

NOTICE is hereby given that the 35<sup>th</sup> ANNUAL GENERAL MEETING (AGM) of Makers Laboratories Limited will be held on Thursday, 10<sup>th</sup> September, 2020 at 3.30 p.m. through Video Conferencing / Other Audio Visual Means (VC/OAVM) to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nilesh Jain (DIN 05263110) who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. 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 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Company hereby accords its approval to the re-appointment of and remuneration payable to Mr. Saahil Parikh (DIN 00400079) as the Wholetime Director of the Company for a further period of 3 years commencing 11<sup>th</sup> August, 2020 to 10<sup>th</sup> August, 2023 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and as set out in the agreement dated 15<sup>th</sup> June, 2020 entered into between the Company and Mr. Saahil Parikh, a copy whereof initialled by the Chairman for the purpose of identification is placed before the meeting, which agreement is hereby specifically approved.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution.”

4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 (3) and such other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, M/s. Kale & Associates, Cost Accountants (Firm Registration No. 001819) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2020-21 be paid remuneration of ₹ 65,000/- (Rupees Sixty Five Thousand Only) plus applicable tax and reimbursement of traveling and other out of pocket expenses.”

**IMPORTANT NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item Nos. 3 and 4 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on 15<sup>th</sup> June, 2020 considered that the special business under Item No. 3 and 4 being considered unavoidable, be transacted at the 35<sup>th</sup> AGM of the Company.
2. General instructions for accessing and participating in the 35<sup>th</sup> AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting
  - a. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and the restriction imposed on movement / gathering of persons at several places in the country and pursuant to General Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 35<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility, which

does not require physical presence of members at a common venue. The deemed venue for the 35<sup>th</sup> AGM shall be the registered office of the Company situated at Plot No. 54D, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067.

- b. In terms of the circulars issued by MCA since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 35<sup>th</sup> AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting and for participation in the 35<sup>th</sup> AGM through VC/OAVM Facility and e-Voting.
- c. In line with the circulars issued by MCA and SEBI, the Notice of the 35<sup>th</sup> AGM will be available on the website of the Company at [www.makerslabs.com](http://www.makerslabs.com) and on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and also on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- d. Since the AGM will be held through VC/OAVM Facility, the Route Map of the AGM venue, proxy form and attendance slip is not annexed in this Notice.
- e. National Securities Depositories Limited (“NSDL”) will be providing facility for voting through remote e-Voting and for participation in the 35<sup>th</sup> AGM through VC/OAVM.
- f. Members may join the 35<sup>th</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 3.00 p.m. i.e. 30 minutes before the time scheduled to start the 35<sup>th</sup> AGM and shall be kept open during the proceedings of the AGM.
- g. Members may note that the VC/OAVM Facility provided by NSDL allows participation of only 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 35<sup>th</sup> AGM without any restriction of first-come first-served principle.
- h. Attendance of the Members participating in the 35<sup>th</sup> AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- i. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investors@makerslabs.com](mailto:investors@makerslabs.com).
- j. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company’s email id [investors@makerslabs.com](mailto:investors@makerslabs.com).
- k. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of Listing Regulations read with circulars issued by MCA and SEBI in this regard, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 35<sup>th</sup> AGM and also for those Members participating in the 35<sup>th</sup> AGM to cast vote through e-Voting system during the 35<sup>th</sup> AGM.

3. Instructions for Members for Remote e-Voting are as under:-

- I. The remote e-voting period commences on Monday, 7<sup>th</sup> September, 2020 (9:00 am) and ends on Wednesday, 9<sup>th</sup> September, 2020 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4<sup>th</sup> September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Any person who is not a Member as on the cut off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- II. The details of the process and manner for remote e-Voting are explained herein below:

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

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

**Details on Step 1 are mentioned below:**

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile phone.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices 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.
4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) 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*****.
b) 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*****.
c) 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***

5. Your password details are given below:
  - a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b. 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.

- c. How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email 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'.
  - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a. 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).
  - b. "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. 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.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

**Details on Step 2 are given below:**

How to cast your vote electronically on NSDL e-voting system?

1. 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.
  2. After click 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.
  3. Select "EVEN" of the Company for which you wish to cast your vote.
  4. Now you are ready for e-voting as the Voting page opens.
  5. 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.
  6. Upon confirmation, the message "Vote cast successfully" will be displayed.
  7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
4. Process for those Members whose email ids are not registered for procuring user id and password and registration of email ids for e-Voting on the resolutions set out in this Notice:

- a. Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 35<sup>th</sup> AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of: i) a signed request letter mentioning name, folio number and complete address; and ii) self attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company; to the email address of the Company investors@makerslabs.com.
  - b. In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self attested scanned copy of the PAN Card, to the email address of the Company investors@makerslabs.com.
5. Instructions for Members for participating in the 35<sup>th</sup> AGM through VC/OAVM are as under:
- a. Members will be able to attend the 35<sup>th</sup> AGM through VC/OAVM Facility through the NSDL e-Voting system at <https://www.evoting.nsdl.com> under shareholders login by using the remote e-Voting credentials and selecting the EVEN for the Company's 35<sup>th</sup> AGM. Please note that the 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 in the Notice of the 35<sup>th</sup> AGM to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.
  - b. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the meeting.
  - c. Please note that Members connecting from mobile devices or tablets or through laptops etc 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.
  - d. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 35<sup>th</sup> AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address investors@makerslabs.com atleast 48 hours in advance before the start of the meeting i.e. by 8<sup>th</sup> September, 2020 by 3.30 p.m. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
  - e. Members, who would like to ask questions during the 35<sup>th</sup> AGM with regard to the financial statements or any other matter to be placed at the 35<sup>th</sup> AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address [investors@makerslabs.com](mailto:investors@makerslabs.com) atleast 48 hours in advance before the start of the 35<sup>th</sup> AGM i.e. by 8<sup>th</sup> September, 2020 by 3.30 p.m. Those Members who have registered themselves as a speaker shall be allowed to speak/ask questions during the 35<sup>th</sup> AGM, depending upon the availability of time.
  - f. Institutional Investors who are Members of the Company, are encouraged to attend the 35<sup>th</sup> AGM through VC/OAVM Facility.
6. Instructions for Members for e-Voting during the 35<sup>th</sup> AGM are as under:
- a. Members may follow the same procedure for e-Voting during the 35<sup>th</sup> AGM as mentioned above for remote e-Voting.
  - b. Only those Members, who will be present in the 35<sup>th</sup> 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 in the 35<sup>th</sup> AGM.

- c. The Members who have cast their vote by remote e-Voting prior to the 35<sup>th</sup> AGM may also participate in the 35<sup>th</sup> AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again.
- d. The Helpline details of the person who may be contacted by the Member needing assistance with the use of technology, before or during the 35<sup>th</sup> AGM shall be the same persons mentioned for remote e-Voting and reproduced hereunder for convenience:
  - i) Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [AmitV@nsdl.co.in](mailto:AmitV@nsdl.co.in) or at telephone number :+91-22-2499 4360.
  - ii) Ms. Pallavi Dabke, Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at telephone number +91-22-2499 4545.

7. General Guidelines for Members

- a. 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.
  - b. 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 download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Mr. Amit Vishal, Senior Manager or Ms Pallavi Dabke, Manager, National Securities Depository Ltd., Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email IDs: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [AmitV@nsdl.co.in](mailto:AmitV@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at telephone nos. : +91-22-2499 4360 or +91-22-2499 4545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the Company’s email address [investors@makerslabs.com](mailto:investors@makerslabs.com).
8. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cutoff date of 4<sup>th</sup> September, 2020.
9. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 35<sup>th</sup> AGM by email and holds shares as on the cut-off date i.e. 4<sup>th</sup> September, 2020, may obtain the User ID and password by sending a request to the Company’s email address [investors@makerslabs.com](mailto:investors@makerslabs.com). However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the AGM.
11. Ms. Jigyasa N. Ved (Membership No. FCS 6488 CP6018) or failing her Mr. P. N. Parikh (Membership No. FCS327 CP1228) or failing them Mr. Mitesh Dhabliwala (Membership No. FCS8331 CP9511) of M/s. Parikh & Associates, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-Voting process (including e-Voting at the meeting) in a fair and transparent manner.
12. During the 35<sup>th</sup> AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 35<sup>th</sup> AGM, formally propose to the Members participating through VC/ OAVM Facility to vote on the resolutions as set out in the Notice of the 35<sup>th</sup> AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 35<sup>th</sup> AGM.

13. The Scrutinizer shall after the conclusion of e-Voting at the 35<sup>th</sup> AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 35<sup>th</sup> AGM, who shall then countersign and declare the result of the voting forthwith.
14. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.makerslabs.com](http://www.makerslabs.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited (BSE).
15. Pursuant to the circulars issued by MCA and SEBI, in view of the prevailing pandemic situation and owing to the difficulties involved in dispatching of physical copies of the Notice of the 35<sup>th</sup> AGM and the Annual Report for the financial year 2019-20 including therein, inter-alia, the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020, the same are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s and who wish to receive the Notice of the 35<sup>th</sup> AGM and the Annual Report for the year 2019-20 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
  - a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, name, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address [investors@makerslabs.com](mailto:investors@makerslabs.com).
  - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
16. The Notice of the 35<sup>th</sup> AGM and the Annual Report for the financial year 2019-20 including therein, inter-alia, the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020, will be available on the website of the Company at [www.makerslabs.com](http://www.makerslabs.com) and the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Notice of 35<sup>th</sup> AGM will also be available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
17. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 5<sup>th</sup> September, 2020 to Thursday, 10<sup>th</sup> September, 2020 (both days inclusive) for the purpose of the Annual General Meeting.
18. Members are requested to:
  - (a) intimate to the Company / their Depository Participant ("DP"), changes, if any, in their registered address at an early date;
  - (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
  - (c) encash the dividend warrants on their receipt as dividend amounts remaining unclaimed for seven years are required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the provisions of the Companies Act, 2013. Pursuant to Section 124(5) of the Companies Act, 2013, all unclaimed dividend declared and paid upto dividend for the financial year 2010-11 have been transferred by the Company to the Investor Education and Protection Fund. Members who have not encashed their dividend warrants for subsequent period are requested to encash the same immediately.
  - (d) Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred all shares in respect of which dividend has not been encashed by the

shareholders for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF). The shareholders who wish to claim the said shares from the IEPF may claim the same by filing e-form No. IEPF-5 as prescribed under the said Rules available on [iepf.gov.in](http://iepf.gov.in) along with requisite fee as decided by the Authority from time to time. The Member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.

- (e) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. (Link Intime) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime.
- (f) The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Pvt. Ltd..

19. During Fiscal 2019, the Securities and Exchange Board of India ('SEBI') and Ministry of Corporate Affairs ('MCA') has mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after 1<sup>st</sup> April, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer.
20. The information required to be provided regarding the directors seeking re-appointment is furnished in the Report on Corporate Governance annexed herewith.

Registered Office:  
54-D, Kandivli Industrial Estate  
Kandivli (West)  
Mumbai – 400 067  
Tel : 022 – 2868 8544  
E-mail: [investors@makerslabs.com](mailto:investors@makerslabs.com)  
Website: [www.makerslabs.com](http://www.makerslabs.com)  
CIN: L24230MH1984PLC033389

By Order of the Board  
For Makers Laboratories Limited

Khyati Danani  
Company Secretary  
ACS 21844

Mumbai  
15<sup>th</sup> June, 2020



## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 3**

At the meeting of the Board of Directors of the Company held on 15<sup>th</sup> June, 2020 and as recommended by the Nomination & Remuneration Committee, Mr. Saahil Parikh was re-appointed as the Wholetime Director of the Company for a further period of 3 years with effect from 11<sup>th</sup> August, 2020 to 10<sup>th</sup> August, 2023. Accordingly, an agreement setting out terms and conditions of his re-appointment including remuneration payable to him is entered into by the Company with Mr. Saahil Parikh, Wholetime Director on 15<sup>th</sup> June, 2020.

This re-appointment is in compliance with Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders. The Agreement referred to in the resolution at item 3 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mr. Saahil Parikh upon his re-appointment as the Wholetime Director.

Mr. Saahil Parikh aged 45 years is a graduate in Bio-Chemistry from Gujarat University. He has also done his Diploma in Management Studies from Ahmedabad Management Association. He is the Wholetime Director of the Company since 11<sup>th</sup> August, 2011 and has experience of about 21 years in the field of Pharma Production, Quality Control, Projects and General Management.

He does not hold directorship in any other Company.

He holds 16842 equity shares in the Company.

Mr. Saahil Parikh is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

He is the member of Stakeholders Relationship Committee of the Board of Directors of the Company. He is not a member of any Committee of the Board of other companies since he is not a Director on the Board of any other company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company is given in the Company's Corporate Governance Report available on the Company's website.

The abstract of the terms and conditions of his re-appointment as contained in the said Agreement is as follows:

1. Period: 3 years with effect from 11<sup>th</sup> August, 2020.
2. The Wholetime Director shall exercise and perform such powers and duties as the Board shall from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board, perform all other acts, deeds and things which, in the ordinary course of business, he may consider necessary or proper in the interest of the Company.
3. The Wholetime Director shall devote his whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall use his best endeavours to promote interests of the Company.
4. During the period of his employment the Wholetime Director shall whenever required by the Company undertake such travelling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company.
5. The Company shall, in consideration of the performance of his duties, pay to the Wholetime Director during the continuance of this Agreement, the following remuneration :
  - a. Salary of ₹ 2,60,000/- (Rupees Two Lacs Sixty Thousand Only) per month with such increments as may be decided by the Board from time to time subject to a ceiling of ₹ 3,30,000/- (Rupees Three Lacs Thirty Thousand Only) per month.

- b. Commission: Such remuneration by way of commission, in addition to the salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year and as may be determined by the Board of Directors of the Company, subject to the overall ceilings stipulated in Sections 197 and other applicable provisions of the Companies Act, 2013.

The specific amount of commission payable to the Wholetime Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after annual accounts have been adopted by the shareholders.

- c. Perquisites: In addition to the salary and commission the Wholetime Director shall be entitled to the following perquisites :

- i. Housing: The expenditure incurred by the Company on hiring furnished accommodation for the Wholetime Director will be subject to a maximum of thirty per cent of the salary. In case no accommodation is provided by the Company, the Wholetime Director shall be entitled to the house rent allowance subject to the said ceiling of 30% of the salary.

Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of ten per cent of the salary of the Wholetime Director.

- ii. Medical, Hospitalization and Health-care expenses Reimbursement: Expenses incurred for the Wholetime Director and his family to be paid in accordance with any rules specified by the Company subject to a ceiling of ₹ 35,000/- per annum.

- iii. Leave Travel Concession: For the Wholetime Director and his family, once in a year incurred in accordance with any rules specified by the Company subject to a ceiling of 1 month salary.

- iv. Personal accident insurance: As per the Rules specified by the Company.

- v. Provident Fund: Company's contribution to Provident Fund shall be as per the scheme applicable to the employees of the Company.

- vi. Contribution to National Pension Scheme: Company's contribution to any superannuation fund or national pension scheme shall be in accordance with the rules of the scheme as may be applicable or as may be framed / decided by the Company.

Contribution to provident fund, superannuation fund and national pension scheme will not be included in the computation of perquisites to the extent these either singly or put together are not taxable under the Income-tax Act.

- vii. Gratuity : As per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.

Contribution to gratuity fund will not be included in the computation of perquisites.

- viii. Encashment of Leave: Encashment of Leave at the end of the tenure of the Wholetime Director will not be included in the computation of perquisites.

- ix. Car: Provision of car for use on Company's business is not to be considered as perquisites.

- x. Telephone: Telephone(s) at the residence of the Wholetime Director and mobile phone(s) for official use is not to be considered as perquisites.

6. In the event of no profit or inadequacy of profits, the Company shall pay the aforesaid remuneration to the Wholetime Director by way of salary and perquisites as minimum remuneration.

7. The Wholetime Director shall be entitled to annual privilege leave on full salary for a period of thirty days and such leave shall be allowed to be accumulated for not more than ninety days during his tenure of appointment.

8. The Wholetime Director shall be entitled to :
  - a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors; and
  - b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.
9. The Wholetime Director shall devote his whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects confirm to and comply with the directions and regulations made by the Board, and shall use his best endeavours to promote interests of the Company.
10. As long as Mr. Saahil Parikh functions as the Wholetime Director, he shall not be paid any sitting fee for attending the Meetings of the Board of Directors or Committee thereof.
11. As long as Mr. Saahil Parikh functions as Wholetime Director, he shall not become interested or otherwise concerned directly or through his wife and/or children, in any selling agency of the Company except with the required consents under the provisions of the Companies Act, 2013.
12. The Wholetime Director shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company of any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets, or secret processes of the Company and the Wholetime Director shall during the continuance of his employment hereunder also use his best endeavor to prevent any other person from so doing provided however that such divulgence or disclosure by the Wholetime Director to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be contravention of this clause.
13. Any property of the Company or relating to the business of the Company, including memoranda, notes, records, reports, plates, sketches, plans, recorded diskettes, drives, tapes, electronic memory gadgets or other documents which may be in the possession of or under the control of the Wholetime Director or to which the Wholetime Director has, at any time access shall, at the time of the termination of his employment be delivered by the Wholetime Director to the Company or as it shall direct and the Wholetime Director shall not be entitled to the copyright in any such document which he hereby acknowledges to be vested in the Company or its assigns and binds himself not to retain copies of any of them.
14. If the Wholetime Director shall at any time be prevented by ill health or accident or any physical or mental disability from performing his duties hereunder, he shall inform the Company and supply it with such details as it may reasonably require and if he shall be unable by reasons of ill health or accident or disability for a period of 90 days in any period of twelve consecutive calendar months, to perform his duties hereunder the Company may at its sole discretion forthwith terminate his employment.
15. The Company shall be entitled to forthwith terminate the agreement if he becomes insolvent or makes any composition or arrangement with his creditors or he ceases to be a Director of the Company.
16. In case of death of the Wholetime Director in the course of his employment with the Company, the Company shall pay to his legal representatives the salary and other emoluments payable hereunder for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
17. If the Wholetime Director is guilty of inattention to or negligence in the conduct of the business or of any other act or omission inconsistent with his duties as Wholetime Director or of any breach of this Agreement which in the opinion of the Board renders his retirement from the office of Wholetime

Director desirable, the Company by not less than thirty days notice in writing to the Wholetime Director determine this Agreement and upon the expiration of such notice the Wholetime Director shall cease to be the Director of the Company.

18. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement, at anytime by giving to the other party 60 days notice in writing in that behalf without the necessity of showing any cause and on the expiry of the period of such notice this Agreement shall stand determined and the Wholetime Director shall cease to be the Director of the Company. Provided that the aforesaid notice may be waived mutually by the parties hereto.
19. The terms and conditions including the remuneration payable to the Wholetime Director for the said appointment and/or Agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit.
20. This Agreement represents the entire agreement, between the parties hereto on the subject matter thereof.

Except Mr. Saahil Parikh himself and his relatives, none of the other Directors and Key Managerial Personnel of the Company or their respective relatives may be considered to be interested or concerned in passing of this resolution.

The Board of Directors accordingly recommends the resolution set out at Item No. 3 of the accompanying notice for the approval of the members by way of an ordinary resolution.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India (ICSI).

<b>I. General Information as required under Schedule V of the Companies Act, 2013</b>		
1.	Nature of industry	Pharmaceuticals
2.	Date or expected date of commencement of commercial production	The Company is already in the business of manufacturing / marketing of pharmaceuticals.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	The details of the financial performance of the Company for the last 5 financial years is given in the 2 <sup>nd</sup> cover page of the Annual Report 2019-20 accompanying this notice.
5.	Foreign investments or collaborators, if any	None
<b>II Information about the appointee</b>		
1.	Background details	Mr. Saahil Parikh aged 45 years is a graduate in Bio-Chemistry from Gujarat University and Diploma in Management Studies from Ahmedabad Management Association. He is the Wholetime Director of the Company since 11 <sup>th</sup> August, 2011 and has experience of about 21 years in the field of Pharma Production, Quality Control, Projects and General Management.
2.	Past remuneration	He has been working as Wholetime Director of the Company since 11 <sup>th</sup> August, 2011. For the financial year ended 31 <sup>st</sup> March, 2020, he was paid a remuneration of ₹ 45.82 lacs per annum.

3.	Recognition or awards	None
4.	Job profile and his suitability	His qualification and vast experience in the Pharma Industry is of benefit to the Company and he is the suitable candidate to hold office of Wholetime Directorship in the Company in-charge, inter-alia, of production, quality assurance, projects, commercial and general management functions.
5.	Remuneration proposed	As per the explanatory statement provided to item No. 3 of the accompanying notice.
6.	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.)	The remuneration paid / to be paid to the Wholetime Director is in line with the industry standard of similar size of company.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None.
<b>III Other information</b>		
1.	Reasons of loss or inadequate profits	The Company's margins are under pressure due to competition from small manufacturers. The business of the Company is also impacted from the month of March, 2020 onwards due to outbreak of Covid-19 pandemic.
2.	Steps taken or proposed to be taken for improvement	Necessary steps are taken to improve the profitability like cost containment, new product addition, increasing the geographical reach of Company's marketing activities, etc. The Company's new sterile eye-drops manufacturing facility is expected to commence commercial production in the later part of the calendar year 2020.
3.	Expected increase in productivity and profits in measurable terms	It is expected that the Company should do reasonably well in financial terms and increase the profitability within the next couple of years.
<b>IV Disclosures</b>		
1.	The following disclosures shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report :-	
	i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors	Disclosed in Corporate Governance Report forming part of this Annual Report. .
	ii) Details of fixed component and performance linked incentives along with the performance criteria	Furnished in the explanatory statement forming part of this notice.

	iii) Service contracts, notice period, severance fees	As per explanatory statement forming part of this notice and Corporate Governance Report accompanying this notice.
	iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Not applicable since the Company has no scheme for grant of any stock option either to the Directors or to the employees.

**Item No. 4**

The Board of Directors on the recommendation of the Audit Committee has appointed M/s Kale & Associates, Cost Accountants (Firm Registration No. 001819), as the Cost Auditors of the Company for the financial year 2020-21. A Certificate issued by the firm regarding their eligibility for appointment as Cost Auditors is available for inspection electronically by the members without payment of fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect this certificate can send an email to Company's e mail ID [investors@makerslabs.com](mailto:investors@makerslabs.com).

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. The Board has decided the remuneration payable to M/s. Kale & Associates as Cost Auditors as mentioned in the resolution on the recommendation of the Audit Committee. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution set out at Item No. 4.

The Board of Directors accordingly recommend the resolution set out at Item No. 4 of the accompanying Notice for the approval of the members.

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Website: [www.makerslabs.com](http://www.makerslabs.com)  
CIN: L24230MH1984PLC033389

By Order of the Board  
For Makers Laboratories Limited

Khyati Danani  
Company Secretary  
ACS 21844

Mumbai  
15<sup>th</sup> June, 2020