other managerial personnel(s) of the Company.</p>

**III. OTHER INFORMATION:****1) Reasons for loss/inadequacy of profits**

The Company is engaged in the manufacturing of bulk drugs and its intermediates. In the early years of its incorporation, the Company's financial position went on well. However, during the years 2002-04, due to a sharp fall in Company's prime product 'Loratadine' in the international markets, the Company faced huge financial loss which adversely affected the sustainability of its operations as well as its ability to meet its debt servicing obligations.

Presently, the cost control policies along with tightening of rules by governments are the key measures which impact the growth prospect of the pharmaceuticals industry. Pharmaceuticals companies are forced to reduce their research and development (R&D) spending due to slowdown of growth in last few years which is also expected to hamper growth of the pharma market as new drugs revenue form large part of pharma firm's revenue due to exclusivity of the drug. Apart from these generics pharma market is facing decreasing return on investment due to price erosion in key markets which is forcing many firms to look for other avenues and markets to sustain growth. In addition, the company faces several competitive pressures from within the pharmaceutical industry and from other international challenges.

**2) Steps taken or proposed to be taken for improvement**

The Company has recently developed Apixaban, Rivaroxaban, Edoxaban Tosylate of new therapeutic category i.e., Anti-Coagulant in which drugs like Apixaban & Rivaroxaban are among the top 10 selling drugs in 2017 & 2018 and their USDMF filing is planned for the current year. The Company has also focusing on another new therapeutic category i.e. Anti-Depressant and drugs like Vortioxetine Hydrobromide, Brexpiprazole are in advance stage of development in the R&D. Another molecule Febuxostat of Anti-Gout category has also been developed and is ready for commercialization.

The company was granted five process/ polymorph patents for Montelukast, Rosuvastatin, Atorvastatin and Sitagliptin during the year. The company has also filed nine new patent applications for Novel processes/ New Polymorphs for Vortioxetine Hydrobromide, Linagliptin, Crystalline Empagliflozin, UDCA, Rivaroxaban, Apixaban, Sitagliptin, Rupaadine and Loratadine

The formulation, home diagnostics business, brand sharing and product contract manufacturing has significantly improved during the year and efforts are on to make significant growth in the coming years. The customers having reposed confidence in our branded product portfolio will be offered new products during the coming years and market penetration shall also be improved.

The company is reaching more markets by introducing of new products in light of prevention from COVID 19 pandemic and servicing large spectrum of people to deliver its wide range of products and also approved the expansion of its API business from existing 3000 MT per annum capacity to 5000 MT per annum capacity.

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

The Company expects improvement in its profitability as a result of aforesaid efforts.

**IV. DISCLOSURES**

The details of proposed remuneration are set out in the accompanying notice. The Company shall make appropriate disclosures as required under Schedule V of the Companies Act, 2013 in the Corporate Governance Report forming part of the Directors' Report of the Company.