



# MOREPEN



Date: 13/10/2020

To,

**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai- 400 051  
Tel No: (022) 26598100-8114  
Fax No: (022) 26598120  
**Symbol: MOREPENLAB**

**BSE Limited**  
Floor 25, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001  
Phones: 91-22-22721233/4  
Fax: 91-22-2272 3121  
**Scrip Code: 500288**

**Subject: Notice of the Extra Ordinary General Meeting**

Dear Sir,

Pursuant to Regulation 30 read with Part A of Schedule III of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended, please find enclosed notice of the Extra-Ordinary General Meeting ('EGM') of the members of the Morepen Laboratories Limited (the 'Company') scheduled to be held on **Thursday, November 05, 2020 at 11.00 A.M. (I.S.T.)** through Video Conferencing/Other Audio Visual Means ('VC'/'OAVM').


In this regard, the Company has provided facility to exercise voting rights on the business proposed at the EGM by electronic means by using e-Voting facility provided by National Securities Depositories Limited ('NSDL'). The remote e-Voting period shall commence from **Monday, November 02, 2020 at 9.00 A.M. (I.S.T.)** and will end on **Wednesday, November 04, 2020 at 5.00 P.M. (I.S.T.)** and the person who holds the shares as on the cut-off date *i.e.*, **Thursday, October 29, 2020 (end of day)** shall be eligible to vote using the remote e-Voting facility and e-Voting during/ at the EGM.

Kindly take note of the same.

Thanking you.

Yours faithfully,

For Morepen Laboratories Limited

  
(Vipul Kumar Srivastava)  
Company Secretary  
Membership no. A26231

Encl.: *As Above*

**Morepen Laboratories Limited**

**Corp. Off.:** 4th Floor, Antriksh Bhawan, 22 K.G.Marg, New Delhi- 110 001, INDIA  
Tel.: +91-11-23324443, 23712025, E-mail: corporate@morepen.com, Website: www.morepen.com  
CIN NO. L24231 HP1984PLC006028

**Plant & Regd. Off.:** Morepen Village, Malkumajra, Nalagarh Road, Baddi, Distt. Solan (H.P.) -173205  
Tel.: +91-1795-266401-03, 244590, Fax: +91-1795-244591, E-mail: plants@morepen.com

**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 an Extra Ordinary General Meeting ("EGM") of the members of Morepen Laboratories Limited ("the Company") will be held on **Thursday, 5<sup>th</sup> November, 2020 at 11.00 A.M.** through Video Conferencing/Other Audio Visual Means ("VC/OAVM"):

**SPECIAL BUSINESSES:****Item No. 1: Issue of Fully Convertible Warrants on preferential basis**

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

**"RESOLVED THAT** in accordance with the provisions of Section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) (the "Act"), and the rules and regulations made thereunder (including any amendment thereto or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018, as amended, (the "SEBI ICDR Regulations") or any other law for the time being in force, and the provisions contained in the Memorandum and Articles of the Association of the Company, and subject to the approvals, consents, permissions and sanctions of the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), Stock Exchanges and any other concerned authorities, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee of directors duly constituted or to be constituted thereof to exercise its powers conferred by this resolution), the approval of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, up-to 16,85,00,000 (Sixteen Crore Eighty Five Lakh) Fully Convertible Warrants ("Warrants") at a price of ₹ 25/- (Rupees Twenty Five Only) per warrant or such other price as may be determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, each convertible into 1 (One) Equity Share of face value of ₹ 2/- (Rupees Two Only) each ("the Equity Shares") at a price of ₹25/- (Rupees Twenty Five Only) per share {including premium of ₹23/- (Rupees Twenty Three Only) per share}, aggregating up-to ₹421,25,00,000/- (Rupees Four Hundred Twenty One Crore and Twenty Five Lakh Only), for cash, to the below-mentioned person belonging to Promoter Group ("Proposed Allottees"), on such terms and conditions as the Board may, in its absolute discretion think fit and in such form and manner in

accordance with applicable laws and without requiring any further approval or consent from the members:

Sr. No.	Name of the proposed allottee	No. of Warrants
1	Brook Investments & Financial Services Private Limited	35,00,000
2	Concept Credits & Consultants Private Limited	35,00,000
3	Epitome Holdings Private Limited	35,00,000
4	Scope Credits & Financial Services Private Limited	35,00,000
5	Mid-Med Financial Services & Investments Private Limited	35,00,000
6	React Investments & Financial Services Private Limited	35,00,000
7	Solitary Investments & Financial Services Private Limited	35,00,000
8	Square Investments & Financial Services Private Limited	35,00,000
9	Solace Investments & Financial Services Private Limited	35,00,000
10	Seed Securities & Services Private Limited	35,00,000
11	Liquid Holdings Private Limited	13,35,00,000
	<b>TOTAL</b>	<b>16,85,00,000</b>

**RESOLVED FURTHER THAT** in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the “Relevant Date” for determining the floor price of the Warrants to be issued in terms hereof is 6th October, 2020, being the date 30 days prior to the date of this Extra Ordinary General Meeting.

**RESOLVED FURTHER THAT** aforesaid issue of Warrants shall be subject to the following terms and conditions:

- Each Warrant held by the proposed allottee shall entitle each of them to apply for and obtain allotment of 1 (One) Equity Share of the face value of ₹2/- (Rupees Two Only) at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment (the “Warrant Exercise Period”).
- The proposed Warrant allottees shall, on the date of allotment of Warrants, pay an amount equivalent to at least 25% of the Warrant Issue Price fixed per Warrant in terms of the SEBI ICDR Regulations which will be kept by the Company to be adjusted and appropriated against the Warrant Issue Price of the Equity Shares. The balance 75% of the Warrant Issue Price shall be payable by the Warrant Holder at the time of exercising the Warrants.
- The Warrants, being allotted to the proposed allottees and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock in for such period as may be prescribed under SEBI ICDR Regulations.
- The Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under.
- The Warrants and Equity Shares arising on conversion of such Warrants shall be issued and allotted by the Company only in dematerialized form.

- (f) In the event the Warrant Holder(s) do not exercise Warrants within the Warrant Exercise Period, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- (g) The issue of Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- (h) The Warrants by itself until converted into Equity Shares, do not give to the Warrant Holder(s) any voting rights in the Company in respect of such Warrants.

**RESOLVED FURTHER THAT** the Board (the expression "Board" shall include any Committee thereof) be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option by the Warrant Holder(s).

**RESOLVED FURTHER THAT** the Equity Shares proposed to be so allotted upon conversion of Warrants shall rank *pari-passu* in all respects including as to dividend, with the existing fully paid up Equity Shares of the Company and shall subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any committee of the Board or any one or more Director(s)/ Company Secretary/any Officer(s) of the Company to give effect to the aforesaid resolution."

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

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

**Date: 10<sup>th</sup> October, 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 business to be transacted at the Extra Ordinary General Meeting (hereinafter referred to as 'EGM'), as set out in item no. 1 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'), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018, as amended, (the "SEBI ICDR Regulations") and Secretarial Standard -2 of General Meeting issued by the Institute of Company Secretaries of India ('ICSI'), are given herein.
2. The Board of Directors have considered and decided that item no. 1 as set out in the notice is Special Business and is unavoidable in nature.
3. In view of outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide General Circular no. 14/2020 dated 8<sup>th</sup> April, 2020, General Circular no. 17/2020 dated 13<sup>th</sup> April, 2020, General Circular no. 22/2020 dated 15<sup>th</sup> June, 2020 and General Circular no. 33/2020 dated 28<sup>th</sup> September, 2020 (collectively 'MCA Circulars'), permitted companies to conduct General Meeting through video conferencing ('VC') or Other Audio Visual Means ('OAVM') and relevant circular issued by the Securities and Exchange Board of India ('SEBI') on holding of meeting 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 EGM of the Company is being convened and conducted through VC/ OAVM. The Notice is being sent to all the members to their email ids as registered with the Company/ RTA.
4. The Company has enabled the members to participate at the EGM 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 EGM through VC/ OAVM shall be allowed on a first-come-first-served basis.
5. Pursuant to the provisions of the Act, members are entitled to attend and vote at the EGM, are entitled to appoint a proxy to attend and vote on his/her behalf. Since the EGM 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 EGM and hence the Proxy Form and Attendance Slip and route map are not annexed to this Notice.
6. Corporate members are required to send a certified copy of the board resolution authorizing their representative to attend the EGM 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.
7. 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 EGM. The process of remote e-Voting with necessary user i.d. and password is given in the subsequent paragraphs. Such remote e-Voting facility is in addition to voting that will take place at the EGM being held through VC/ OAVM.
8. 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 during/ at the EGM. The members who have cast their vote by remote e-Voting prior to the EGM may also join the EGM through VC/ OAVM but shall not be entitled to cast their vote again.

9. 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.
10. 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.
11. All documents referred to the Notice and accompanying Explanatory Statement, are open for inspection at the Corporate Office i.e., 4<sup>th</sup> Floor, Antriksh Bhawan, 22 K.G. Marg, New Delhi-110001 of the Company on all working days, excluding Saturday between 10.00 A.M to 5.00 P.M. up-to the date of the EGM.
12. The documents referred to the notice, will be available for inspection by the Members electronically during the EGM. Members seeking to inspect such documents may send an email to company at 'investors@morepen.com', atleast 5 days in advance.
13. The Members will be allowed to ask question(s) during the course of the Meeting. The question(s) will also be given in advance at-least 7 days before the meeting mentioning their name, DP ID and Client ID/folio number, PAN, mobile number & number of shares held, at 'investors@morepen.com'
14. 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.
15. 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.
16. 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.
17. 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.

**Procedure for joining the EGM through VC / OAVM:**

18. 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 EGM without restriction on account of first come first served basis.
19. Members will be able to attend the EGM through VC / OAVM or view the live webcast of EGM 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 EGM. 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.

20. Facility of joining the EGM through VC/ OAVM shall open 30 minutes before the time scheduled for the EGM and will be available on first come first serve basis.
21. Members who need assistance before or during the EGM, can contact 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. The copy of notice of EGM is also available at website of the company i.e., 'www.morepen.com'
22. As per the provisions under the MCA Circulars, members attending the EGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

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

23. All the members of the Company including retail individual investors, institutional investors, etc. are encouraged to attend and vote in the EGM to be held through VC/OAVM.
24. 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 EGM through VC/OAVM facility and e-Voting during the EGM.
25. The remote e-Voting period will commence on Monday, 2<sup>nd</sup> November, 2020 at 9:00 A.M. and ends on Wednesday, 4<sup>th</sup> November, 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 Thursday, 29<sup>th</sup> October, 2020 i.e., cutoff date, may cast their vote electronically.

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'. 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 [www.evoting.nsdl.com](http://www.evoting.nsdl.com)**

- A. Visit the e-Voting website of NSDL. Open web browser by typing the following: [www.evoting.nsdl.com](http://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'
- (b) In case shares are held in demat mode, please provide DPID CLIENT 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'

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'.
- ii) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on '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' 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 the Company which is **MOREPEN LABORATORIES LIMITED** to cast your vote.

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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

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

(i). The procedure for remote e-Voting during the EGM 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 EGM 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 EGM.

**General Guidelines for Members**

The Scrutinizer shall, immediately after the conclusion of voting at the EGM, first count the votes cast during the EGM, thereafter unblock the votes cast through remote e-Voting and make, not later than 48 hours of conclusion of the EGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized 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](http://www.morepen.com)'

and on the website of NSDL '[www.evoting.nsdl.com](http://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](http://www.evoting.nsdl.com)' to reset the password.

## Explanatory Statement

*(Pursuant to Section 102 of the Companies Act, 2013 read with rules made thereunder  
(the "Act") and SEBI (ICDR) Regulations)*

### **Item No. 1:**

In accordance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, approval of members of the Company by way of Special Resolution is required to issue of Fully Convertible Warrants ("Warrants") to the entities belonging to Promoter Group, on a preferential basis in compliance with applicable provisions of SEBI (ICDR) Regulations.

Pursuant to Securities and Exchange Board of India notification no. SEBI/LAD-NRO/GN/2020/14 dated 16<sup>th</sup> June, 2020, has amended the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations and has granted relaxation in Regulation 3(2) by adding a proviso wherein acquisition beyond 5% up-to 10% of voting rights in the Target Company is permitted for the financial year 2020-21 only in respect of acquisition by a promoter pursuant to preferential issue of the Equity Shares by the Target Company. In this context, the Board of Directors had approved issue of Fully Convertible Warrants, convertible into equivalent number of Equity Shares, by way of private placement on a preferential basis to entities belonging to the Promoter Group.

The details in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Act read with the rules issued thereunder, are set forth below:

#### **i) Particulars of the Preferential Issue including date of passing of Board Resolution**

The Board of Directors in its meeting held on 10<sup>th</sup> October, 2020, had approved the issue of convertible Warrants and accordingly proposes to issue and allot in aggregate up-to 16,85,00,000 (Sixteen Crore Eighty Five Lakh) convertible Warrants at a price of ₹ 25/- (Rupees Twenty Five Only) each, aggregating up-to ₹ 421,25,00,000/- (Rupees Four Hundred Twenty One Crore and Twenty Five Lakh Only), each convertible into 1 (One) Equity Share of the face value of ₹ 2/- (Rupees Two Only) each ("the Equity Shares") at a price of ₹ 25/- (Rupees Twenty Five Only) per share to the entities belonging to Promoter Group, on a preferential basis in compliance with applicable provisions of SEBI (ICDR) Regulations.

#### **ii) Objects of the Preferential Issue and aggregate amount proposed to be raised**

The funds so infused shall be utilized towards working capital, capital expenditure/ business expansion for existing project, new project including research and development, payment of liabilities including settlement with Banks/ financial institutions and such other purpose as the Board may decide.

#### **iii) Relevant Date**

In terms of the provisions of Chapter V of the SEBI ICDR Regulations, relevant date for determining the floor price for the Preferential Issue is 6<sup>th</sup> October 2020, being the date 30 days prior to the date of this Extra-Ordinary General Meeting ("EGM").

#### **iv) Basis on which the price has been arrived**

The Equity Shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited

("NSE") (together referred to as the "Stock Exchanges"). The Equity Shares are frequently traded in terms of the SEBI ICDR Regulations and NSE, being the Stock Exchange with higher trading volumes for the said period, has been considered for determining the floor price in accordance with the SEBI ICDR Regulations.

In terms of the applicable provisions of the SEBI ICDR Regulations, the minimum price at which the Equity Shares may be issued computes to ₹ 23.64/- (Rupees Twenty-Three and Sixty-Four Paise Only) per Equity Share, being higher of the following:

- a) Average of the weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on NSE, during the twenty-six (26) weeks preceding the Relevant Date, i.e., ₹ 21.70/- (Rupees Twenty-One and Seventy Paise Only) per Equity Share; or
- b) Average of the weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on NSE, during the two (2) weeks preceding the Relevant Date i.e., ₹ 23.64/- (Rupees Twenty-Three and Sixty-Four Paise Only) per Equity Share.

The pricing of the Equity Shares to be allotted on preferential basis is ₹ 25/- (Rupees Twenty-Five Only) per Equity Share, which is higher than above mentioned price.

- v) **Intent of the Promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Issue; contribution being made by the Promoters or Directors either as part of the Preferential Issue or separately in furtherance of the objects**

The convertible warrants shall be issued to entities belonging to the Promoter Group of the Company. The details of entities and no. of warrants being subscribed by them are as under;

Sr. No	Name of the proposed allottee	No. of Warrants
1	Brook Investments & Financial Services Private Limited	35,00,000
2	Concept Credits & Consultants Private Limited	35,00,000
3	Epitome Holdings Private Limited	35,00,000
4	Scope Credits & Financial Services Private Limited	35,00,000
5	Mid-Med Financial Services & Investments Private Limited	35,00,000
6	React Investments & Financial Services Private Limited	35,00,000
7	Solitary Investments & Financial Services Private Limited	35,00,000
8	Square Investments & Financial Services Private Limited	35,00,000
9	Solace Investments & Financial Services Private Limited	35,00,000
10	Seed Securities & Services Private Limited	35,00,000
11	Liquid Holdings Private Limited	13,35,00,000
	<b>TOTAL</b>	<b>16,85,00,000</b>

None of the Directors or Key Managerial Personnel of the Company intends to subscribe Warrants proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above.

- vi) **Time frame within which the Preferential Issue shall be completed**

Pursuant to the SEBI ICDR Regulations, in case of Warrants, it will be issued and allotted by the Company within a period of Fifteen (15) days from the date of passing of this resolution provided that where the issue

and allotment of the said Warrants is pending on account of pendency of any regulatory approval, then such issue and allotment shall be completed within a period of Fifteen (15) days from the date of receipt of last of such approvals.

**vii) Principal terms of assets charged as securities**

Not applicable.

**viii) Shareholding pattern of the Company before and after the Preferential Issue**

Sr. No.	Particulars	Pre-preferential <sup>1</sup> allotment shareholding		Post preferential allotment of Warrants/ Exercise of Warrants into Equity Shares	
		No. of shares	%age	No. of shares <sup>2</sup>	%age
<b>A</b>	<b>Promoter Shareholding</b>				
1	Indian				
	Individual	4,12,41,750	9.17	4,12,41,750	6.67
	Bodies corporate	11,41,29,838	25.37	28,26,29,838	45.71
	Sub-total	15,53,71,588	34.54	32,38,71,588	52.38
2	Foreign promoters				
	<b>Total Promoter Group holding (A)</b>	<b>15,53,71,588</b>	<b>34.54</b>	<b>32,38,71,588</b>	<b>52.38</b>
<b>B</b>	<b>Public Shareholding</b>				
1	Institutional Investors	2,55,22,896	5.67	2,55,22,896	4.13
2	Non-institutional Investors				
	Corporate Bodies	1,36,11,288	3.03	1,36,11,288	2.20
	Resident Individuals	19,01,88,039	42.28	19,01,88,039	30.76
	Others [including Non-resident Indians(NRIs)]	6,51,32,392	14.48	6,51,32,392	10.53
	<b>Total Public holding (B)</b>	<b>29,44,54,615</b>	<b>65.46</b>	<b>29,44,54,615</b>	<b>47.62</b>
	<b>Grand Total (A) + (B)</b>	<b>44,98,26,203</b>	<b>100.00</b>	<b>61,83,26,203</b>	<b>100.00</b>

<sup>1</sup> The pre-issue shareholding pattern is as on September 30, 2020;

<sup>2</sup> Pursuant to the Scheme of Arrangement ('Scheme') entered with the Fixed Deposit ('FD') holders, the company had allotted 9,24,90,413 Equity Shares to its FD holders on 12.08.2009, are listed and traded at NSE & BSE. Whereas, Hon'ble NCLT, Chandigarh vide its order dated 12.03.2018 read along-with order of Hon'ble National Company Law Appellate Tribunal (NCLAT), Delhi dated 23.07.2019, has been set aside the Scheme. In compliance with said order, the claims of the FD holders (*except those FD holders who have since traded or transferred their allotted shares*), have to be settled in cash by the Company, which will result in consequent cancellation of existing paid-up equity share capital of the Company to the extent of the equity shares so cancelled. In this regard, till date company has applied for cancellation of 2,66,413 shares with the stock exchanges. And, cancellation of shares is still going on, therefore, the post preferential allotment shareholdings may vary accordingly.

- ix) Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post Preferential Issue capital that may be held by them and change in control, if any, in the Company consequent to the Preferential Issue

Sr. No.	Name of the Proposed Allottee	Ultimate Beneficial Owner  (No natural person is holding more than 25 % of shares or capital or profit, therefore, name of managing officials (i.e., Directors <sup>3</sup> ) are given below)	Pre Issue <sup>1</sup> Shareholding		No of Equity Shares allotted post exercise of Warrants	Post issue <sup>2</sup> Shareholding	
			No. of shares	% age		No. of shares	% age
1	Brook Investments & Financial Services Private Limited	(i) & (v)	1,16,59,252	2.59	35,00,000	1,51,59,252	2.45
2	Concept Credits & Consultants Private Limited	(i) & (iv)	1,18,47,724	2.63	35,00,000	1,53,47,724	2.48
3	Epitome Holdings Private Limited	(i) & (ii)	1,10,00,820	2.45	35,00,000	1,45,00,820	2.35
4	Scope Credits & Financial Services Private Limited	(i) & (vi)	1,20,75,405	2.68	35,00,000	1,55,75,405	2.52
5	Mid-Med Financial Services & Investments Private Limited	(iii) & (iv)	1,14,73,813	2.55	35,00,000	1,49,73,813	2.42
6	React Investments & Financial Services Private Limited	(i) & (ii)	1,14,42,134	2.54	35,00,000	1,49,42,134	2.42
7	Solitary Investments & Financial Services Private Limited	(iii) & (vi)	1,16,14,045	2.58	35,00,000	1,51,14,045	2.44
8	Square Investments & Financial Services Private Limited	(i) & (ii)	1,06,02,075	2.36	35,00,000	1,41,02,075	2.28
9	Solace Investments & Financial Services Private Limited	(iii) & (vi)	1,15,82,790	2.57	35,00,000	1,50,82,790	2.44
10	Seed Securities & Services Private Limited	(i) & (ii)	1,08,28,780	2.41	35,00,000	1,43,28,780	2.32
11	Liquid Holdings Private Limited	(i) & (iii)	3,000	0.00	13,35,00,000	13,35,03,000	21.59

<sup>1</sup>Pre issue shareholding is as on September 30, 2020

<sup>2</sup>Pursuant to the Scheme of Arrangement ('Scheme') entered with the Fixed Deposit ('FD') holders, the company had allotted 9,24,90,413 Equity Shares to its FD holders on 12.08.2009, are listed and traded at NSE & BSE.

Whereas, Hon'ble NCLT, Chandigarh vide its order dated 12.03.2018 read along-with order of Hon'ble National Company Law Appellate Tribunal (NCLAT), Delhi dated 23.07.2019, has been set aside the Scheme. In compliance with said order, the claims of the FD holders (*except those FD holders who have since traded or transferred their allotted shares*), have to be settled in cash by the Company, which will result in consequent cancellation of existing paid-up equity share capital of the Company to the extent of the equity shares so cancelled. In this regard, till date company has applied for cancellation of 2,66,413 shares with the stock exchanges. And, cancellation of shares is still going on, therefore, the post preferential allotment shareholdings may vary accordingly.

<sup>3</sup>Reference name of Directors in proposed allottee companies (i) Mr. Sushil Suri, (ii) Mrs. Anju Suri, (iii), Mr. Sanjay Suri, (iv) Mrs. Mamta Suri, (v) Mrs. Shalu Suri and (vi) Mrs. Sunita Suri.

As a result of the proposed preferential issue of Warrants and upon conversion thereof, there will be no change in the control or management of the Company. However, voting rights will change in tandem with the shareholding pattern.

**x) Lock-in Period**

The entire pre-preferential allotment shareholding of the allottees and Equity Shares arising on conversion of said warrants shall be under lock-in as per the requirements of Chapter V of SEBI ICDR Regulations, 2018.

**xi) Undertakings**

- a) None of the Company, its Directors or Promoter have been declared as wilful defaulter as defined under the SEBI ICDR Regulations. None of its Directors is a fugitive economic offender as defined under the SEBI ICDR Regulations.
- b) The Company is eligible to make the Preferential Issue to its Promoter (including promoter group) under Chapter V of the SEBI ICDR Regulations.
- c) As the Equity Shares have been listed for a period of more than twenty-six weeks as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.

**xii) Auditors' Certificate**

The certificate from M/s. Satinder Goyal and Co., Chartered Accountants, being the Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements of Chapter V of the SEBI ICDR Regulations, 2018 shall be available for inspection at the Corporate office of the Company on all working days (excluding Saturday) during 10:00 A.M. to 5:00 P.M. up to the date of Extra Ordinary General Meeting and shall also be available during the Extraordinary General Meeting. The members desirous to inspect the auditor certificate may send an email at 'investors@morepen.com', for inspection of said certificate electronically during the EGM, at-least 5 days before the date of EGM, in advance.

**xiii) Other disclosures**

- a) During the period, commencing from 1<sup>st</sup> April 2020 till the date of Notice of this EGM, the Company has not made any preferential issue of Warrants/Equity Shares.
- b) Report of the registered valuer is not required under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed Preferential Issue.
- c) No member of the promoter group of the Company have sold or transferred any Equity Shares during the six months preceding the Relevant Date.

In accordance with the provisions of Sections 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the Warrants to

entities belonging to the Promoter Group and issue, is being sought by way of a "Special Resolution" as set out in the said item no. 1 of the Notice. Provided that, the aforesaid Preferential Issues would be within the Authorised Share Capital of the Company.

The Board of Directors believes that the proposed Preferential Issue are in the best interest of the Company and its Members and, therefore, recommends the Special Resolution at Item no.1 of the accompanying Notice for approval by the Members of the Company.

None of the Directors, Key Managerial Personnel (KMP) or their respective relatives are, in any way, concerned or interested, financially or otherwise, except as shareholders in general in the said resolution.

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

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

**Date: 10<sup>th</sup> October, 2020**

**Place: New Delhi**