

## Annual Report 2018-2019



STAR EXPORT HOUSE



WHO-GMP Accreditation



ISO 9001:2015

Pharmaceutical Company Engaged in *Mankind* Health Care

## BDH : Quality Policy

**Our Vision is  
to care for Health and Quality of Life  
for Mankind-Globally.**

**We are committed to  
provide safe, effective and Quality Medicines  
at economical price and also to  
percolate value added services to  
the patients through our network worldwide.**

**We shall strive this  
by enhancing quality and efficacy of medicines  
through continual improvement in our  
design, manufacturing and processes.**

*Care*



*Quality*

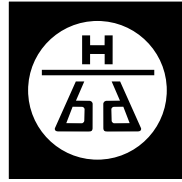


*Reputation*

### Ten Year's Highlights

( ₹ In Lakhs)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Total income</b>	3047.45	3842.27	4179.39	4249.07	4434.58	4634.29	4852.39	4587.61	4189.24	5257.66
<b>Domestic Income</b>	1685.68	2279.30	2090.73	2007.81	1333.88	1839.87	1585.74	2550.10	1934.22	2375.51
<b>Export Income</b>	1361.77	1562.97	2088.66	2241.26	3100.70	2794.42	3266.65	2037.51	2255.02	2882.17
<b>Earning before Interest, Depreciation &amp; Tax</b>	256.50	270.02	349.95	403.69	490.12	502.06	587.90	604.88	618.37	788.89
<b>Profit before Tax</b>	79.53	102.66	160.76	248.35	340.48	379.44	481.08	498.47	517.76	654.33
<b>Net Profit after Tax</b>	54.30	77.64	108.60	167.26	229.78	256.97	322.62	333.66	376.48	482.98
<b>Equity Share Capital</b>	593.94	593.94	593.94	593.94	593.94	593.94	593.94	593.94	593.94	593.94
<b>Other Equity</b>	1391.14	1424.94	1492.13	1591.08	1718.43	1814.48	1997.12	2329.39	2531.91	2840.20
<b>Net Worth</b>	1985.08	2018.88	2086.07	2185.02	2312.37	2408.42	2591.06	2923.33	3125.85	3434.14
<b>Net Block</b>	1566.47	1611.17	1528.92	1507.29	1475.11	1322.31	1715.20	2293.97	2258.67	2201.68
<b>Dividend (%)</b>	-	5%	6%	10%	12%	17%	20%	20%	22.5%	27.5%
<b>Earnings per share ( ₹ )</b>	0.94	1.35	1.89	2.91	3.99	4.46	5.60	5.80	6.54	8.39



## **BDH INDUSTRIES LIMITED**

<b>BOARD OF DIRECTORS</b>	:	<b>Ms. Jayashree Nair</b> <b>Mr. S. C. Kachhara</b> <b>Ms. Karthika Nair</b> <b>Dr. Dinesh Variar</b> <b>Mr. Bhagirath Singh</b> <b>Mr. Kairav Trivedi</b>	<i>Chairperson &amp; Managing Director</i> <i>Joint Managing Director &amp; CFO</i> <i>Non Executive Director</i> <i>Independent Director</i> <i>Independent Director</i> <i>Independent Director</i>
<b>COMPANY SECRETARY</b>	:	<b>Ms. Nikita Phatak</b>	
<b>AUDITOR</b>	:	<b>M/s. CLB &amp; Associates</b> Chartered Accountants Mumbai.	
<b>BANKER</b>	:	<b>Central Bank of India</b>	
<b>REGISTERED OFFICE</b>	:	Nair Baug, Akurli Road, Kandivli (East), Mumbai – 400101	
<b>REGISTRARS &amp; TRANSFER AGENT</b>	:	<b>TSR DARASHAW CONSULTANTS PVT. LTD.</b> 6-10, Haji Moosa, Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400011	

**TWENTY NINTH ANNUAL GENERAL MEETING at Swagath Bageecha, Bageecha Complex, Marve Road, Malad (West), Mumbai – 400095 on Wednesday 18<sup>th</sup> September, 2019 at 3.00 p.m.**

### NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of BDH Industries Limited will be held on Wednesday 18<sup>th</sup> September 2019 at 3.00 p.m. to transact the following business :-

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31<sup>st</sup> March, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2019.
3. To appoint a director in place of Ms. Karthika Nair (DIN 00019695), who retires by rotation and being eligible, offers herself for re-appointment.

#### SPECIAL BUSINESS :

4. To re-appoint Ms. Jayashree Nair (DIN 00027467) as Managing Director and in this regard to pass the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the provisions of Articles of Association of the Company, the approval of Members be and is hereby accorded to the re-appointment of Ms. Jayashree Nair (DIN 00027467) as Managing Director of the Company for a further period of three years commencing 1<sup>st</sup> April 2020 on the terms and conditions including remuneration as approved by the Nomination & Remuneration Committee of the Board and as set out in the draft of the agreement to be entered into between the Company and Ms. Jayashree Nair.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter, vary and modify the terms and conditions of the said appointment and agreement, in such manner manner as may be agreed to, between the Board and Ms. Jayashree Nair.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable for the purpose of giving effect to this resolution."

5. To re-appoint Mr. S. C. Kachhara (DIN 00019666) as Joint Managing Director and in this regard to pass the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the provisions of Articles of Association of the Company, the approval of Members be and is hereby accorded to the re-appointment of Mr. S. C. Kachhara (DIN 00019666) as Joint Managing Director of the Company for a further period of three years commencing 1<sup>st</sup> April 2020 on the terms and conditions including remuneration as approved by the Nomination & Remuneration Committee of the Board and as set out in the draft of the agreement to be entered into between the Company and Mr. S. C. Kachhara.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter, vary and modify the terms and conditions of the said appointment and agreement, in such manner manner as may be agreed to, between the Board and Mr. S. C. Kachhara.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable for the purpose of giving effect to this resolution."

6. To re-appoint Dr. Dinesh Variar (DIN – 00019721) as an Independent Director and in this regard pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations ), Dr. Dinesh Variar (DIN –00019721), who was appointed as an Independent Director of the Company and being eligible has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and SEBI Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for another (second) term of five consecutive years with effect from 1<sup>st</sup> April 2019 till 31<sup>st</sup> March 2024."

7. To re-appoint Mr. Bhagirath Singh (DIN–00155407) as an Independent Director and in this regard pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations ), Mr. Bhagirath Singh (DIN –00155407), who was appointed as an Independent Director of the Company and being eligible has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and SEBI Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for another (second) term of five consecutive years with effect from 1<sup>st</sup> April 2019 till 31<sup>st</sup> March 2024."



8. To appoint Mr. Kairav Trivedi (DIN – 07893708) as an Independent Director and in this regard pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations), Mr. Kairav Trivedi (DIN – 07893708) who qualifies to be an independent director and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and SEBI Listing Regulations, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for term of five consecutive years with effect from 1<sup>st</sup> April 2019 till 31<sup>st</sup> March 2024.”

9. To ratify the remuneration of the Cost Auditors for the financial year 2019-20 and in this regard 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 Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) and reenactment(s) thereof for the time being in force), M/s. Krishna S. & Associates, Cost Accountants (Firm Registration No. 100939) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records for the financial year 2019-20, be paid remuneration of ₹ 60,000/- (Rupees Sixty Thousand Only) plus applicable taxes.”

#### NOTES :

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy Form is attached herewith.
- Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified true copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 12<sup>th</sup> September 2019 to Wednesday 18<sup>th</sup> September 2019 (both days inclusive).
- The dividend, if declared at the meeting, will be paid to those members whose names appear in the Register of Members on Thursday 18<sup>th</sup> September 2019 and to those beneficial owners whose names are provided by National Securities Depository Limited (NSDL) and Central Depository (India) Limited (CDSL) as at the close of business hours on Wednesday 11<sup>th</sup> September 2019.
- Ms. Karthika Nair, (DIN – 00019695) Director retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Her qualifications are M.Sc and MMS (Marketing) from University of Mumbai. She has been director of the Company since 1999. She is not a Director of any other Company. She is daughter of Ms. Jayashree Nair. The details of the membership of committees of the Board and shareholding are mentioned in Corporate Governance Report.
- The Explanatory Statement pursuant to Section 102 of the Companies Act 2013 setting out material facts relating to the business stated under Item no . 4 to item 8 is annexed hereto.
- Members are requested to:
  - intimate to the Company / their Depository Participant (“DP”), changes, if any, in their registered address at an early date;
  - quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
  - bring their copy of the Annual Report and duly completed Attendance Slip with them at the Annual General Meeting.
  - encash the dividend warrants on their receipt as dividend remaining unclaimed for seven years is required to be transferred to the ‘Investor Education and Protection Fund’ established by the Central Government under the provisions of the Companies Act, 2013.
  - The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notified the IEPF (Uploading of Information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts. In terms of the said IEPF Rules, the Company has uploaded the information of the unclaimed dividends in respect of the dividend for the financial year 2011-12 till the dividend for the financial year 2017-18, on the website of the Company viz. [www.bdhind.com](http://www.bdhind.com).
  - Members holding shares in dematerialised 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, email 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 Company’s Registrar and Transfer Agents – TSR Darashaw Consultants Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to TSR Darashaw Consultants Pvt. Ltd. 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 PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank details to TSR Darashaw Consultants Pvt. Ltd. for updating the same against their folio.
  - SEBI has notified that securities of listed companies can be transferred only in dematerialised form. In order to avail the

benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.

- (h) The Company has transferred the unclaimed dividend declared for the financial year 2010-11 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to 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 in the name of Investor Education and Protection Fund (IEPF). Members may note that the shares and unclaimed dividend transferred to IEPF Authority can be claimed by filing online application in prescribed form no. IEPF 5 available on [www.iepf.gov.in](http://www.iepf.gov.in) and sending physical copy of same, duly signed to the Company alongwith requisite documents.
  - (i) To support the 'Green Initiative' of the Ministry of Corporate Affairs, members who have not yet registered their email addresses are requested to register the same with their Depository Participants in case of shares held in electronic form and with TSR Darashaw Consultants Pvt. Ltd. in case of shares held in physical form so as to enable the Company to send all notices/reports/intimations and other correspondences through emails.
8. Electronic copy of the Notice of the 29<sup>th</sup> Annual General Meeting of the Company, inter alia, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) 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 the notice of the 29<sup>th</sup> Annual General Meeting of the Company, inter alia, indicating the process and manner of remote e-voting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.
9. Members may note that the Notice of 29<sup>th</sup> Annual General Meeting of the Company will also be available on the Company's website [www.bdhind.com](http://www.bdhind.com) for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same. For any communication, shareholders may also send requests to the Company's investors e-mail id - [investors@bdhind.com](mailto:investors@bdhind.com).
10. The documents referred to in the Notice will be available for inspection by the members at the registered office of the Company from 11.00 am to 1.00 pm on all working days (excluding Saturday) upto the date of Annual General Meeting.
11. Voting through electronic means:
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting votes by members using an electronic voting system from a place other than venue of Annual General Meeting (remote e-voting) will be provided by National Securities Depository Limited (NSDL).
  - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The shareholder who do not have access to e-voting or who do not wish to cast the vote electronically may request the Company for physical ballot paper for casting their vote, which will be provided by the Company upon request. Such ballot paper duly filled in may be sent to the Scrutinizer c/o BDH Industries Limited, Nair Baug, Akurli Road, Kandivali (East), Mumbai 400101 so as to reach the scrutinizer on or before 5.00 p.m. on 17<sup>th</sup> September 2019.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on Sunday 15<sup>th</sup> September, 2019 (9:00 am) and ends on Tuesday, 17<sup>th</sup> September, 2019 (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 11<sup>th</sup> September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the member shall not be allowed to change it subsequently. A member can opt for only one mode of voting ie either through e-voting or by ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
  - V. The process and manner for e-voting are as under :  
How do I vote electronically 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:  
How to Log-into 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.
    - 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 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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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 enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - 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'.
  - 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:

- 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).
- Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 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 2 is given below:

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

- 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.
- 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.
- Select "EVEN" of company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 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 [scrutinizer@bdhind.com](mailto:scrutinizer@bdhind.com) 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)
- VI. 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 of 11<sup>th</sup> September, 2019.
- VII. Any person, who acquires shares of the Company and becomes member of the Company after despatch of notice and holding shares as of the cut off date i.e., 11<sup>th</sup> September, 2019 may obtain the login ID and password by sending a request by email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Company / Registrars by mentioning their Folio no. /DP ID and Client ID No. 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 "Forget User Details / Password" or "Physical User / Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800 222 990.
- VIII. 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 as well as voting at the AGM through ballot paper.
- IX. Mr. Ankit Varia (Membership No. 151266), of M/s Ankit Varia & Co., Practising Chartered Accountant has been appointed as the Scrutinizer to scrutinize the remote e-voting process (including voting at the meeting) in a fair and transparent manner.
- X. The Chairperson shall, at the Annual General Meeting, at the end of discussion on resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their vote by availing the remote e-voting / physical ballot facility.
- XI. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast through physical ballot facility and at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by her in writing, who shall countersign the same and declare the result of the voting forthwith.
- XII. The Results declared alongwith the Scrutinizer's Report shall be displayed at the registered office of the Company and placed on the website of the Company [www.bdhind.com](http://www.bdhind.com) and on the website of NSDL immediately after declaration of result by the Chairperson or a person authorized by her in writing. The results shall also be immediately communicated to the BSE Limited (BSE).
12. Members having any questions on accounts are requested to write their queries at least ten days prior to Annual General Meeting to the Company at its registered office address so as to enable the management to keep the information ready at the meeting.
13. The route map giving directions to reach the venue of the 29<sup>th</sup> Annual General Meeting is given at the end of the Notice.

FOR AND ON BEHALF OF THE BOARD

Sd/-

**Jayashree Nair**

*Chairperson & Managing Director*

(DIN-00027467)

Mumbai, 29<sup>th</sup> May 2019

**Registered Office :**

Nair Baug, Akurli Road,  
Kandivli (East), Mumbai 400101  
Tel. No.: 022-61551234  
Fax No.: 022-28868349  
Email – [investors@bdhind.com](mailto:investors@bdhind.com)  
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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

### Item no. 4

Ms. Jayashree Nair was appointed as Managing Director of the Company for a period of three years from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2020 as per the terms and conditions approved by the members at the 26<sup>th</sup> Annual General Meeting and continuation of her employment as Managing Director requires approval of members by way of special resolution.

At the meeting of the Board of Directors of the Company held on 29<sup>th</sup> May, 2019 as recommended by the Nomination & Remuneration Committee, Ms. Jayashree Nair (DIN 00027467) was re-appointed as the Managing Director of the Company for a further period of 3 ( three ) years with effect from 1<sup>st</sup> April, 2020. Accordingly, an agreement setting out the terms and conditions of her re-appointment including remuneration payable to her was approved between the Company and Ms. Jayashree Nair, Managing Director. This re-appointment is in compliance with Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders by way of special resolution at this Annual General Meeting. Ms. Jayashree Nair aged 76 years holds qualification of BSc. (Hons.). She has been at the helm of BDH Industries Limited. Under her leadership, the Company has registered growth in the business, overcome lean phases and emerged stronger. She has indepth expertise of manufacturing activity and general management of business of the Company. She is an acknowledged expert in various pharmaceutical products that your Company is engaged in. She is also a second generation entrepreneur. She is a director of the Company since inception. She is also Chairperson of the Board of Directors and CEO of the Company. She is also a member of the Stakeholders Relationship Committee and Chairperson of Corporate Social Responsibility Committee of the Board. She holds 12,65,240 equity shares of the Company. Ms. Jayashree Nair is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority. She is not a member of any Committees of the Board in other companies in which she is a director. Details of number of board meetings held and attended by her during her tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website [www.bdhind.com](http://www.bdhind.com). She is also a Director of the BDH Healthcare Pvt. Ltd. The Nomination & Remuneration Committee has approved the reappointment of Ms. Jayashree Nair as Managing Director for period of three years with effect from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2023. The Agreement referred to in the resolution at item 7 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Ms. Jayashree Nair upon her re-appointment as the Managing Director. Her rich experience of over 54 years in the pharmaceutical industry is of immense benefit to the Company. In view of this, even though she is of the age of over 70 years, her re-appointment as the Managing Director for a further period of 3 (three) years as provided under this resolution is recommended by the Board of Directors for the approval of the shareholders as a special resolution as provided under Section 196 of the Companies Act, 2013. The abstract of the terms and conditions of her re-appointment as mentioned in the said Agreement are as follows :-

1. Period : 3 years with effect from 1<sup>st</sup> April 2020 till 31<sup>st</sup> March 2023
2. The Managing Director shall devote her skills, time, attention and abilities to the business and welfare of the Company and carry out such duties as may be entrusted to her by the Board from time to time subject to direction of the Board. She shall have general control, management and superintendence of the business of the Company and to do and perform all other acts, deeds and things which in the course of business, she may consider necessary or proper or in the best interest of the Company.
3. Remuneration
  - a. Salary of ₹ 6,00,000/- per month with annual increment of ₹ 60,000/- from April 2021 and ₹ 70,000/- from April 2022.
  - b. Perquisites –
    - i) In addition to the salary, the Managing Director shall also be entitled to perquisites like accommodation / house rent allowance, house maintenance allowance, medical insurance and re-imbursement and leave travel allowance for self and family and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board and Managing Director, such perquisites being restricted to 20% of above mentioned Salary. The perquisites are exclusive of contribution to Provident Fund, Superannuation / Annuity Fund, Gratuity and leave salary.
    - ii) Personal Accident Insurance: She shall be covered under the Company's Group Personnel Accident Insurance Policy.
    - iii) Medical, Hospitalisation and Healthcare expenses : Actual medical, hospitalization and healthcare expenses incurred for Managing Director and her family including mediclaim policy premium shall be paid by the Company.
    - iv) Car and Telephone: She shall be provided Company maintained car with driver. The Company shall provide landline telephone at her residence and mobile phone for official use.
- All payments made pursuant to this Agreement shall be subject to applicable taxes.
4.
  - i) Provident Fund : The Company shall contribute to a statutory or recognised Provident Fund on her behalf to the extent that such contribution is not taxable in her hand under the provisions of the Income Tax Act, 1961 as subsisting from time to time.
  - ii) Superannuation : The Company shall contribute to a statutory or recognized superannuation fund or annuity fund on her behalf to the extent that such contribution is not taxable in her hands under the provisions of Income Tax, 1961 as subsisting from time to time.
  - iii) Gratuity : Gratuity shall be payable as per the rules of the Company and shall not exceed half a month's salary for each completed year of service.
  - iv) Leave Encashment : Encashment of leave at the end of the tenure as per the rules of the Company.
5. The Managing Director so long as she functions as such shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof from the date of her re-appointment.

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6. That in the event of loss or inadequacy of profits in any financial year, the salary and allowances as referred to hereinabove shall be the minimum remuneration payable to the Managing Director.
7. The Company shall reimburse to the Managing Director entertainment, travelling and all other expenses incurred by her for the business of the Company.
8. This Agreement may be terminated at any time by either party hereto by giving to the other party 3 (Three) months notice of such termination and neither party will have any claim against the other for damages or compensation by reason of such termination. In any event, the Managing Director shall not be entitled to any compensation in cases mentioned in Section 202(2) of the Companies Act, 2013
9. That the terms and conditions of this Agreement may be altered or varied from time to time by the Board of Directors of the Company as it may, in its discretion think fit, in accordance with Schedule V to the Companies Act, 2013 or any amendments or modifications that may be made in this regard hereafter.
10. The Managing Director shall not during the continuance of her 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 her during her employment as to the business or affairs of the Company.

PROVIDED that such divulgence or disclosure by the Managing 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.

Except Ms. Jayashree Nair herself and her daughter Ms. Karthika Nair, Non Executive Directors and their respective relatives, none of the other Directors or Key Managerial Personnel of the Company or their respective relatives are interested or concerned, financially or otherwise, in passing of this resolution

The Board of Directors accordingly recommends the resolution set out at Item No. 4 of the accompanying notice for the approval of the members by way of a special resolution.

### Item no. 5

Mr. S. C. Kachhara was appointed as Joint Managing Director of the Company for a period of three years from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2020 as per the terms and conditions approved by the members at the 26<sup>th</sup> Annual General Meeting and continuation of his employment as Joint Managing Director requires approval of members by way of special resolution.

At the meeting of the Board of Directors of the Company held on 29<sup>th</sup> May, 2019 as recommended by the Nomination & Remuneration Committee, Mr. S. C. Kachhara (DIN 00019666) was re-appointed as the Joint Managing Director of the Company for a further period of 3 (three) years with effect from 1<sup>st</sup> April, 2020. Accordingly, an agreement setting out the terms and conditions of his re-appointment including remuneration payable to him was approved between the Company and Mr. S. C. Kachhara, Joint Managing Director. 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 by way of special resolution at this Annual General Meeting. Mr. S. C. Kachhara aged 64 years is a Commerce Graduate, FCA, LLB. (Gen.) and MIIA (USA). He has over 40 years of experience in the pharmaceutical industry. Under his guidance, the Company's operations have expanded horizontally over the globe and he has contributed significantly towards the growth of the Company to the present level. His experience comprises in the areas of finance, taxation, international business and overall business activity. He is a director of the Company since inception. He is also CFO of the Company. He is also a member of the Stakeholders Relationship Committee, Audit Committee and Corporate Social Responsibility Committee of the Board. He holds 192658 equity shares of the Company. Mr. S. C. Kachhara is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority. He is not a Director of any other Company. Details of number of board meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website [www.bdhind.com](http://www.bdhind.com). The Nomination & Remuneration Committee has approved the reappointment of Mr. S. C. Kachhara as Joint Managing Director for period of three years with effect from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2023. The Agreement referred to in the resolution at item 5 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mr. S. C. Kachhara upon his re-appointment as the Joint Managing Director. His vast experience of over 40 years in the pharmaceutical industry is of immense benefit to the Company. In view of this, his re-appointment as the Joint Managing Director for a further period of 3 (three) years as provided under this resolution is recommended by the Board of Directors for the approval of the shareholders as a special resolution as provided under Section 196 of the Companies Act, 2013. The abstract of the terms and conditions of his re-appointment as mentioned in the said Agreement are as follows :-

1. Period : 3 years with effect from 1<sup>st</sup> April 2020 till 31<sup>st</sup> March 2023
2. The Joint Managing Director shall undertake to employ the best of his skills, devote adequate time, attention and abilities to make his utmost endeavours to promote the interests and welfare of the Company and comply with the directions given by the Board from time to time. The Joint Managing Director, subject to control and review of the Board, shall conduct and manage the business and affairs of the Company and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary or proper and in the interest of the Company. The Joint Managing Director shall exercise such powers and duties as the Board may decide and delegate to him from time to time and subject to any limitation or conditions which may be prescribed by the Companies Act 2013 or the Board or by the Company in General Meeting.
3. Remuneration
  - a. Salary of ₹ 6,00,000/- per month with annual increment of ₹ 60,000/- from April 2021 and ₹ 70,000/- from April 2022.
  - b. Perquisites –
    - i) In addition to the salary, the Joint Managing Director shall also be entitled to perquisites like accommodation / house rent allowance, house maintenance allowance, medical insurance and re-imbursement and leave travel allowance for self