



Brooks
LABORATORIES LIMITED

19th

ANNUAL REPORT

2020-2021

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Mrs. Kaushalya Singh	Additional Director
Mr. Manpreet Singh Maroo	Additional Director
Mr. Rajnish Kumar Bedi	Independent Director
Mr. Deepak Mahajan	Independent Director
Mrs. Sonia Gupta	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Prashant Rath

COMPANY SECRETARY

Mrs. Jyoti Sancheti

BANKERS

Kotak Mahindra Bank
Indian Bank

AUDITORS

M/s SGCO & Co. LLP
Chartered Accountants
4A, Kaledonia-HDIL, 2nd Floor, Sahar Road,
Near Andheri Station, Andheri (East)
Mumbai – 400 069
Tel: 022 66256363

REGD. OFFICE & WORKS

Unit 1: Village Kishanpura
Nareshwar Road, Taluka
Baddi, Distt. Solan, H.P.- 174101
Telefax.: 01795-236939

CORPORATE OFFICE

201, “The Summit Business Bay”
Behind Guru Nanak Petrol Pump,
Off Andheri Kurla Road, Andheri (East)
Mumbai – 400093
Tel.: 022-69073100
Email: investors@brookslabs.net
Website: www.brookslabs.net
CIN:L24232HP2002PLC000267

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, 247 Park, LBS Marg, Vikhroli (West)
Mumbai -400083
Tel.: 022-49186000/ Fax.: 022-49186060
email: rnt.helpdesk@linkintime.co.in
website: www.linkintime.co.in

Installed - Ertapenem Project

Ertapenem Injection facility



Lyophilizer with Automatic loading and unloading system



CHAIRMAN'S LETTER



Dear Shareholders,

It is my pleasure once again to welcome you all on 19th AGM of Brooks Laboratories Ltd.

When I addressed you last year I was hoping to see you all in person for this AGM, but long trail of second wave and due to precautions to keep the third wave in check we have to settle with online AGM, I hope that coming year would give us opportunity to have large gatherings with vaccination done with majority.

For your Company the year 2020-2021 was not only challenging due to covid 19 restrictions but also amazing how people of your company came together to put best efforts to only to keep the mills rolling but achieved satisfactory results and achieved some wonderful goals.

On corporate front we have signed a term sheet with our existing partner Steriscience for Brooks Steriscience Limited ("BSL"), seeking your approval, where Steriscience would now invest a total of 114.5 crores in our existing JV BSL. Part of these proceeds already resulted in new penem formulations production lines like Ertapenem for regulated markets like USA, & we would be using part of these proceeds to have our own API capabilities for all Penems to have indigenous supply chain to be a world class Penem player in more than \$2 billion Penem market, this shall make BSL a world class player in regulated markets with 49% economic interest of BLL and 51% of Steriscience. This should be a big game changer for your company.

On domestic front with our marketing divisions launched in critical care segment, things are in better growth curve, we have increased our presence to 6 states and doubled our marketing teams which shall reap better yields and giving stronger presence to our range of products in corporate hospitals of India. We are enthusiastic to increase this division by many folds in coming years to reap domestic Pharma growth story and building our own brand names & image.

Your company is also now more focussed with our own marketing in both domestic & exports of injectables to ROW countries from our Baddi Himachal Plant and ready to cater regulated markets like USA and Europe from our Vadodara Plant along with our internationally well acclaimed JV partner in our associate company BSL. BSL have already successfully filed its first ANDA in US market & have filed 30 "Marketing Authorizations" all over Europe.

By virtue of above steps we are hopeful of creating bigger value to our esteemed shareholders in coming years.

Before concluding, I once again wish to convey my sincere thanks to the dedicated employees of your Company, Our visionary JV partner, to our valuable shareholders and to all directors. Without their efforts and commitment, the Company could not have performed and sustained during these challenging conditions.

I wish and pray that this world emerges victorious from the crisis created by the pandemic. I urge each and every one of you to stay safe and take care of your loved ones.

Place : Mumbai
Date : 03.09.2021

Atul Ranchal
Chairman
Brooks Laboratories Ltd.

MANAGING DIRECTOR'S MESSAGE



Dear Shareholders,

Pharmaceuticals industry has evolved a lot after Covid pandemic. Supply of most of the medicines worldwide including vaccine has placed Indian pharma market many notches up compared to pre Covid era. Indian pharma has been recognized worldwide as reliable & capable of pharma supplies in short notice which can lead to increase in exports from india to most of the countries. Also 2 PLI schemes offered by govt. of India for pharma industry will make it even more competitive worldwide. We foresee new opportunities in different geographies of the globe for FDF & API both.

At Brooks we are moving from B2B towards B2C with our own marketing setup. The Brooks marketing team was rolled out in 2018 & it is continuously growing. We have marketing operations in 6 indian states now which will be expanded further to pan india in next 3 years. Our target is to achieve 50% of our total sales from B2C through our own marketing team in next few years. Our international business has started picking up now. With more approvals from various countries in current year the sales are likely to improve substantially.

The new joint venture with Steriscience has helped Vadodra facility to expand its manufacturing capability with addition of Ertapenem injection facility which is likely to start commercial production by Q3 2021. We have successfully filed our first ANDA for meropenem in US market with support of capable & efficient team of steriscience. New agreement with steriscience for further investment towards setting up of API facility will further strengthen Brooks capability in Carbapenem market.

As we celebrate our 20th year of existence of Brooks Laboratories Limited, I take this opportunity to thanks all our colleagues, creditors, customers & various government agencies & investors.

With Joint ventures in place we expect this financial year to be much better compared to last year. We welcome to interact with you at Annual General Meeting.

Place: Mumbai
Date: 03.09.2021

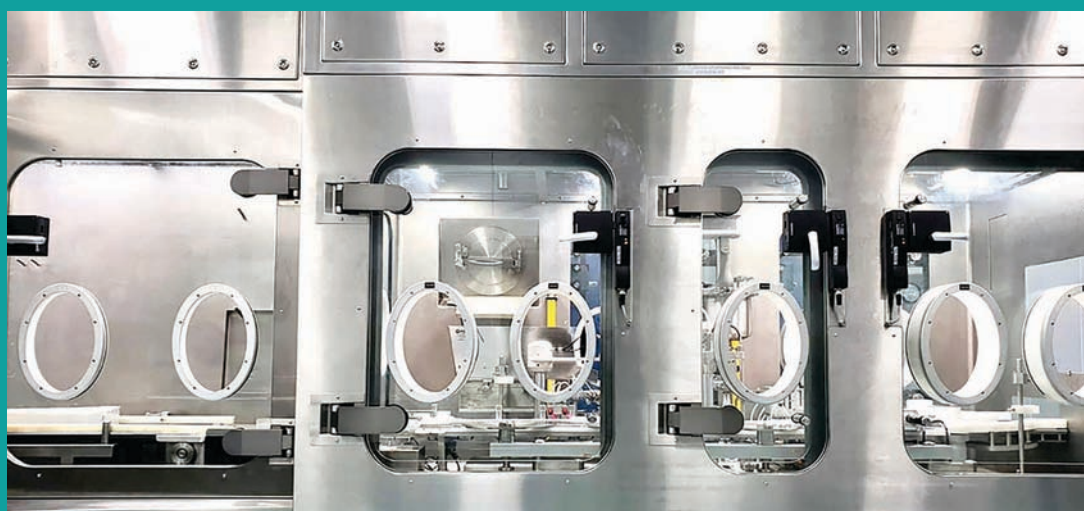
Rajesh Mahajan
Managing Director,
Brooks Laboratories Ltd.

To be installed in next one year - API Facility

Sterile API Carbapenem Facility



API Carbapenem



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NOTICE

Notice is hereby given that the 19th Annual General Meeting of Brooks Laboratories Limited will be held on Wednesday, 29th September 2021 at 9 a.m. through Video Conference/Other Audio-Visual Means, to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of annual audited Standalone and Consolidated financial statements and reports thereon**

To receive, consider and adopt the audited Standalone and Consolidated financial statements of the Company for the financial year ended 31st March 2021 and the Report of directors and Auditors thereon.

2. **Appointment of Director in place of those retiring by rotation**

To reappoint Mr. Atul Ranchal (DIN: 01998361), who retires by rotation, and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. **To ratify the remuneration of the Cost Auditors**

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

"RESOLVED THAT under the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof), the Company hereby ratifies the remuneration payable to M/s. Balwinder & Associates, Cost Accountants, Mohali (Firm Reg No. 000201), as recommended by the Audit Committee and approved by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March 2022, amounting to Rs. 60,000/- plus taxes."

4. **Appointment of Mr. Manpreet Singh Naroo (DIN: 02926574) as a Whole-time Director designated as Technical Director.**

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

"RESOLVED THAT pursuant to the provisions of sections 152, 160, 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Nomination and Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded for the appointment of Manpreet Singh Naroo (DIN:02926574) as a Whole-time Director to be designated as Technical Director for 5 years with effect from 29th September 2021 to 28th September 2026, who shall be liable to retire by rotation and on terms and conditions as agreed between the Board and Mr. Manpreet Singh Naroo."

"RESOLVED FURTHER THAT pursuant to Section 197 and Schedule V of the Companies Act, 2013, the consent of the members be and is hereby accorded for his remuneration up to a maximum of Rs. 3,00,000/- per month for the period from 29th September 2021 to 28th September 2024 on the recommendation of Nomination and Remuneration Committee."

5. **Appointment of Mrs. Kaushalya Singh (DIN: 0009244596) as a Whole-time Director.**

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

"RESOLVED THAT pursuant to the provisions of sections 152, 160, 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Nomination and Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded for the appointment of Mrs. Kaushalya Singh (DIN: 0009244596) as a Whole-time Director for 5 years with effect from 29th September 2021 to 28th September 2026, who shall be liable to retire by rotation and on terms and conditions as agreed between the Board and Mrs. Kaushalya Singh."

"RESOLVED FURTHER THAT pursuant to Section 197 and Schedule V of the Companies Act, 2013, the consent of the members be and is hereby accorded for her remuneration up to a maximum of Rs. 1,50,000/- per month for the period from 29th September 2021 to 28th September 2024 on the recommendation of Nomination and Remuneration Committee."

6. **Approval for Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an **Ordinary Resolution;**

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Company's Policy on Related Party Transaction(s) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to

such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any other person(s) authorized by the Board to exercise its powers, including the powers conferred by this resolution) to enter into contract(s)/arrangement(s)/transaction(s) with the related party as detailed in the table forming part of the Explanatory Statement annexed to this notice with respect to the Sale, purchase or supply of goods or materials leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such parties to any office or place of profit in the Company or any other transactions of whatever nature, at arm’s length basis and in ordinary course of business, notwithstanding that such transactions may exceed 10% of the consolidated turnover of the Company in any financial year or such threshold limit as may be specified by the listing regulations from time to time up to such extent and on such terms and conditions as specified in the table forming part of the explanatory statement annexed to this notice.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters, and things and to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution”.

7. Approval for reduction of stake in Brooks Steriscience Limited, a Wholly-Owned Subsidiary of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Regulation 24 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “SEBI (LODR) Regulations” and the applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable notifications, clarifications, circulars, rules and regulations issued by the Government of India or any other governmental or statutory authorities and subject to such other requisite approvals, consents, permissions and sanctions as may be required and the Memorandum and Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors (‘the Board’, which term shall be deemed to mean and include any Committee constituted by the Board) of the Company, to effect the reduction of its shareholding to less than or equal to 50% held in Brooks Steriscience Limited, a Wholly-Owned Material Subsidiary of the Company, on such terms and conditions and in such manner as the Board of Directors of the Company at its absolute discretion may determine”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to finalize, settle and execute the required transactional documents concerning the said reduction of its shareholding to less than or equal to 50% including but not limited to agreements, arrangements (including with respect to indemnities, guarantees, etc.), undertakings, letters, and any other documents as may be required from time to time and to do and perform all such acts, deeds, matters and things, as may be required or deemed necessary and in the best interest of the Company to give effect to the resolution for completion of the divestment, without being required to seek any further consent or approval of the shareholders of the Company, and to delegate all or any of the powers or authorities herein conferred or to engage any Committee of the Board, employee or officer of the Company, advisor, consultant, agent or intermediary, as may be deemed necessary.”

Place: Mumbai
September 3, 2021

By Order of the Board of Directors
For **Brooks Laboratories Limited**

Sd/-

Jyoti Sancheti
Company Secretary & Compliance Officer

Registered Office:
Village Kishanpura,
Nalagarh Road, Baddi, Distt. Solan, H.P.
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

NOTES:

1. An Explanatory Statement according to Section 102(1) of the Companies Act, 2013, in respect of the items of Special Business given in this Notice, is annexed hereto.
2. 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.
3. The Register of Members and Share Transfer Books will remain closed from Thursday, September 23, 2021, to Wednesday, September 29, 2021 (both days inclusive).
4. Members who have not registered their e-mail addresses so far are requested to register the same with their respective Depository Participants, in case of shares held in dematerialised form and with the Registrar and Share Transfer Agent in case of shares held in physical form so that all communication including Annual Report, Notices, Circulars, etc. can be sent to them electronically.
5. SEBI has mandated submission of Permanent Account Number (PAN) by every member of the Company. Members holding shares in dematerialised form are requested to submit their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Registrar and Share Transfer Agent.
6. For any assistance or information about shares, dividends, etc. Members may contact the Registrar and Share Transfer Agents viz. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai- 400083 (Tel: 022-49186000; Fax: 022-49186060; Email: rnt.helpdesk@linkintime.co.in; Website: www.linkintime.co.in)
7. All documents referred to in the Notice and accompanying Statements are open for inspection at the Registered Office of the Company on all working days of the Company between 10 a.m. and 12 noon up to the date of the Meeting.
8. In case of any queries regarding the Annual Report, the Members may write to investors@brookslabs.net to receive an email response.

CDSL e-Voting System – For Remote e-voting and e-voting during AGM/EGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.brookslabs.net. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.