

# Mangalam Drugs and Organics Ltd.



Regd. Office : Rupam Building, 3rd Floor, 239 P. D'Mello Road, Near G. P. O. Mumbai - 400 001.  
☎ 91-22-22616200 / 6300 / 8787 ☎ 91-22-22619090 • CIN : L24230MH1972PLC116413

REF: MDOL/CS-SE/2019-20/013

August 30, 2019

To,  
Listing Department  
BSE Ltd  
1<sup>st</sup> Floor, New Trade Wing,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

Listing Department  
National Stock Exchange of India  
Limited  
“Exchange Plaza”, 5<sup>th</sup> Floor,  
Plot No. C-1, Block G,  
Bandra - Kurla Complex,  
Bandra(E), Mumbai – 400 051

Scrip Code: 532637

Symbol: MANGALAM

Subject: Notice for convening 46<sup>th</sup> Annual General Meeting and intimation of remote e-voting facility

Dear Sir / Madam,

Pursuant to provisions of Section 101 of the Companies Act, 2013 (the Act) and other applicable provisions, if any, please note that the Company has issued Notice convening the 46<sup>th</sup> Annual General Meeting (AGM) of the Members of the Company on Wednesday, September 25, 2019 at 3:30 P.M. at KILACHAND CONFERENCE ROOM, 2<sup>nd</sup> Floor, Indian Merchants Chamber, Churchgate, Mumbai-400020, containing the ordinary and special businesses to be transacted thereat.

Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules 2014, as amended from time to time and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) the Company is providing remote e-voting facility to all its Members holding shares in physical and dematerialized form as on the cut-off date of Wednesday, September 18, 2019 to enable them to exercise their right to vote by electronic means on the resolutions proposed at the 46<sup>th</sup> Annual General Meeting. The instructions for remote e-voting are detailed in the said Notice.

Pursuant to Regulation 30 read together with Clause 12 of Part A of Schedule III to the Listing Regulations and Regulation 34(1) of the Listing Regulations, please find enclosed Notice convening 46<sup>th</sup> Annual General Meeting of the Company for your records.

Please acknowledge receipt.

Thanking You,

Yours Faithfully,

For Mangalam Drugs & Organics Limited

  
Geeta Karira

Company Secretary & Compliance Officer





## **NOTICE**

**NOTICE** is hereby given that the Forty-Sixth (46<sup>th</sup>) Annual General Meeting of the Members of **Mangalam Drugs & Organics Limited** will be held on Wednesday, September 25, 2019 at 3.30 P.M. at the Kilachand Conference Room, 2<sup>nd</sup> Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai- 400 020, Maharashtra, India to transact the following business:

### **ORDINARY BUSINESS:**

**1. Adoption of Audited Financial Statements for the Financial Year ended March 31, 2019:**

To consider and adopt the Standalone Audited Financial Statements for the Financial Year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.

**2. Appointment of Director in place of Shri Brijmohan M. Dhoot, liable to retire by rotation, who being eligible has offered himself for re-appointment:**

To appoint a Director in place of Shri Brijmohan M. Dhoot (DIN: 01046420) who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

**3. Ratification of Remuneration payable to Mr. Ankit Kishor Chande, Cost Auditors of the Company for the Financial Year 2019-20:**

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 other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read together with the Companies (Cost Records and Audit) Rules, 2014 / Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force], based on the recommendations of the Audit Committee, remuneration of Mr. Ankit Kishor Chande, Cost Accountant as a “Cost Auditors” appointed by the Board of Directors of the Company, for the Financial Year ending 2019-20 for conducting audit of the cost records of the “bulk drugs” business of the Company, of Rs. 1,10,000/- (Rupees One Lakh Ten Thousand Only) per annum, plus Goods and Service Tax (GST), as applicable and reimbursement of out-of-pocket expenses, be and is hereby ratified and approved.

**RESOLVED FURTHER THAT** the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**4. Appointment of Shri Prashant J. Pandit (DIN: 03079878) 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, 161 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder read together with Schedule IV to the Act [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force] and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the Listing Regulations”) as amended from time to time, Shri Prashant J. Pandit (DIN: 03079878), who has submitted the declaration that he meets the criteria of independence as specified in Section 149(6) of the Act and was appointed as an Additional Independent Director by the Board of Directors with effect from July 8, 2019 and who holds office upto the date of this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Act and in respect of whom the Company has received a Notice under Section 160 of the Act in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold the office for a term of 5 years with effect from July 8, 2019 till July 7, 2024.”

**5. Re-appointment of Shri Govardhan M. Dhoot (DIN: 01240086) as the 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, 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force], read together with Schedule V to the Act (as may be amended from time to time) and pursuant to resolution(s) passed by the Nomination and Remuneration Committee and the Board of Directors at their respective Meetings held on July 26, 2019, Shri Govardhan M. Dhoot (DIN: 01240086) be and is hereby re-appointed as the Chairman & Managing Director of the Company for a term of 5 (five) years with effect from November 1, 2019 till October 31, 2024, liable to retire by rotation on the terms and conditions as set out in the Explanatory Statement annexed to the Notice of the 46<sup>th</sup> Annual General Meeting.

**RESOLVED FURTHER THAT** notwithstanding anything hereinabove stated where in any financial year, during the currency of term of Shri Govardhan M. Dhoot as the Chairman & Managing Director, the Company has no profits or profits are inadequate, he shall be paid the remuneration stated in the Explanatory Statement annexed hereto as “Minimum Remuneration” in the respective financial year(s) not withstanding that the same may exceed the ceiling limit laid down in Section 197 and Schedule V to the Act, subject to such other approvals, if required.



**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter, vary and modify the terms and conditions of the said re-appointment and remuneration of Shri Govardhan M. Dhoot at its discretion as it may deem fit from time to time, so as to not exceed the limit specified under Schedule V to the Act and/or any other provisions of the Act and the Rules framed thereunder [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force].

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and to execute all such documents, instruments, agreements and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) as may be consider necessary or expedient to give effect to the aforesaid resolution *inter-alia* to file necessary forms /returns with Registrar of Companies/ Ministry of Corporate Affairs, if any.”

By order of the Board of Directors  
For **Mangalam Drugs & Organics Limited**

**Geeta Karira**  
Company Secretary

**Registered Office:**

3<sup>rd</sup> Floor, Rupam Building,  
239, P. D'Mello Road, Near G.P.O.,  
Mumbai – 400001

**CIN: L24230MH1972PLC116413**

Place: Mumbai

Dated: July 26, 2019

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.  
The instrument of proxy in order to be effective, should however, be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies / authorizations submitted on behalf of the companies, body corporate, societies etc. must be supported by an appropriate resolution / authority, as applicable.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) in respect of business under item nos. 3, 4 & 5 of the Notice to be transacted at ensuing Annual General Meeting (AGM) is annexed hereto.
3. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on any working day between 11.00 A.M. to 1.00 P.M. (excluding Saturdays, Sundays and Public Holidays) upto the date of ensuing Annual General Meeting.
4. The Annual Report of the Company for the year 2018-19 is also uploaded on the Company’s website [www.mangalamdrugs.com](http://www.mangalamdrugs.com).
5. As a measure of economy, copies of the Annual Report shall not be distributed at the meeting and therefore the Members are requested to bring their copy of Annual Report to the Meeting.
6. Members are requested to intimate to the Company, queries, if any, on the Financial Statements at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
7. The Company has appointed **M/s. Link Intime India Private Limited**, C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400083 as Registrar and Share Transfer Agents and the members are requested to send/address all their shares related matters/ correspondence directly to them.
8. **Change of Address / Bank details:** Members are requested to inform **M/s. Link Intime India Private Limited**, immediately of any change in their address / bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their Email Id, signature, address, bank details etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company’s records. Members holding shares in physical form are requested to intimate such changes to the Registrar and Share Transfer Agents of the Company viz. M/s. Link Intime India Private Limited.
9. As per Circular No. MRD/Dop/Cir-05/2009 dated May 20, 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote Permanent Account Number (PAN) for participating in the securities market. Therefore, Members holding shares in dematerialised form are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Registrar and Share Transfer Agents of the Company viz. Link Intime India Private Limited.
10. Members/Proxies should bring the attendance / admission slip duly filled in for attending the meeting.



11. The Company has transferred unclaimed application money due for refund of public issue made in the year 2005 and unclaimed dividend for the financial year 2005-06 declared on 30<sup>th</sup> September 2006 to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim.
12. Electronic (soft) copy of the Notice of the 46<sup>th</sup> AGM *inter-alia* indicating the process and manner of remote e-Voting along with the Attendance Slip & Proxy Form and the Annual Report for FY 2018-2019 is being sent to all the Members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of these documents are being sent in the permitted mode or requested mode. The Notice is being sent to all Members whose names would appear in the Register of Members as on Friday, August 23, 2019, the Directors and Auditors of the Company.
13. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Company is pleased to provide members facility to exercise their right to vote at the 46<sup>th</sup> AGM by electronic means (remote e-voting) and all the items of the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited (CDSL). Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 18, 2019, may cast their vote by electronic means or in the AGM.  
The information with respect to Voting process and other instructions regarding e-voting are detailed in Note No. 20.
14. The facility for voting, either through electronic voting system or ballot paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM. The Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
15. The Company has appointed Mr. Ankit Sethi, Practicing Company Secretary, as the scrutinizer for conducting the remote e-voting and voting at the venue in a fair and transparent manner.
16. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer’s Report of the total votes cast in favour of or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same. The results of the voting shall be declared on or after the AGM of the Company, but within forty eight (48) hours after the conclusion of the meeting and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions. The results declared along with the Scrutinizer’s Report will be hosted on the Company’s website at [www.mangalamdrugs.com](http://www.mangalamdrugs.com) and on CDSL’s website at [www.evotingindia.com](http://www.evotingindia.com) for information of the Members, besides being communicated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.
17. Pursuant to Section 72 of the Act, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination earlier filed in the prescribed Form SH-14 with the Company’s RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
18. Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate etc. and will not attract any stamp duty. It also substantially reduces the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
19. Information (including profile and expertise in specific areas) pertaining to Directors recommended for seeking appointment / re-appointment / regularization at 46<sup>th</sup> AGM:

Sr. No.	Particulars	Name & Other details of Director(s)		
		Shri Govardhan M. Dhoot (DIN: 01240086)	Shri Brijmohan M. Dhoot (DIN: 01046420)	Shri Prashant J. Pandit (DIN: 03079878)
1.	Name	Shri Govardhan M. Dhoot (DIN: 01240086)	Shri Brijmohan M. Dhoot (DIN: 01046420)	Shri Prashant J. Pandit (DIN: 03079878)
2.	Date of Birth	October 21, 1953	July 10, 1951	February 10, 1955
3.	Educational Qualification	Commerce Background	Commerce Background	B.Com, L.L.B.
4.	Date of appointment on the Board	April 16, 1996	May 2, 2015	July 8, 2019
5.	Category of Directorship	Chairman & Managing Director	Executive Director	Non-Executive Independent Director
6.	Experience	Shri Govardhan M. Dhoot has over three decades of experience in the Chemical Industry, handling marketing in both domestic and export market. He has traveled to many countries and visited important Industrial & Commercial Capitals all over the world.	Shri Brijmohan M. Dhoot has more than 40 years experience in the Chemical and Pharma Industry. He has vast knowledge and varied experience which is of great value to the Company.	Shri Prashant J. Pandit has done L.L.B. and is practicing law in Mumbai DRT/ DRAT, High Court and City Civil Courts for last more than 20 years.



Sr. No.	Particulars	Name & Other details of Director(s)		
7.	List of other Directorships held	Beanstalk Retail Private Limited	<b>a.</b> Raga Organics Private Limited <b>b.</b> Elarci (Estates & Construction) Development Services Private Limited <b>c.</b> Beanstalk Retail Private Limited	IMP Powers Limited
8.	Name of Committees in which Chairman	Nil	Nil	Nil
9.	Name of Committees in which Member in the Company	<b>1.</b> Audit Committee <b>2.</b> Stakeholders Relationship Committee <b>3.</b> CSR Committee	Nil	Nil
10.	No. of shares held in the Company	6,67,122 equity shares	5,64,469 equity shares	Nil
11.	Disclosure of Relationship	Shri Govardhan M. Dhoot is brother of Shri Brijmohan M. Dhoot	Shri Brijmohan M. Dhoot is brother of Shri Govardhan M. Dhoot	Shri Prashant J. Pandit is not related to any director.
12	No. of Board meeting attended During the year	5	5	N.A.

## 20. INSTRUCTIONS FOR ELECTRONIC VOTING (REMOTE E-VOTING)

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, applicable Secretarial Standard and the Listing Regulations, the Company is pleased to offer remote e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 46<sup>th</sup> Annual General Meeting of the Company. The Company has appointed Mr. Ankit Sethi, Practicing Company Secretary to act as scrutinizer for conducting remote e-voting and voting at the venue.

### The instructions for remote e-voting are as under:

- (i) The voting period begins on Sunday, September 22, 2019, 9.00 A.M. and ends on Tuesday, September 24, 2019, 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 18, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders/ Members.
- (iv) Now Enter your User ID
  - a. For account holders in CDSL: 16 digits beneficiary ID,
  - b. For account holders in NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>



- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the MANGALAM DRUGS & ORGANICS LIMITED.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on Tollfree No. 1800-200-5533.

By order of the Board of Directors  
For **Mangalam Drugs & Organics Limited**

**Geeta Karira**  
Company Secretary

**Registered Office:**  
3<sup>rd</sup> Floor, Rupam Building,  
239, P. D’Mello Road, Near G.P.O.,  
Mumbai – 400001  
**CIN: L24230MH1972PLC116413**

Place: Mumbai  
Dated: July 26, 2019



## **ANNEXURE TO NOTICE**

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

#### **Item No. 3**

Section 148(3) of the Companies Act, 2013 ("the Act") read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof], requires the Board to appoint an individual, who is a Cost Accountant or a firm of Cost Accountants in practice, as Cost Auditor on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the members.

The Board of Directors at their meeting held on May 9, 2019, on recommendation of the Audit Committee, approved the appointment of Mr. Ankit Kishor Chande, Cost Accountant, as the Cost Auditor of the Company for the financial year 2019-20 at fees of Rs. 1,10,000/- (Rupees One Lakh Ten Thousand Only) plus out of pocket expenses and GST, as applicable for conducting the audit of the cost accounting records of the Company.

The resolution contained in Item no. 3 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2019-20.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 of the Notice.

The Board commends passing of the resolution set out in Item no. 3 of accompanying Notice.

#### **Item No. 4**

The Board on the recommendation of Nomination & Remuneration Committee appointed Shri Prashant J. Pandit (DIN: 03079878) as an Additional Independent Director of the Company with effect from July 8, 2019 as per the provisions of Section 161 of the Companies Act, 2013 ("the Act") and Rules framed thereunder to hold office upto the date of this Annual General Meeting.

The Company has received notice in writing from member under Section 160 of the Act proposing his candidature for the office as Independent Director.

The Company has received from Shri Prashant J. Pandit (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The additional details of Shri Prashant J. Pandit as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Notes forming part of this Notice.

None of the Directors or Key Managerial Personnel of the Company/ their relatives are in any way concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 4 of the Notice.

The Board commends passing of the resolution set out in Item no. 4 of accompanying Notice.

#### **Item No. 5**

Subject to the approval of the Shareholders of the Company being obtained in this Annual General Meeting and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its Meeting held on July 26, 2019, has approved re-appointment of Shri Govardhan M. Dhoot as the "Chairman & Managing Director" of the Company for a period of 5 (five) years with effect from November 1, 2019 upto October 31, 2024 liable to retire by rotation and for the remuneration payable to him in such capacity. Therefore, in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Act, the proposed remuneration of Shri Govardhan M. Dhoot as the "Chairman & Managing Director" of the Company and the terms and conditions of his re-appointment require approval of the Shareholders by way of a Special Resolution. A brief profile of Shri Govardhan M. Dhoot in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), is provided elsewhere in this Notice. The proposed remuneration and terms and conditions of appointment of Shri Govardhan M. Dhoot are given below:



Sr. No.	Terms & Conditions – <b>Shri Govardhan M. Dhoot</b>
1.	Period / Term of Appointment The appointment is effective from November 1, 2019 for a term of 5 years i.e. till October 31, 2024.
2.	Remuneration for a period of 3 years <b>A. Salary:</b> Rs. 20,00,000/- p.a. <b>B. Perquisites / Allowance:</b> In addition to salary, Shri Govardhan M. Dhoot will be entitled to the following: <b>i) Housing:</b> The Company shall defray the maintenance expenditure of the residence of the Managing Director. <b>ii) Medical Expenses:</b> Reimbursement of expenses incurred for the Managing Director and his family subject to a ceiling of Rs. 10,000/- p.a. or actual whichever is lower. <b>iii) Leave Travel Concession:</b> The Company shall provide to and fro airfare to the Managing Director and his family for 3,000 KMs in India. <b>iv) Annual Privilege Leave:</b> One full salary for a period of thirty days and shall be entitled to accumulate such leave. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites. <b>v) Car:</b> A chauffer driven car for official business purposes will be provided. <b>vi) Telephone:</b> A telephone at the residence will also be provided at Company's expenses. The Company will bill personal long distance calls from the house telephone. <b>vii) Personal Accident Insurance:</b> Premium not exceeding Rs. 8,000/- p.a. payable by the Company on behalf of the Managing Director. <b>C.</b> The Managing Director shall also be entitled to following perquisites, which shall not be included in the computation of the ceiling on remuneration specified herein: <b>i)</b> Contribution to provident fund, super annuation fund or annuity fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. <b>ii)</b> Gratuity payable at rate not exceeding half a month's salary for each completed year of service. <b>iii)</b> Encashment of leave at the end of the tenure.
3.	Minimum Remuneration Where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the appointee shall be paid the aforesaid remuneration as "Minimum Remuneration" in the respective financial year(s) notwithstanding that the same may exceed the ceiling limit laid down under Section 197 and Schedule V to the Act, subject to the approval of any statutory authority, if required.
4.	Termination The agreement may be terminated by either party by giving three months' notice or the Company paying three months' remuneration in lieu of the notice.

Statement as per Part (B) of Part II of Schedule V to the Act, Secretarial Standard and Regulation 36(3) of the Listing Regulations:

Sr. No.	Particulars	Information																												
I.	<b>General Information</b>																													
	1. Nature of Industry	Mangalam Drugs & Organics Limited is one of the leading <b>API manufacturing company in India with a WHO-Geneva GMP, EDQM approval for its facilities.</b> The Company is engaged in the manufacturing of APIs and Intermediates since over 3 decades and also in an agreement with the prestigious Clinton Health Access Initiatives (CHAI) under its Fight Malaria Program for supply of anti-malarial APIs worldwide. Mangalam stand as a strong source of supply to <b>Ajanta Pharma, Cipla, Mylan, Macleods and Dr. Reddys</b> to name a few Indian MNCs. The Company also enjoys a global presence for its products in many countries <i>inter-alia</i> <b>Italy, Russia, China, Turkey, Nigeria, Uganda, Kenya and Pakistan.</b>																												
	2. Date or expected date of commencement of commercial production	The Company is an existing Company and carrying on business for more than 45 years.																												
	3. In case of a new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																												
	4. Financial Performance based on given indicators	(Amt. Rs. in Lakhs) <table border="1"> <thead> <tr> <th>Particulars</th> <th>March 31, 2019</th> <th>March 31, 2018</th> <th>March 31, 2017</th> </tr> </thead> <tbody> <tr> <td>Share Capital - Equity</td> <td>1582.82</td> <td>1582.82</td> <td>1582.82</td> </tr> <tr> <td>Reserves &amp; Surplus</td> <td>7992.80</td> <td>8935.43</td> <td>6,988.89</td> </tr> <tr> <td>Total Income</td> <td>22,789.65</td> <td>28,020.66</td> <td>30,319.35</td> </tr> <tr> <td>Total Expenses</td> <td>23,363.35</td> <td>25,085.94</td> <td>27,201.28</td> </tr> <tr> <td>Profit Before Tax</td> <td>(573.71)</td> <td>2,934.72</td> <td>3,118.06</td> </tr> <tr> <td>Profit After Tax</td> <td>(803.09)</td> <td>1,988.96</td> <td>2,227.50</td> </tr> </tbody> </table>	Particulars	March 31, 2019	March 31, 2018	March 31, 2017	Share Capital - Equity	1582.82	1582.82	1582.82	Reserves & Surplus	7992.80	8935.43	6,988.89	Total Income	22,789.65	28,020.66	30,319.35	Total Expenses	23,363.35	25,085.94	27,201.28	Profit Before Tax	(573.71)	2,934.72	3,118.06	Profit After Tax	(803.09)	1,988.96	2,227.50
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	5. Foreign investments or collaborators, if any	Not Applicable																												





II. Information about the Appointee	
1. Background details	Shri Govardhan M. Dhoot has over four decades of experience in the Chemical & Pharma Industry, handling marketing in both domestic and export markets. He has traveled to many countries and visited important industrial & commercial capitals all over the world. He has been the Whole-time Director of the Company effective November 1, 2004, currently he is Chairman & Managing Director of the Company.
2. Past Remuneration	Shri Govardhan M. Dhoot was re-appointed as a Managing Director w.e.f. November 1, 2014 till October 31, 2019 at a remuneration of Rs. 20,00,000/- plus perquisites.
3. Job profile & his suitability	Shri Govardhan M. Dhoot as the Managing Director of the Company, functions under the overall superintendence and guidance of the Board. In view of his qualifications and varied experience, the Board has bestowed the above responsibilities on Shri Govardhan M. Dhoot.
4. Remuneration for a period of 3 years	<p><b>A. Salary:</b> Rs. 20,00,000/- p.a.</p> <p><b>B. Perquisites / Allowance:</b> In addition to salary, Shri Govardhan M. Dhoot will be entitled to the following:</p> <ul style="list-style-type: none"> <li><b>i) Housing:</b> The Company shall defray the maintenance expenditure of the residence of the Managing Director.</li> <li><b>ii) Medical Expenses:</b> Reimbursement of expenses incurred for the Managing Director and his family subject to a ceiling of Rs. 10,000/- p.a. or actual whichever is lower.</li> <li><b>iii) Leave Travel Concession:</b> The Company shall provide to and fro airfare to the Managing Director and his family for 3,000 KMs in India.</li> <li><b>iv) Annual Privilege Leave:</b> One full salary for a period of thirty days and shall be entitled to accumulate such leave. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.</li> <li><b>v) Car:</b> A chauffeur driven car for official business purposes will be provided.</li> <li><b>vi) Telephone:</b> A telephone at the residence will also be provided at Company's expenses. The Company will bill personal long distance calls from the house telephone.</li> <li><b>vii) Personal Accident Insurance:</b> Premium not exceeding Rs. 8,000/- p.a. payable by the Company on behalf of the Managing Director.</li> </ul> <p><b>C. The Managing Director shall also be entitled to following perquisites, which shall not be included in the computation of the ceiling on remuneration specified herein:</b></p> <ul style="list-style-type: none"> <li><b>i) Contribution to provident fund, super annuation fund or annuity fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.</b></li> <li><b>ii) Gratuity payable at rate not exceeding half a month's salary for each completed year of service.</b></li> <li><b>iii) Encashment of leave at the end of the tenure.</b></li> </ul>
5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Considering the general industry trend, the specific Company profile, skills, knowledge, vast business experience and responsibilities shouldered by Shri Govardhan M. Dhoot, the remuneration decided by the Board / Nomination and Remuneration Committee is in line with industry standards.
6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Shri Govardhan M. Dhoot does not have any pecuniary relationship, directly or indirectly with the Company or with any key managerial personnel besides the remuneration set out above. Shri Govardhan M. Dhoot holds 6,67,122 Equity Shares of the Company.

None of the Director or Key Managerial Personnel of the Company/ their relatives except Shri Brijmohan M. Dhoot, in any way, are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

The Board commends passing of the resolution set out in Item no. 5 of accompanying Notice.

By order of the Board of Directors  
For **Mangalam Drugs & Organics Limited**

**Geeta Karira**  
Company Secretary

**Registered Office:**

3<sup>rd</sup> Floor, Rupam Building,  
239, P. D'Mello Road, Near G.P.O.,  
Mumbai – 400001

**CIN: L24230MH1972PLC116413**

Place: Mumbai

Dated: July 26, 2019