ZENITH

CONTRIBUTINGFOR
HEALTH AND WELL BEING

ZENITH DRUGS LIMITED
(Formerly - Zenith Drugs Private Limited)
CONTACT US:
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info@zenithdrugs.com
+91 93291 45074 CIN: U24231MP2000PLC014465
Plant Add.- 72/5 & 72/1, 72/3, 74/1/1, 75/1/1 Muradpura (Orangpura), Dhar Road, Near Kalaria, INDORE, PIN-453001 (MP) INDIA

Registered Office Address - K. No. 72/5, Village Muradpura, Depalpur, Indore, Madhya Pradesh - 453001

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies Management and Administration) Rules, 2014

Dear Members,

Notice is hereby given to the Members of ZENITH DRUGS LIMITED ('Company') that, pursuant to and in compliance with Section 108 and Section 110 of the Companies Act, 2013 ('Act') read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, ('Rules'), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), Secretarial Standard-2 on General Meetings ('SS-2') issued by The Institute of Company Secretaries of India and other applicable provisions of the Act and Rules made thereunder and the SEBI Listing Regulations, as amended from time to time, (including any statutory modification(s) or reenactment(s) thereof for the time being in force) and in terms of the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020, Circular No. 10/2021 dated June 23, 2021, Circular No. 20/2021 dated December 8, 2021, Circular No. 3/2022 dated May 5, 2022, Circular No. 11/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ('MCA Circulars'), the approval of members of the Company is being sought for following special resolutions by way of Postal Ballot through electronic means ('Postal Ballot'/' e-Voting').

1. To consider the disinvestment in My Med Private Limited, the Subsidiary Company.
2. To consider increase in remuneration of Mr. Sandeep Bhardwaj (DIN: 00539347), Managing Director of the Company.
3. To consider increase in remuneration of Mr. Ajay Singh Dassundi (DIN: 00835856), Director of the Company.
4. To consider increase in remuneration of Mr. Bhupesh Soni (DIN: 00539355), Director of the Company.

An Explanatory Statement pursuant to Section 102 and other applicable provisions, if any, of the Act, pertaining to the resolution setting out material facts and reasons thereof, is appended to this Postal Ballot Notice.

SPECIAL BUSINESSES:

ITEM NO. 1

To approve disinvestment in My Med Private Limited, the Subsidiary Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, and the relevant rules made thereunder, the Memorandum and Articles of Association of the company and pursuant to the applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to other requisite approvals to the extent necessary as may be required and on the basis of the recommendation of Audit Committee and the approval of the Board of Directors, the consent of the members of the Company be and is hereby accorded by postal ballot to sell/ transfer in one or more tranches, the entire investments i.e. 25500 shares held in My Med Private Limited, a subsidiary company, at the consideration not less than the amount as mentioned below and on such terms and conditions and in such manner as the Board may at its absolute discretion determine.

Sr. No.	**Purchaser**	**No. of Shares**	**Consideration (In Rs.)**
1.	Sandeep Bhardwaj	8500	85000
2.	Bhupesh Soni	8500	85000
3.	Ajay Singh Dassundi	8500	85000

RESOLVED FURTHER THAT for the purpose of implementation of this resolution, the Board be and is hereby authorised to do all such acts, deeds, matter and things, including but not limited to deciding the time, mode, manner, extent of tranches, if required and other terms and conditions of the disinvestment/ sales of the shares as aforesaid, negotiating and finalising the terms of sale/ offer for sale as may be necessary, desirable and expedient to be agreed, and all incidental and necessary steps for and on behalf of the company and to settle all questions or queries that may arise in the course of implementing this resolution.

ITEM NO. 2

To approve increase in remuneration of Mr. Sandeep Bhardwaj (DIN: 00539347), Managing Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 196, 197,198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force) in terms of Articles of Association of the Company and on recommendation of the Nomination and Remuneration Committee and approval of Board, the consent of the members of the Company be and is hereby accorded to increase remuneration of Mr. Sandeep Bhardwaj (DIN: 00539347), Managing Director of the Company upto a maximum limit of Rs. 75,00,000 P.A. with effect from 1st April 2024 and remaining terms & conditions are same as agreed at the time of appointment.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Sandeep Bhardwaj, remuneration and perquisites not exceeding the ceiling laid down in Schedule V to the Companies Act, 2013, as may be decided by the Board of Directors.

RESOLVED FURTHER THAT Board of Directors and the Director(s) or the person authorized by the Board be and is jointly and/ or severally authorized to do as they may think fit and for that purpose to execute such documents, papers, deeds, and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution."

ITEM NO. 3

To approve increase in remuneration of Mr. Ajay Singh Dassundi (DIN: 00835856), Director of the Company of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 196, 197,198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force) in terms of Articles of Association of the Company and on recommendation of the Nomination and Remuneration Committee and approval of Board, the consent of the members of the Company be and is hereby accorded to increase remuneration of Mr. Ajay Singh Dassundi (DIN: 00835856), Executive Director of the Company upto a maximum limit of Rs. 75,00,000 P.A. with effect from 1st April 2024.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Ajay Singh Dassundi, remuneration and perquisites not exceeding the ceiling laid down in Schedule V to the Companies Act, 2013, as may be decided by the Board of Directors.

RESOLVED FURTHER THAT Board of Directors and the Director(s) or the person authorized by the Board be and is jointly and/ or severally authorized to do as they may think fit and for that purpose to execute such documents, papers, deeds, and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution."

ITEM NO. 4

To approve increase in remuneration of Mr. Bhupesh Soni (DIN: 00539355), Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 196, 197,198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force) in terms of Articles of Association of the Company and on recommendation of the Nomination and Remuneration Committee and approval of Board, the consent of the members of the Company be and is hereby accorded to increase remuneration of Mr. Bhupesh Soni (DIN: 00539355), Executive Director of the Company upto a maximum limit of Rs. 75,00,000 P.A. with effect from 1st April 2024.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Bhupesh Soni, remuneration and perquisites not exceeding the ceiling laid down in Schedule V to the Companies Act, 2013, as may be decided by the Board of Directors.

RESOLVED FURTHER THAT Board of Directors and the Director(s) or the person authorized by the Board be and is jointly and/ or severally authorized to do as they may think fit and for that purpose to execute such documents, papers, deeds, and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution."

By Order of the Board of Directors
For ZENITH DRUGS LIMITED

Sandeep Bhardwaj
Managing Director
(DIN:00539347)

Place: Depalpur
Date: 17th April, 2024

NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (the **"Act"**), setting out material facts for the proposed resolutions is annexed herein below.

2. In compliance with the MCA Circulars, the Postal Ballot Notice along with the instructions regarding e-Voting is being sent by electronic mode only to those Members whose names appear in the Register of Members / list of Beneficial Owners, maintained by the Company / Depositories as at close of business hours on Friday, 19 April, 2024 (i.e. Cut-off date), and whose e-mail IDs are registered with the Depository Participants (DPs) or with the Company or its Registrar and Transfer Agent (Bigshare Services Private Limited) as on the Cut-off date.

3. As per the MCA Circulars, physical copies of the Postal Ballot Notice, Postal Ballot Forms and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot. Members are requested to provide their assent or dissent through e-Voting only. The Company has engaged the services of Bigshare Services Private Limited to provide e-Voting facility to its members.

4. This notice of postal ballot will also be placed on the website of the Company i.e. www.zenithdrugs.com.

5. Members of the Company as on the Cut-Off Date, Friday, 19 April, 2024 (including those Members who may not have received this Notice due to non-registration of their e-mail addresses with the Company/RTA/Depositories) shall be entitled to vote in relation to the aforementioned resolution in accordance with the process specified in this Postal Ballot Notice.

6. The Remote e-Voting will commence on Tuesday, 23 April, 2024, at 09:00 a.m. IST and will end on Wednesday, 22 May, 2024 at 5:00 p.m. IST. Remote e-Voting will be blocked by Bigshare Services Private Limited immediately thereafter and will not be allowed beyond the said date and time.

7. Members are requested to cast their vote through the e-Voting process not later than 5:00 p.m. IST on Wednesday, 22 May, 2024 in order to be eligible for being considered, failing which it will be strictly considered that no vote has been received from the Member. Once the votes on the Resolutions are casted by the Members, the Members shall not be allowed to change these subsequently.

8. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Friday, 19 April, 2024 being the Cut-off Date fixed for the purpose.

9. Members holding shares in electronic mode, who have not registered their email addresses are requested to register their email addresses with their respective Depository Participant (DP). Members holding shares in physical mode are requested to update their email addresses with the Company's RTA at Bigshare Services Pvt. Ltd, Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road Andheri (East) Mumbai – 400093.

10. The Company has appointed Ms. Geetika Agrawal, Practicing Company Secretary (Membership No. 4988 & Certificate of Practice No. 3482), as Scrutinizer, for conducting the Postal Ballot through Remote e-Voting process in a fair and transparent manner and in accordance with the provisions of the Act and the rules made thereunder.

11. After completion of scrutiny of the votes, the Scrutinizer will submit his Report to the Chairman of the Company, or any person authorized by the Chairman. The results of

the voting conducted through Postal Ballot (through the e-Voting process) along with the Scrutinizer's Report will be announced by the Chairman or such person as authorized, on or before Saturday, 25 May, 2024. The same will be displayed on the website of the Company: www.zenithdrugs.com, the website of Bigshare Services Private Limited: www.bigshareonline.com and also shall be communicated to National Stock Exchange of India Limited ("NSE") where the Company's equity shares are listed.

12. Members whose name appearing on the Register of Members / List of Beneficial Owners as on the Cut-off date shall be eligible for voting. A person who is not member on Cut-off date should treat this notice for information purpose only.

13. The Resolution, if approved by the requisite majority through Postal Ballot, shall be deemed to have been passed on Wednesday, 22 May, 2024, i.e. the last date specified for receipt of votes through the Remote e-Voting process

14. Resolutions, if passed by the Members through postal ballot are deemed to have been duly passed at a General Meeting of the Members.

15. In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com, under download section or you can email to ivote@bigshareonline.com or call at: 1800 22 54 22.

16. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot will be final.

17. The details of the process and manner for Remote e-Voting are explained herein below: Process to vote electronically using NSDL e-Voting system:

E-VOTING INTRUCTIONS FOR POSTAL BALLOT ARE AS UNDER:

I. The voting period begins on Tuesday, 23 April, 2024 and ends on Wednesday, 22 May, 2024. 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 Friday, 19 April, 2024 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.

II. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

III. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

1. Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of **BIGSHARE** the e-Voting service provider and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. **BIGSHARE**, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period.

	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name **BIGSHARE** and you will be redirected to **i-Vote** website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

2. **Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com

- Click on "**LOGIN**" button under the '**INVESTOR LOGIN**' section to Login on E-Voting Platform.

- Please enter you '**USER ID'** (User id description is given below) and '**PASSWORD'** which is shared separately on you register email id.
  - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
  - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
  - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

  Note *If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

  NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on '**LOGIN**' under '**INVESTOR LOGIN**' tab and then Click on '**Forgot your password**?
- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA**) option and click on 'Reset'.
  (In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on "**REGISTER**" under "**CUSTODIAN LOGIN**", to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with **"User id and password will be sent via email on your registered email id"**.

NOTE: If Custodian have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on '**Forgot your password**?
- Enter "**User ID"** and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**RESET**.

  (In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under "**DOCUMENTS**" option on custodian portal.
  - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).
  - Click on upload document "**CHOOSE FILE**" and upload power of attorney (POA) or board resolution for respective investor and click on "**UPLOAD**".

    Note: The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)
  - Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "**UPLOAD**". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details

Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

By Order of the Board of Directors
For ZENITH DRUGS LIMITED

Sandeep Bhardwaj
Managing Director
(DIN:00539347)

Place: Depalpur
Date: 17th April, 2024

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:

Item No. 1

On the basis of recommendation of Audit committee, the Board in its meeting held on 17th April, 2024, proposed to disinvest its entire investment of 25500 equity shares of Face Value Rs.10/- each in My Med Private Limited which is subsidiary company of the Zenith Drugs Limited at the consideration not less than the amount as mentioned below on such terms and conditions and in such manner as the Board may at its absolute discretion determine.

Sr. No.	Purchaser	No. of Shares	Consideration (In Rs.)
1.	Mr. Sandeep Bhardwaj	8500	85000
2.	Mr. Bhupesh Soni	8500	85000
3.	Mr. Ajay Singh Dassundi	8500	85000

The Board keeping in view the hardship incurred as the subsidiary company has not received the expected growth, it feels that's its prudent to withdraw investment from the wholly owned Subsidiary and considers the proposed disinvestment in the best interest of the Company.

It is further informed that Mr. Sandeep Bhardwaj, Mr. Bhupesh Soni and Mr. Ajay Singh Dassundi holds directorship in both Zenith Drugs Limited and in My Med Private Limited. The proposed transaction with related parties is at arm's length basis and in the best interest of the Company.

Members of the Company are further requested to note that Section 180(1)(a) of the Companies Act, 2013 mandates that the Board of Directors of the company shall exercise the power to sell, lease or otherwise dispose off the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution.

The Board recommends the Resolutions at Item No.1 of the accompanying Notice for approval by the Members of the Company by way of a special resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the passing of the Resolution at Item No 1 of the accompanying Notice except to the extent of their shareholding in the company.

Item No. 2

Mr. Sandeep Bhardwaj (DIN: 00539347) was appointed as Managing Director of the Company for a period of 5 years commencing from 16th September 2023 and ending on 15th September 2028 in EGM held on 16th September 2023.

Mr. Sandeep Bhardwaj is Technical Taskmaster with more than 2 decades of expertise in pharmaceutical business management. He guided entire Supply chain of Zenith to offer Qualitative and cost-efficient products to its customer. He helped Zenith to maintained sustainable growth year on year. Zenith's complete functioning and manufacturing supervision is been regulating by him.

Currently Mr. Sandeep Bhardwaj is receiving Basic salary of Rs. 48,00,000/- PA against the approved limit of Rs.50,00,000/- PA and perquisites as agreed between him and Company at the time of appointment. Further it is proposed to increase remuneration of Mr. Sandeep

Bhardwaj. The Board considered qualification, capabilities, experience, and performance of Mr. Sandeep Bhardwaj and terms of Nomination and Remuneration policy of the Company.

The Board considered that during his term, the performance of Mr. Sandeep Bhardwaj, was satisfactory which deserved favourable consideration for increase in remuneration of Mr. Sandeep Bhardwaj. Therefore on the recommendation of the Nomination and Remuneration Committee in their meeting held on Wednesday, 17 April, 2024 and subject to approval of Members by postal ballot, the Board of Directors at their meeting held on Wednesday, 17 April, 2024 has accorded their consent to increase Remuneration of Mr. Sandeep Bhardwaj

In compliance with the provisions of Section 196, 197, 198 and 203 read with the provisions of Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the resolution for increase in remuneration of Mr. Sandeep Bhardwaj Managing Director, are now being placed before the Members for their approval.

The Board recommends the Special Resolution as set out in Item No. 2 of the notice.

Mr. Sandeep Bhardwaj and his relatives are interested in the said resolution, to the extent of their shareholding, in the Company, however none of the other directors & KMP may be deemed as concerned or interested in the aforesaid resolution.

The details of remuneration payable to Mr. Sandeep Bhardwaj are given below:

Basic Salary: Maximum Upto Rs. 75,00,000 PA. He may be entitled for annual increment upto 15% p.a., which may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

Perquisites and allowances: Following as per rules of the Company:

- Leave Travel Allowance
- House Rent Allowances
- Medical Allowances
- Provision for use of car with driver may be provided for official business and personal use. If used for personal use, it will be billed to him. If no car is provided, reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
- Provident Fund: The Company will make suitable contribution towards Provident Fund, as per the rules of the Company.

- Gratuity: As per rules of the Company.
- Retirement Benefits: As per rules of the Company.
- Leave encashment: Leaves will be provided as per rules of the Company including encashment of un availed leave at the end of the tenure.
- Other Benefits: Reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business will be provided.

Item No. 3

Mr. Ajay Singh Dassundi (DIN: 00835856) was appointed as Director of the Company w.e.f 25th June 2015.

Mr. Ajay Singh Dassundi is Marketing Maestro with more than 2 decades of in-depth Indian Market knowledge. He is Backbone and Face of Zenith group for Indian market, pertaining Marketing. Under the guidance of Mr. Ajay Singh Dassundi, promotion and customer relationship, entire corporate strategy and brand promotion is been groomed with utmost care. Presently, he is nurturing all brands under Zenith umbrella.

Currently Mr. Ajay Singh Dassundi is receiving Basic salary of Rs. 27,00,000/- PA against the approved limit of Rs.50,00,000/- PA and perquisites as agreed between him and Company at the time of appointment. Further it is proposed to increase remuneration of Mr. Ajay Singh Dassundi. The Board considered qualification, capabilities, experience, and performance of Mr. Ajay Singh Dassundi and terms of Nomination and Remuneration policy of the Company.

The Board considered that during his term, the performance of Mr. Ajay Singh Dassundi, was satisfactory which deserved favourable consideration for increase in remuneration of Mr. Ajay Singh Dassundi. Therefore on the recommendation of the Nomination and Remuneration Committee in their meeting held on Wednesday, 17 April, 2024, subject to approval of Members by postal ballot, the Board of Directors at their meeting held on Wednesday, 17 April, 2024 has accorded their consent to increase Remuneration of Mr. Ajay Singh Dassundi maximum Upto Rs. 75,00,000 PA.

In compliance with the provisions of Section 196, 197, 198 read with the provisions of Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the resolution for increase in remuneration of Mr. Ajay Singh Dassundi, are now being placed before the Members for their approval.

The Board recommends the Special Resolution as set out in Item No. 3 of the notice.

Mr. Ajay Singh Dassundi and his relatives are interested in the said resolution, to the extent of their shareholding, in the Company, however none of the other directors & KMP may be deemed as concerned or interested in the aforesaid resolution.

Item No. 4

Mr. Bhupesh Soni (DIN: 00539355) was appointed as Director of the Company w.e.f 15th March 2001.

Mr. Bhupesh Soni is Compliance Champion with more than 2 decades of exposure in Pharmaceutical manufacturing and corporate compliance. He has singly handed managing Government compliances and Tender performance. Under his guidance Zenith has made multifold growth in institutional business. Indian government Document obligations for Pharmaceutical manufacturing and Government liaison are standing strong under his discipline.

Currently Mr. Bhupesh Soni is receiving Basic salary of Rs. 36,00,000/- PA against the approved limit of Rs.50,00,000/- PA and perquisites as agreed between him and Company at the time of appointment. It is proposed to increase remuneration of Mr. Bhupesh Soni, considering his qualification, capabilities, experience, and his performance and terms of Nomination and Remuneration policy of the Company.

The Board considered that during his term, the performance of Mr. Bhupesh Soni, was satisfactory which deserved favourable consideration for increase in remuneration of Mr. Bhupesh Soni. Therefore on the recommendation of the Nomination and Remuneration Committee in their meeting held on Wednesday, 17 April, 2024, subject to approval of Members by postal ballot, the Board of Directors at their meeting held on Wednesday, 17 April, 2024 has accorded their consent to increase Remuneration of Mr. Bhupesh Soni maximum Upto Rs. 75,00,000 PA.

In compliance with the provisions of Section 196, 197, 198 read with the provisions of Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the resolution for increase in remuneration of Mr. Bhupesh Soni, are now being placed before the Members for their approval.

The Board recommends the Special Resolution as set out in Item No. 4 of the notice.

Mr. Bhupesh Soni and his relatives are interested in the said resolution, to the extent of their shareholding, in the Company, however none of the other directors & KMP may be deemed as concerned or interested in the aforesaid resolution.

The following additional information as required by schedule V to the Companies Act, 2013 is given below:

General Information:

- Nature of Industry: The Company is mainly engaged in business of manufacturing and Trading of medicines
- Date or expected date of commencement of commercial production: The Company was incorporated on 15/11/2000 and started working thereafter.
- Financial performance based on given indicators – As per Audited Financial Results for the year ended 31st March, 2023:

Particulars	**Rs. in Lakhs**
Gross Turnover & Other Income	11,575.82
Net profit as per Statement of Profit & Loss (After Tax)	488.11
Net Worth	1773.20

- Foreign investments or collaborators, if any: No foreign investments or collaborations.

Information about the Directors whose remuneration is revised

	Mr. Sandeep Bhardwaj	**Mr. Ajay Singh Dassundi**	**Mr. Bhupesh Soni**
Background details	Mr. Sandeep Bhardwaj is Technical Taskmaster with more than 2 decades of expertise in pharmaceutical business management. He	Mr. Ajay Singh Dassundi is Marketing Maestro with more than 2 decades of in-depth Indian Market knowledge. He is Backbone and Face of Zenith group for	Mr. Bhupesh Soni is Compliance Champion with more than 2 decades of exposure in Pharmaceutical manufacturing and corporate compliance. He has

	guided entire Supply chain of Zenith to offer Qualitative and cost-efficient products to its customer. He helped Zenith to maintained sustainable growth year on year. Zenith's complete functioning and manufacturing supervision is been regulating by him.	Indian market, pertaining Marketing. Under the guidance of Mr. Ajay Singh Dassundi, promotion and customer relationship, entire corporate strategy and brand promotion is been groomed with utmost care. Presently, he is nurturing all brands under Zenith umbrella.	singly handed managing Government compliances and Tender performance. Under his guidance Zenith has made multifold growth in institutional business. Indian government Document obligations for Pharmaceutical manufacturing and Government liaison are standing strong under his discipline.
Past remuneration	Rs. 48,00,000/- PA	Rs. 27,00,000/- PA	Rs. 36,00,000/- PA
Recognition or awards:	Received various awards and recognitions	Received various awards and recognitions	Received various awards and recognitions
Job Profile and his suitability	Mr. Sandeep Bhardwaj is Technical Taskmaster with more than 2 decades of expertise in pharmaceutical business management. Taking into consideration his experience, commitment and capabilities he is best suitable for the	Mr. Ajay Singh Dassundi is Marketing Maestro with more than 2 decades of in-depth Indian Market knowledge. Taking into consideration his experience, commitment and capabilities he is best suitable for the responsibilities to be assigned under the said designation.	Mr. Bhupesh Soni is Compliance Champion with more than 2 decades of exposure in Pharmaceutical manufacturing and corporate compliance. Taking into consideration his experience, commitment and capabilities he is best suitable for the responsibilities to be

	responsibilities to be assigned under the said designation.		assigned under the said designation.
Remuneration proposed	Refer Explanatory Statement of Item No. 2	Refer Explanatory Statement of Item No. 3	Refer Explanatory Statement of Item No. 4
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:	Taking into consideration the size of the Company, the profile of Mr. Sandeep Bhardwaj and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.	Taking into consideration the size of the Company, the profile of Mr. Sandeep Bhardwaj and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.	Taking into consideration the size of the Company, the profile of Mr. Sandeep Bhardwaj and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Mr. Sandeep Bhardwaj does not have any other pecuniary relationship with the Company	Mr. Ajay Singh Dassundi does not have any other pecuniary relationship with the Company	Mr. Bhupesh Soni does not have any other pecuniary relationship with the Company

III. Other information:

1. Reasons of loss or inadequate profits: There is a continuous improvement in the performance of the Company, however, it will take few more years for sustained growth and to generate adequate profits.

2. Steps taken or proposed to be taken for improvement: The Company is continuously exploring new opportunities to generate more revenue and to earn more profit.
3. Expected increase in productivity and profits in measurable terms: In the Financial Year 2022-23 the Company has achieved total revenue and net profit of Rs. 11575.83 and Rs. 488.11 respectively and the Company is expected to do well in future.

Details pursuant to Secretarial Standard-2

Name of the Director	**Mr. Sandeep Bhardwaj**	**Mr. Ajay Singh Dassundi**	**Mr. Bhupesh Soni**
DIN	00539347	00835856	00539355
Date of Birth	11/07/1978	24/08/1979	05/10/1978
Qualification	B. Pharma	B. Pharma	B. Pharma
Date of first appointment on the Board	31/10/2003	25/06/2015	15/03/2001
Nature of Expertise or experience	Having more than 2 decades of expertise in pharmaceutical business management	Mr. Ajay Singh Dassundi is Marketing Maestro with more than 2 decades of in-depth Indian Market knowledge	Having more than 2 decades of exposure in Pharmaceutical manufacturing and corporate compliance.
Relationship between the Directors	None	None	None
Directorship held in other Companies as on 31st March, 2024	My Med Private Limited (Subsidiary Company)	My Med Private Limited (Subsidiary Company)	My Med Private Limited (Subsidiary Company)
Chairman/Member of the Committee of the Board of Directors in other Companies as on 31st March, 2024	None	None	None
Number of Shares held in the Company as on 31st March,	36,66,990 (21.38%)	38,61,990 (22.52%)	34,60,980 (20.18%)

2024			
Number of Meetings of the Board attended	15	15	15
Details of remuneration last Drawn	Rs. 48,00,000/- PA	Rs. 27,00,000/- PA	Rs. 36,00,000/- PA
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Remuneration sought to be paid is upto a maximum limit of Rs. 75,00,000 PA and remaining terms & conditions are same as agreed at the time of appointment.	Remuneration sought to be paid is upto a maximum limit of Rs. 75,00,000 PA and remaining terms & conditions are same as agreed at the time of appointment.	Remuneration sought to be paid is upto a maximum limit of Rs. 75,00,000 PA and remaining terms & conditions are same as agreed at the time of appointment.

By Order of the Board of Directors
For ZENITH DRUGS LIMITED

Sandeep Bhardwaj
Managing Director
(DIN:00539347)

Place: Depalpur
Date: 17th April, 2024