



**NOTICE IS HEREBY GIVEN THAT** the 32<sup>nd</sup> (Thirty Second) Annual General Meeting of the Members of Bal Pharma Limited will be held on the 23<sup>rd</sup> September, 2019 i.e on Monday at 10.30 A.M at KRG Hall, Bharatiya Vidya Bhavan, Race Course Road, Bangalore – 560 001, to transact the following business:

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements of the Company including Audited Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss for the financial year ended as on that date together with the Board's Report and Independent Auditors' Report thereon.
2. To declare Dividend of Re.1/- per Equity Share of ₹ 10/- each.
3. To appoint a Director in place of Dr. Subba Rao Prasanna (DIN # 00084602), who is retiring by rotation and being eligible, offers himself for reappointment.

**SPECIAL BUSINESS:**

4. **To increase Authorised Share Capital of the Company from the existing capital of ₹ 15,00,00,000/- to ₹ 20,00,00,000/-**

To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

**“RESOLVED THAT** in pursuant to the provisions of Section's 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (“Act”) including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from the existing Capital of ₹ 15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of ₹ 10 (Rupees Ten only) each to ₹ 20,00,00,000 (Rupees Twenty Crores) divided into 2,00,00,000 (Two Crores) Equity Shares of ₹ 10 (Rupees Ten only) each, which shall rank *pari-passu* in all respect with existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorised to file, sign all such e-forms, documents as may be required and to do all such acts, deeds, matters, things as may be necessary and incidental for giving effect to this resolution”

5. **To Alter the Capital Clause of Memorandum of Association**

To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

**“RESOLVED THAT** in pursuant to the provisions of Section's 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (“Act”) including

any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the Members of the Company be and is hereby accorded for substituting the Clause V of the Memorandum of Association of the Company with the following clause:

- V. The Authorised Share Capital of the Company is ₹ 20,00,00,000 (Rupees Twenty Crores) divided into 2,00,00,000 (Two Crores) Equity Shares of ₹ 10 (Rupees Ten only) each, with powers to increase or reduce or reclassify and to vary, modify or abrogate any such rights, privileges or conditions in such manner as provided by resolution of the Company.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorised to file, sign the all such e-forms or documents as may be required and to do all such acts, deeds, matters, things as may be necessary and incidental for giving effect to this resolution”

6. **To Alter the Capital clause of Articles of Association**

To consider, and if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

**“RESOLVED THAT** in pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (“Act”) including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the Members of the Company be and is hereby accorded for substituting the Article No. 3 of Articles of Association of the Company with the following Article:

3. The Authorized Share Capital of the Company is ₹ 20,00,00,000 (Rupees Twenty Crores) divided into 2,00,00,000 (Two Crores) equity shares of ₹ 10 (Rupees Ten only) each, with powers to increase or reduce or reclassify and to vary, modify or abrogate any such rights, privileges or conditions in such manner as provided by resolution of the Company.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorised to file, sign the all such e forms, Papers or documents as may be required and to do all such acts, deeds, matters, things as may be necessary and incidental for giving effect to this resolution”

7. **To reappoint Mr.Shailesh Dheerajmal Siroya (DIN # 00048109) as the Managing Director of the Company and to fix the remuneration.**

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 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 or any amendment(s) or modification(s) thereof and subject to applicable Clauses of Articles of Association of the Company, Mr. Shailesh Dheerajmal Siroya (DIN # 00048109) be and is hereby reappointed as Managing Director of the Company for a period of 5 years from 01.08.2019 to 31.07.2024.

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

**RESOLVED FURTHER THAT** subject to all applicable provisions and Schedules of the Companies Act, 2013, and the rules made there under and subject to applicable clauses of Articles of Association of the Company, the managerial remuneration payable to Mr. Shailesh Dheerajmal Siroya, Managing Director, as recommended by the Nomination and Remuneration Committee and the Board is fixed at ₹ 8,50,000/- (Rupees Eight Lakhs Fifty Thousands only) per month for a period of 3 (three) years with effect from 01.08.2019, which is inclusive of salary and perquisites, but exclusive of the followings:

1. Variable commission of not exceeding 5% of the net profits of the Company or such other percentage as may be decided by the Board from time to time.
2. Contribution to provident fund, superannuation fund or annuity fund to the extent they singly or together are not taxable under the Income Tax Act, 1961;
3. Gratuity payable at a rate not exceeding half a months salary for each completed year of service; and
4. Encashment of leave at the end of the tenure.

#### **MINIMUM REMUNERATION**

In the event of absence or inadequacy of profits in any Financial Year during the currency of tenure of his appointment, the entire applicable remuneration by way of Salary and Perquisites mentioned above shall be revised to match with the provisions prescribed under Schedule V of the Companies Act, 2013.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorized to vary the terms and conditions of appointment of Mr. Shailesh Siroya as Managing Director, subject to the limits prescribed under the Schedule V of the Companies Act, 2013.”

#### **8. To appoint Dr. C.V Srinivas (DIN: 08495304) as Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 161 of the Companies Act,2013 and Articles of Association of the

Company, Dr.C.V Srinivas (DIN: 08495304) who was appointed as an Additional Director of the Company with effect from 29.6.2019 and whose appointment has been recommended by Nomination and Remuneration Committee and by the Board of Directors at their Meetings held on 29/06/2019 and who holds his office until the end of this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

#### **9. To appoint Dr. C.V Srinivas (DIN: 08495304) as an Independent Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and the other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. C.V Srinivas (DIN: 08495304), Director of the Company, be and is hereby appointed as an Independent Director of the Company and whose appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors at their Meetings held on 29.06.2019 for consideration by the Members and who has submitted a declaration to the effect that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, for a period of five consecutive years with effect from 29.06.2019 to 28.06.2024 and whose office shall not be liable to retire by rotation.”

#### **10. To reappoint Mr. Pramod Kumar. S (DIN# 00719828) as an Independent Director of the Company.**

To consider and if thought fit to pass the following resolution as a Special Resolution.

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 of Companies Act,2013 and the rules framed thereunder read with Schedule IV of the said Act and applicable provisions of SEBI(LODR) Regulations, 2015, Mr. Pramod Kumar S. (DIN # 00719828) Director of the Company who has submitted a declaration that he meets the criteria of Independence as per Section 149(6) of Companies Act,2013 and whose term of five (5) years as Independent Director of the Company is expiring on 17/09/2019, be and is hereby reappointed as the Independent and nonexecutive Director of the Company for a further consecutive period of five (5) years i.e from 18/09/2019 to 17/09/2024”.

#### **11. To ratify the remuneration payable to Cost Auditor:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act,2013 and the Companies (Audit and



Auditors) Rules, 2014, Mr. M.R Krishna Murthy, Cost Accountant (Membership #7568) appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2020, be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and to take up all such deeds as may be necessary and expedient to give effect to this resolution.”

By the order of the Board of Directors  
For **Bal Pharma Limited**

**Shailesh Siroya**  
Managing Director  
DIN : 00048109

Place: Bangalore  
Date: 13/08/2019

**NOTES:-**

- A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on a poll instead of himself / herself.** A proxy need not be a Member of the Company. Proxy, in order to be effective must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. Proxy Form is forwarded as detachable part of Annual Report.
- Dividend, if any, that may be declared at the Meeting will be paid on or before 14.10.2019 to those Members entitled there to, whose names appear in the Register of Members of the Company at the close of business hours on 18<sup>th</sup> September 2019 and for those holding the Shares in demat mode, the dividend will be paid to the Members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as Beneficial Owners on that date and the bank particulars registered with the respective Depository Accounts will be used for this purpose.
- Corporate Members intending to send their Authorised Representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- For convenience of the Members and for proper conduct of the Meeting, entry to the place of Meeting will be regulated by an attendance slip, which is forwarded as detachable part of the Annual Report. Members are requested to affix their signature at the place provided in the Attendance Slip and hand it over at the entrance.
- The Register of Members and Share Transfer Books of the Company will remain closed from 19.09.2019 to 23.09.2019 (both days inclusive).
- 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.
- Members, who hold shares in dematerialized form, are requested to bring in their Client ID and DP ID nos. for easier identification of attendance at the Meeting and those who hold shares in physical form are requested to write their folio number in the Attendance slip for attending the Meeting.
- A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her queries to the Company at least 7 days prior to the Meeting, so that, the required information can be made available at the Meeting.
- Members holding shares in physical form are requested to convert their Equity Shares into dematerialised form as the securities of the listed Companies can only be transferred in dematerialised form from 1<sup>st</sup> April 2019, as per the notification issued by SEBI.
- Members holding more than one Share Certificate in different folios are requested to apply for consolidation of the folios and send the relative Share Certificates to the Company's Registrar and Share Transfer Agent, TSR Darashaw Limited, # 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011.
- Members are requested to bring the Annual Report 2018-19 along with them to the Annual General Meeting, since extra copies will not be supplied at the Meeting.
- Electronic copy of the Annual Report 2018.19 is being sent to all the Shareholders, whose email ID's are registered with the Company/D.P for communication purpose unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of Annual Report 2018-19 is being sent. Soft copy of the Annual Report along with the notice for the Meeting will also be available on the Company's website [www.balpharma.com](http://www.balpharma.com) for them to download. Members who desire to get the printed version of the Annual Report may get the same at free of cost, upon making a request for the same.
- Pursuant to Section 124 of the Companies Act, 2013 (Corresponding Section 205 A of the Companies Act, 1956, as amended), any money transferred to Unpaid Dividend Account and remaining unclaimed for a period of 7 (Seven) years from the date of such transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, and thereafter, the Shareholders shall not be able to claim any Unpaid Dividend amount from the Company. The Company has since transferred the amount lying in the credit of Unpaid Dividend Account for up to the financial year 2008-09, to Investor Education and Protection Fund as stipulated under Section 125 of the Companies Act, 2013 (Corresponding Section 205C of the Companies Act, 1956) read with Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001. The members who have not en-cashed the Dividend Warrants for the financial years 2009-10



onwards are requested to write to the Company directly or to TSR Darashaw Limited, the Registrar and Share Transfer Agents of the Company.

14. The Members may now avail of the facility of nomination, by nominating in the prescribed form, a person to whom your shares in the Company shall vest in the event of death of the Member. Interested Members may write to the Company's Registrar & Share Transfer Agent for the prescribed form.
15. 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 the Company / Registrar and Transfer Agents, TSR Darashaw Limited, Mumbai.
16. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing to its Members facility to exercise their right to vote at the 32<sup>nd</sup> Annual General Meeting (AGM) by electronic means through e-Voting Services provided by National Securities Depository Limited (NSDL)

**Voting through electronic means using NSDL e-Voting system**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned 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 is mentioned below:**

<b>How to Log-in to NSDL e-Voting website?</b>
1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.
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 <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> with your existing IDEAS login. Once you log-in to NSDL eservices 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.
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 3 is 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 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.

**General Guidelines for shareholders**

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to perameshwar@vjkt.in with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. 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.
3. 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)

**Other Instructions:**

- (i) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.

- (ii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - (iii) The e-voting period commences on 20<sup>th</sup> September, 2019 (9:00 am) and ends on 22<sup>th</sup> September, 2019 (5:00 pm). During this period, Shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 13<sup>th</sup> September, 2019, may cast their vote electronically.  
The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.
  - (iv) The voting rights of Shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the cut-off date (record date) of 13<sup>th</sup> September, 2019.
  - (v) if the Shareholder exercises his vote both electronically and physically, then the vote cast by him electronically will super cede.
  - (vi) Mr. Parameshwar G Bhat, Practising Company Secretary (Membership No. 8860) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - (vii) The Scrutinizer shall within a period not exceeding forty eight (48) hours from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Managing Director or designated Director of the Company.
  - (viii) The Results shall be declared within forty eight hours from the conclusion of the Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.balpharma.com](http://www.balpharma.com) and on the website of NSDL within two (2) working days of passing of the resolutions at the AGM of the Company and also be communicated to BSE and NSE.
- 17) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
  - 18) Members holding shares in electronic form may please note that as per the regulations of National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the bank details on the Dividend Warrants as furnished by these Depositories to the Company



and the Company cannot entertain any request for deletion/change of bank details already printed on Dividend Warrants as per information received from the concerned Depositories. In this regard, Members should contact their Depository Participant (DP) and furnish particulars of any changes desired by them.

By the order of the Board of Directors  
For **Bal Pharma Limited**

**Shailesh Siroya**

Managing Director

DIN : 00048109

Place: Bangalore  
Date: 13/08/2019

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013:**

**Item No.'s 4, 5 & 6:**

Envisaging the need to mobilise further capital for the future growth and expansion of the Company, your Directors has decided to increase the Authorised Share Capital of the Company from the existing ₹15,00,00,000 (Rupees Fifteen Crores only) to ₹ 20,00,00,000/- (Rupees Twenty Crores only)

Pursuant to provisions of Sections 61 and 64 of the Companies Act, 2013, the consent of the Shareholders of the Company is required to the proposed increase in the Authorized Share Capital of the Company. Accordingly, the Board of Directors seeks the approval of Members.

Increase in the Authorised Capital needs to be reflected in the Clause V of the Memorandum of Association. According Clause V of the Memorandum of Association of the Company needs to be amended to accommodate the change in the Authorised Capital of the Company.

Clause 3 of the Articles of Association of the Company needs to be amended to include the revised Authorised Capital of the Company. Accordingly, Clause 3 of Articles of Association of the Company shall be amended to accommodate the change in the authorised capital.

None of Directors and Key Managerial Personnel and their relatives are in no way concerned or interested in this resolution, except to the extent of their shareholding in the Company.

**Item No.7:**

The Board of Directors of the Company at its meeting held on 29.05.2019 has, subject to the approval of Members, reappointed Mr. Shailesh Siroya as Managing Director of the Company for a period of 5 (five) years from the expiry of his present term, which has expired on 31<sup>st</sup> July, 2019.

As the Company benefits immensely from his vast and extensive experience, your Directors recommended the proposal for renewal of his appointment for a further period of 5 years from 01.08.2019 to 31.07.2024.

Keeping in mind the industry norms and remuneration paid to similar appointees in other Companies and the active role played by Mr. Shailesh Dheerajmal Siroya as Managing Director of the Company, the Nomination and Remuneration Committee of the Company and the Board in its Meeting held on 29.05.2019 have considered and recommended a remuneration of ₹ 8,50,000/- per month, with effect from 01.08.2019 and for a period of 3 years, as per the provisions of Schedule V of the Companies Act, 2013 and subject to the approval of the Members of the Company.

The remuneration recommended may be revised to the minimum remuneration payable in the event of loss or inadequacy of Profits, as per Schedule V of the Companies Act, 2013.

**Remuneration based on net profits:**

In addition to the salary, perquisites and allowances as set out above, Mr. Shailesh Dheerajmal Siroya shall be entitled to receive the remuneration based on the net profits of the Company with a ceiling of 5% and the same will be determined by the Board and/or the Nomination and Remuneration Committee of the Company, for each financial year.

**Reimbursement of Expenses:**

Expenses incurred for traveling, board and lodging including for his spouse during business trips, any medical assistance provided including for his family members, and provision of cars for the use of Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

**General:**

The Managing Director will perform his duties with regard to all works of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and confirm to and comply with all such directions and regulations as may from time to time be given and made by the Board.

The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to the duties of the Directors.

The office of the Managing Director may be terminated by the Company by giving 3 (three) months prior notice in writing.

Mr. Shailesh Dheerajmal Siroya satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub section (3) of Section 196 of the Act for being eligible for his reappointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may also be treated as abstract of terms of appointment in terms of Section 190 of the Companies Act, 2013.



The Board recommends the resolution for approval of the Members.

None of the Directors/ Key Managerial personnel of the Company other than Mr. Shailesh Dheerajmal Siroya is concerned/ interested in the said resolution.

**Item No.'s 8 & 9 :**

Based on the recommendation of Nomination and Remuneration Committee, Dr.C.V Srinivas was appointed as an Additional Director and Independent Director of Company by the Board at its Meeting held on 29.06.2019.

Dr.C.V Srinivas is an ENT specialist who has published may journals and conducted several phase III and Phase IV clinical trials in his field.

The Board considers that the appointment of Dr. C.V. Srinivas as a Directory of the Company would be of significance to the Company. Accordingly, the Board recommends his appointment as an Independent Director of the Company. The Board recommends the proposed resolutions for approval of Shareholders.

Except Dr.C.V Srinivas, none of the Directors, Key Managerial Personnel or their relatives are either interested or concerned with the said resolution's.

In the opinion of the Board, Dr.C.V Srinivas fulfills the conditions specified in the Companies Act,2013 and SEBI (LODR) Regulations , for his appointment as Independent Director of the Company.

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 ICSI.

**Item No.10:**

Mr. Pramod Kumar.S was appointed as an Independent Director of the Company w.e.f 18.09.2014 for a consecutive period of 5 years i.e up to 17.09.2019. As per the provisions of Section 149 of the Companies

Act, 2013 the Company needs to pass a Special Resolution to reappoint Mr. Pramod Kumar S. as Independent Director of the Company for a further term of five (5) years.

Brief resume of Mr.Pramod Kumar .S highlighting his qualifications and expertise is enclosed as annexure to this notice.

In the opinion of the Board and as per the consent /disclosures/ intimations made by Mr.Pramod Kumar.S as per applicable provisions of Companies Act,2013 , he fulfills the conditions mentioned therein for his reappointment as Independent Director of the Company.

None of the Directors or Key Managerial Personnel of the Company except Mr.Pramod Kumar.S himself is concerned or interested in the resolution.

**Item No.11:**

The Board of Directors of the Company at its Meeting held on 29.05.2019 has appointed Mr. M. R Krishna Murthy, Cost Accountant (Membership No.7568) as Cost Auditor of the Company for the financial year 2019 - 20 and has fixed ₹ 40,000/- (Rupees Forty Thousand Only) as consolidated remuneration payable to him for FY 2018-19.

The Shareholders may consider ratifying the decision taken by the Board in fixing the remuneration payable to Mr. M.R Krishna Murthy, Cost accountant.

None of the Directors, Key Managerial Personnel of the Company, and their relatives are concerned or interested in resolution set out at Item No.11.

By the order of the Board of Directors  
For **Bal Pharma Limited**

**Shailesh Siroya**  
Managing Director  
DIN : 00048109

Place: Bangalore  
Date: 13/08/2019



Additional Information relevant to the appointment /reappointment of Directors at the Annual General Meeting (pursuant to Regulation 36 of SEBI(LODR) Regulations,2015 and clause 1.2.5 of Secretarial Standards on General Meetings.

Name of the Director	Mr.Shailesh D Siroya	Dr.C.V Srinivas	Pramod Kumar.S
Date of Birth	10/08/1966	28/02/1966	15/07/1968
DIN #	00048109	08495304	00719828
Date of Appointment/ reappointment		29/06/2019	18/09/2014
Expertise in functional areas	Finance, International Marketing and Administration.	Medical consultation, Healthcare, ENT Surgeries, Advisory Services and clinical research studies.	Managing Agro and Pharma sectors.
Educational Qualifications	MBA Finance	MS in ENT & Fellowship in Otology.	B.Com
Experience in Years	25 + years	20 years	19 years
No of shares held in the Company	13,45,459	Nil	22,687
Relationship with other Directors and KMP's	NA	NA	NA
No of Board Meetings attended during F.Y 2018.19	05	Nil	05
Directorship in other Companies / LLP's	07	Nil	06
Membership of Committees	Corporate Social Responsibility committee and Shareholders Relationship Committee.	Audit Committee, Nomination and Remuneration Committee, Share holders Relationship Committee.	Audit Committee. Shareholders Relationship Committee and Nomination and Remuneration Committee.

**Information about Mr.Shailesh D Siroya, whose proposed remuneration is under review.**

1.	Name of the Director	Mr.Shailesh D Siroya
2.	Brief background	Mr.Shailesh D Siroya has been associated with the Company from its inception.
3.	Immediate past remuneration	₹ 8,50,000/- per month was paid as salary and perquisites during F.Y 2018-19, The nomination and remuneration committee of the Company has recommended to continue to pay the same remuneration for the next 3 years of his tenure.
4.	Job profile and suitability	Mr.Shailesh D Siroya is the Managing Director of the Company with marketing and finance aspects of the Company as his core focus areas. He has the experience of more then 26 years in the field of pharmaceuticals.
5.	Remuneration proposed	Details of remuneration proposed have been given in the notice. Taking into consideration the size of the Company, profile of the appointee, responsibilities shouldered by them, the remuneration proposed is commensurate with the remuneration packages paid or is comparable to other companies' in the industry.
6.	Pecuniary relationship with the managerial personnel, if any.	Mr.Shailesh D Siroya, besides drawing the prescribed remuneration and holding 9.49% of the paid up equity share capital of the Company, does not have any other pecuniary relationship with the managerial personnel of the Company.

**Additional information relevent to re-appointment of Mr. Shailesh D Siroya as Managing Director. (As per Schedule 5 of Companies Act, 2013)**

1.	Name of the Industry	Pharmaceuticals
2.	Date or expected date of commencement of Commercial production	The Company was incorporated on 19.05.1987 and has commenced Commercial Production in 1992.
3.	Financial performance	For Financial year ended 31.03.2019 Turnover under other income - ₹ 225.83 Crores Profit Before Tax - ₹ 4.41 Crores Profit After Tax - ₹ 6.76 Crores
4.	Export performance and foreign collaboration	Export Income for F.Y. 2018.19 was ₹ 135.79 Crores Foreign Exchange earnings was ₹ 126.55 Crores (FOB Values)