

34TH ANNUAL REPORT
2019-20

MESCO PHARMACEUTICALS
LIMITED

CORPORATE INFORMATION

<u>BOARD OF DIRECTORS</u>		<u>REGISTRAR AND SHARE TRANSFER AGENT</u>
Mr. Sameer Singh ¹ Mr. Dhruv Singh ² Mr. Dushyant Kumar Singh Mr. Hawa Singh Chahar Mrs. Savita Sethi Mr. Varinder Prakash ³ Mr. Jitendra Kumar Singh ⁴ Mr. N S Parameswaran Mr. Santosh Kumar Jha	Managing Director Add. Director and Chief Executive Officer Director Independent Director Independent Director Independent Director Director Company Secretary Chief Financial Officer	Skyline Financial Services Private Limited Address: D-153A, Okhla Industrial Area, Phase-I New Delhi- 110 020 Tel: 011-26812682 E-mail: admin@skylinerta.com
*1: Ceased w.e.f 31.07.2020 *2 Appointed w.e.f. 31.07.2020 *3 Ceased w.e.f 31.07.2020 *4 Ceased w.e.f 05.09.2019		<u>INTERNAL AUDITOR</u> M/s BAAJ & Associates Chartered Accountant 21-B, Ground Floor J&K Block Laxmi Nagar Delhi-110092
<u>REGISTERED OFFICE</u> CIN: L24111UR1986PLC015895 Upper Kesalton, Tallital, Nainital-263001, Uttarakhand Tel: 9871862796 Website: www.mescopharma.com		<u>CORPORATE OFFICE</u> H-1, Zamrudpur Community Centre, Kailash Colony, New Delhi-110 048 Tel: 011-40587085 E-mail: nsparameswaran@mescosteel.com Website: www.mescopharma.com
<u>STATUTORY AUDITOR</u>		<u>SECRETARIAL AUDITOR</u>
M/s Sangram Paul & Co. Chartered Accountants 754-15 JayadevVihar. Bhubaneswar - 75 1 013 Ph.: 0674-2360863.		M/s R S B & Associates Company Secretaries Inder Bhawan, Near TV Centre, Tulsipur, Cuttack-753 008, Odisha

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NOTICE**MESCO PHARMACEUTICALS LIMITED**

CIN: L24111UR1986PLC015895

Registered Office: Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand

Website: www.mesopharma.com, E-mail: nsparameswaran@mescosteel.com, Tel No. +91-9871862796

Notice is hereby given that the 34th Annual General Meeting of the Shareholders of Mesco Pharmaceuticals Limited will be held on Tuesday, 29th September, 2020 at 09:00 A.M. at Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the Financial Year ended on 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dushyant Kumar Singh (DIN: 00091193), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS**3. Appointment of Mr. Dhruv Singh as a Director:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Dhruv Singh (DIN: 02983286), who was appointed as Additional Director on 31st July, 2020, be and is hereby appointed as Executive Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT any Director/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

By order of the board
For Mesco Pharmaceuticals Ltd

Date: 03.09.2020**Place: New Delhi**

Nurani Shankar Parameswaran
Company Secretary & Compliance Officer

NOTES

1. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the ensuing Annual General Meeting is appended hereto.
2. **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. A blank form of proxy is enclosed herewith and, if intended to be used, it should be returned duly completed at the registered office of the company or at Skyline Financial Services Private Limited, at D-153A, 1st floor, Okhla Industrial Area, Phase-1, New Delhi-110020 not less than forty eight hours before the scheduled time of the commencement of Annual General Meeting.**
3. The route map showing directions to reach the venue of the Annual General Meeting is annexed.
4. A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention so to inspect is given to the company.
6. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. **The Share Transfer Books and Register of Members of the Company will remain closed from Wednesday, 23rd September, 2020 to Monday, 27th September, 2020 (both days inclusive).**
8. The Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip duly completed and signed, for admission to the meeting hall. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office for issuing the duplicate of the same or download the same from Company's website www.mescopharma.com
9. The statement as per Section 102(1) of the Companies Act, 2013 with respect to the special businesses in this Notice is annexed herein-below.
10. The Securities and Exchange Board of India ('SEBI') has mandated the transfer of securities to be carried out only in dematerialised form (except in case of transmission or transposition of securities) effective from 1st April, 2019. Accordingly, requests for physical transfer of securities of listed entities shall not be processed from 1st April, 2019 onwards. In view of such amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.
11. **Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.**
12. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready for replying at the meeting.
13. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm up to the date of Annual General Meeting. The Register of Directors' and Key Managerial Personnel & their Shareholding and the Register of Contracts & Arrangements in which directors are interested shall be open for inspection at the meeting to any person having right to attend the meeting.
14. **The Board of Directors has appointed Ms. Tripti Shakya & Company, Practicing Company Secretary (Certificate of Practice No. 23251), as the Scrutinizer for conducting poll in a fair and transparent manner.**

15. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot papers and thereafter unlock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
16. The results declared along with the report of Scrutinizer shall be placed on the website of the Company i.e. www.mescopharma.com and on the website of CDSL immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 48 hours of the conclusion of Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No. 3

Mr. Dhruv Singh (DIN:02983286) on the recommendation of Nomination and Remuneration Committee was appointed as an Additional Director of the Company w.e.f 31st July, 2020 by the Board in accordance with the applicable provisions of the Companies Act, 2013.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. Dhruv Singh as Director of the Company

Mr. Dhruv Singh possesses the requisite knowledge, experience and skills for the position of the Director. The Board is of the view that his presence in the Board will be beneficial for the Company

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Dushyant Kumar Singh and Mr. Dhruv Singh is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the resolution set forth in Item no. 3 for the approval of the members.

By order of the board
For Mesco Pharmaceuticals Ltd

Date: 03.09.2020
Place: New Delhi

Nurani Shankar Parameswaran
Company Secretary & Compliance Officer

Details of the Director seeking appointment/re-appointment at Thirty Fourth Annual General Meeting (pursuant to Regulation 36 of the Listing Regulations and Clause 1.2.5 of Secretarial Standard on General Meetings).

Particulars	Dushyant Kumar Singh	Dhruv Singh
DIN	00091193	02983286
Age	68 Year	40 Years
Date of appointment	12th August, 1986	31 st July, 2020
Qualifications	Law Graduate	Graduate
Expertise in specific functional areas	Mr. D.K. Singh aged 68 years is a law graduate and possesses nearly a decade's experience in the Leather and Pharmaceutical Industry.	Mr. Dhruv Singh aged 40 years is a commerce graduate and possesses nearly a decade's experience in the Leather and Steel Industry
Directorships in other Companies	<ul style="list-style-type: none"> •Forrester Foods Private Limited •Mesco India Limited •Mesco Steels Limited •Mesco Laboratories Limited •Chhindwara Energy Limited •Mesco Hotels Limited •Mesco Logistics Limited •Mesco Aerospace Limited •Twenty First Century Finance Ltd 	<ul style="list-style-type: none"> •Pahardia Gold Mining Limited •Mescos Shoes Limited •Mesco Magic Cement Limited •Chhindwara Power Limited •Chhindwara Energy Limited •Gondwana Energy Limited •Mesco Hotels Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Mesco Aerospace Ltd – Member in Audit Committee	NIL
Number of shares held in the Company	87,100 Shares	Nil
Relationship with any Director(s) of the Company	Father of Mr. Dhruv Singh, Director and CEO of the Company	Son of Mr. Dushyant Kumar Singh, Director
Terms & Conditions of Appointment/Re-appointment	Re-appointment pursuant to Section 152 of Companies Act, 2013	Appointment as an Executive Director liable to retire by rotation
Remuneration Details	NIL	Nil
No. of Board meetings attended out of 5 meetings held during the year	5	-

**By order of the board
For Mesco Pharmaceuticals Ltd**

**Nurani Shankar Parameswaran
Company Secretary & Compliance Officer**

**Date: 03.09.2020
Place: New Delhi**

DIRECTORS' REPORT**To The Members****Mesco Pharmaceuticals Ltd**

Your Directors are pleased to present 34th Annual Report and the Statement of Accounts for the financial year ended on March 31, 2020

1. FINANCIAL HIGHLIGHTS

(Amount in Rs.)

Particulars	2019-20	2018-19
Revenue from operations	-	-
Other Income	-	-
Profit/(Loss) before Tax	(983,321)	(4,098,033)
Tax Expenses:		
Current Tax	-	-
Earlier Years	-	-
Profit/(Loss) after Tax	(983,321)	(4,098,033)
Transfer to General Reserve	-	-
Reserves and surpluses	(307,513,347)	(306,530,025)
Earnings per share	(0.05)	(0.20)

2. COMPANY PERFORMANCE/ STATEMENT OF COMPANY'S AFFAIR

During the year under review there was no operation of business in the Company.

3. DIVIDEND

Directors have not recommended any dividend for the financial year ended on 31st March, 2020.

4. CHANGE IN NATURE OF BUSINESS OF THE COMPANY

There has been no change in the nature of business of the Company.

5. REPORT ON SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has no subsidiaries, associates and joint ventures companies.

6. SHARE CAPITAL

During the year under review the paid up Equity Share Capital as on 31st March, 2020 is Rs.19,73,81,000 divided into 1,91,55,600 equity shares of Rs 10 each fully paid up and 11,65,000 equity shares of Rs 5 each partly paid up. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

7. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Hawa Singh Chahar was appointed at the post of Director by the Circular Resolution dated 21.06.2019, passed by the majority of Board of Directors. The office of Mr. Hawa Singh Chahar was also regularized in the previous Annual General Meeting for the year 2018-19.

Further Mr. S C Seth had resigned from the post of director w.e.f. 01.04.2019 due the SEBI Circular pursuant to which any director who is more than an age of 75 years would not be appointed as well as cannot continue to act as a director unless a prior Special Resolution has been passed.

Mr. Rajeev Moudgil due to his personal reasons had also tendered his resignation from the post of Director of the company w.e.f. 27.04. 2019, which was duly noted in the Board Meeting held on same date.

Board Members in their meeting held on 27th April, 2019, had appointed Mr. Sameer Singh as Managing Director of the company w.e.f 27.04. 2019, subject to shareholders approval in the Annual General Meeting, which was duly passed by the shareholders. Further in the Board meeting held on 28th May, 2020, Mr. Varinder Prakash was appointed as Additional Director (Independent, Non-Executive), subject to approval of shareholder in the ensuing Annual General Meeting.

In the Board Meeting held on 31st July, 2020, Mr. Sameer Singh- Managing Director and Mr. Varinder Prakash- Independent Director had resigned from their respective posts with closure of business hours of 31st July, 2020. In the same meeting Mr. Dhruv Singh was appointed as a Chief Executive Officer of the Company as well as Additional Director of the Company upto the date of Annual General Meeting, subject to regularization by Board of Directors.

8. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Directors are regularly informed during meetings of the Board and Committees on the activities of the Company, its operations and issues faced by the pharmaceutical industry.

9. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In terms of Section 134 of the Companies Act, 2013 and Regulation 17(10) of SEBI (LODR), Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders Relationship Committee. Elaborate details on the same are given in the Corporate Governance Report.

10. REMUNERATION POLICY

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and on remuneration of Directors, KMP and other employees is uploaded in the website of the Company www.mescopharma.com. During the year under review, there was no change in the policy.

11. NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2019-20, the board of Directors of the Company met 5 (Five) times i.e. 27th April, 2019, 28th May, 2019, 12th August, 2019, 14th November, 2019 and on 13th February, 2020. The gap between two consecutive meetings did not exceed 120 (One hundred Twenty) days. Further, a separate Meeting of the Independent Directors of the Company was also held on 13th February, 2020.

12. AUDIT COMMITTEE

The composition, terms of reference etc. of the Audit Committee is provided in Corporate Governance Report which forms part of this Annual Report. There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the Financial Year under review.

13. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition, terms of reference etc. of the Stakeholders Relationship Committee is provided in Corporate Governance Report which forms part of this Annual Report.

14. NOMINATION AND REMUNERATION COMMITTEE

The composition, terms of reference etc. of the Nomination and Remuneration Committee is provided in Corporate Governance Report which forms part of this Annual Report.

15. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

With reference to Section 134(3)(h) of the Companies Act, 2013, no contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year. Accordingly, there are no

transactions that are required to be reported in form AOC-2. Your attention is drawn to the Related Party disclosures set out in the Notes to the Financial Statements.

16. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis is provided as a separate Section in the Annual Report which forms part of the Directors Report.

17. CORPORATE GOVERNANCE

In terms of Regulation 34 of the SEBI (LODR) Regulations, 2015, a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditors of the Company is provided as a separate Section in the Annual Report which forms integral part of this Report (hereinafter "Corporate Governance Report").

18. EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is uploaded in the website of the Company at www.mescopharma.com

19. STATUTORY AUDITORS AND THEIR REPORT

M/s Sangram Paul & Co., Chartered Accountants, Bhubaneswar (Registration No. 308001E), were appointed as Statutory Auditors by the members of the company for Five Years in the 31st AGM held on 30th September, 2017.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

20. COST AUDITORS AND THEIR REPORT

As per Section 148 of the Companies Act, 2013 read with Rules framed thereunder maintenance of cost records is not required by the Company and accordingly such accounts and records are not made and maintained.

21. SECRETARIAL AUDITORS

Your Board, during the year, appointed Mr. Robinderpal Singh Batth to conduct secretarial audit of the Company for the financial year ended 31st March, 2020. The Report of Mr. Robinderpal Singh Batth in terms of Section 204 of the Act is provided in the **Annexure-2** forming part of this Report. Given below is the management reply on the observations made by the Secretarial Auditor in their report.

Observation:

- i. The company did not provided the e-voting facility to its shareholders in the General Meeting held by the company during the Audit Period as required under Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014.
- ii. The promoter's shareholding of the Company is not in 100% Demat form.

Management's Reply:

- i. Due to Financial constraints in the company, the company is not in the position of providing e-voting facility to its members.
- ii. The Management of the Company will take steps to de-mat the promoters shareholding in the Company.

Annual Secretarial Compliance Report was also issued by Mr. Robinderpall Singh Batth., Practicing Company Secretary, for the year ended 31 March 2020 which was duly filed with BSE Limited, and a copy of same is available at BSE.