



NOTICE

NOTICE is hereby given that Forty First Annual General Meeting of the Members of Lyka Labs Limited will be held on Friday, 25th September, 2020 at 12:30 pm (IST) through video conferencing (VC)/ other audio-visual means (OAVM) to transact the following businesses :

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone audited financial statements along with Balance Sheet as at 31st March, 2020, Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date and reports of Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated audited financial statements along with Balance Sheet as at 31st March, 2020, Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date and report of Auditors thereon.
3. To appoint a Director in place of Smt. N. N. Gandhi, Non - Executive Director (DIN:00021580) who retires by rotation and being eligible, offers herself for re-appointment.
4. Ratification of appointment of M/s M. I. Shah & Co., as Branch Auditors.

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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 as maybe applicable (including any statutory modification(s) or re-enactment(s) thereof) and pursuant to the resolution passed by the members at the 38th Annual General Meeting held on September 29, 2017 appointing M/s. M. I. Shah & Co., Chartered Accountants, having Firm Registration No. 119025W as branch auditors to hold office from the conclusion of the 38th Annual General Meeting till conclusion of the 43rd Annual General Meeting, be and is hereby ratified by the members of the Company to hold office from conclusion of 41st Annual General Meeting till the conclusion of 42nd Annual General Meeting at such are muneration as may be decided by the Managing Director in consultation with the Auditors for conducting the Branch Audit plus out of pocket expenses as may be incurred by them in connection with the Audit.

RESOLVED FURTHER THAT the Board of Director and the Company Secretary of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

SPECIAL BUSINESS

5. **Ratification of Appointment and fixing Remuneration of Cost Auditor for cost audit for the financial year ended 31st March, 2020**

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 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Company be and is hereby accorded for appointment of to M/s. Sarvottam Rege and Associates- Cost Accountants (Registration No: 104190) as a Cost Auditors in place of casual vacancy arisen on account of resignation of M/s Kirit Mehta and Associates as a Cost auditor of the Company and also payment of remuneration of ₹1,25,000/- p.a. plus Service Tax and reimbursement of out of pocket expenses as may be incurred by M/s. Sarvottam Rege and Associates in connection with the Cost Audit of Pharmaceutical Products of the Company for the financial year 2019-20.”

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6. Ratification of Remuneration of Cost Auditor for cost audit for the financial year ended 31st March, 2021

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 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Company be and is hereby accorded for payment of remuneration of ₹1,25,000/- p.a plus out of pocket expenses as may be incurred in connection with the Cost Audit of the Company to M/s. Sarvottam Rege and Associates-Cost Accountants, having Firm Registration No. 104190 on his appointment as cost auditor for conducting the Cost Audit of Pharmaceutical Products of the Company for the financial year 2020-21.”

7 Appointment of Shri Sandeep P Parikh (DIN: 00022365) as an Independent Director

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 recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the rules framed there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), (including any statutory modification(s) or enactment thereof for the time being in force) Shri Sandeep P Parikh (DIN: 00022365) who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective from 1st November, 2019 in terms of Section 161 of the Companies Act, 2013, and whose term expires at 41st Annual General Meeting and who has provided a declaration that he meets the criteria for independence as mentioned in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) years from conclusion of 41st Annual General Meeting of the Company and his term shall not be subject to retirement by rotation.

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

8 Appointment of Shri. Yogesh B Shah (DIN: 06396150) as a Director.

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

“RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), (including any statutory modification(s) or enactment thereof for the time being in force) Shri Yogesh B Shah (DIN: 06396150), who was appointed as Additional Director with effect from 12th February, 2020 and whose term expires at 41st Annual General Meeting, be and is hereby appointed as a Director of the Company not liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”



9 **Appointment of Shri. Yogesh B Shah (DIN: 06396150) as an Executive Director:**

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force), consent of the members be and is hereby accorded to the appointment of Shri Yogesh B Shah (DIN 06396150) as an Executive Director of the Company in addition to his present position as a Chief Financial Officer (CFO) of the Company for a period of 3 (Three) years, with effect from from 12th February, 2020 on the terms and conditions including remuneration as mentioned in his appointment letter dated 12th February, 2020 which are set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting. The terms and conditions of his appointment may vary from time to time as may be recommended by Nomination and Remuneration Committee (“Committee”) and approved by the Board in such manner as deemed fit necessary.

RESOLVED FURTHER THAT the existing remuneration payable to Shri Yogesh B Shah in the capacity as CFO shall be now payable to him in the capacity of Executive Director and he shall not be paid any additional remuneration for his position as a CFO provided that the remuneration payable to him in the capacity of Executive Director shall not exceed the overall ceiling of the total managerial remuneration as mentioned under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Shri Yogesh B Shah, Executive Director by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time..

RESOLVED FURTHER THAT Shri Yogesh B Shah, Executive Director be entrusted with such duties which may be delegated or entrusted to him by the Managing Director and /or Board of Directors.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient, to give effect to the aforesaid resolution.”

10 **Approval of 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 other applicable provisions if any, of the Companies Act, 2013 and rules made there under and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 (including any statutory modification or re – enactment thereof for the time being in force), consent of the company be and is hereby accorded to the Board of Directors to enter into contracts/ arrangements/ transactions with Related Parties having an aggregate financial limit of ₹ 50 Corore in a financial year 2020-2021 are as under:

- Sales, purchase or supply of any goods and/or materials and/or brands and/or dossiers and/or services directly or through appointment of agent and selling or otherwise disposing of or buying, renting, and leasing properties of any kind on such terms and conditions as may be mutually agreed upon between the Company and Lyka BDR International Ltd., a subsidiary, related party, for an amount not exceeding ₹ 35 crores (Rupees Thirty Five Crores) in a Financial Year which may exceed the limit as prescribed under Section 188 of the Companies Act, 2013 and rules made thereunder.

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- Sales, purchase or supply of any goods and/or materials and/or brands and/or dossiers and/or services directly or through appointment of agent and selling or otherwise disposing of or buying, renting and leasing properties of any kind on such terms and conditions as may be mutually agreed upon between the Company and Lyka Exports Ltd., a subsidiary, related party, for an amount not exceeding ₹ 8 crores (Rupees Eight Crores) in a Financial Year which may exceed the limit as prescribed under Section 188 of the Companies Act, 2013 and rules made thereunder.
- Sales, purchase or supply of any goods and/or materials and/or brands and/or dossiers and/or services directly or through appointment of agent and selling or otherwise disposing of or buying, renting and leasing properties of any kind on such terms and conditions as may be mutually agreed upon between the Company and Lyka Healthcare Ltd., a wholly owned subsidiary, related party, for an amount not exceeding ₹ 5 crores (Rupees Five Crores) in a Financial Year which may exceed the limit as prescribed under Section 188 of the Companies Act, 2013 and rules made thereunder.
- Sales, purchase or supply of any goods and/or materials and/or brands and/or dossiers and/or services directly or through appointment of agent and selling or otherwise disposing of or buying, renting and leasing properties of any kind on such terms and conditions as may be mutually agreed upon between the Company and Lyka Animal Healthcare Ltd., related party, for an amount not exceeding ₹ 2 crores (Rupees Two Crores) in a Financial Year which may exceed the limit as prescribed under Section 188 of the Companies Act, 2013 and rules made thereunder.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, matters, deeds and things and to finalize the terms and conditions as may be considered, necessary, expedient or desirable in order to give effect to this resolution.”

By Order of the Board

Place: Mumbai
Date: 7th August, 2020

Piyush G Hindia
Company Secretary

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide its circular dated 5th May, 2020, read with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as MCA Circulars) permitted the holding of the annual general meeting (AGM) through video conferencing (VC)/other audio-visual means (OAVM). Hence, in compliance with the MCA Circulars, the AGM of the Company is being held through VC.
2. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
3. The members can join the AGM through VC/ OAVM mode 15 minutes before the scheduled time or any time thereafter till conclusion of the meeting by following the procedure mentioned in the notice for participation at the AGM through VC/OAVM.
4. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of members has been dispensed with, accordingly, the facility for appointment of proxies by the members will not be available for the AGM.
5. Corporate/Institutional members (i.e. other than Individuals, HUF, NRI, etc.) intending to attend the meeting in accordance with the terms of Section 113 of the Companies Act, 2013 are required to send scanned certified true copy (PDF Format) of the Board Resolution/ Power of Attorney/ Authority Letter, etc. to the Company at e-mail ID: companysecretary@lykalabs.com to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting.



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6. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, notice of the AGM along with the Annual Report 2019-20 is being sent through electronic mode to those members whose email addresses are registered with the Company's RTA agent/Depositories. Members holding shares in dematerialised form who have not updated their email addresses, are requested to contact their Depository Participant for updation of their email id. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the RTA agent at sharexindia@vsnl.com along with the copy of the signed request letter mentioning their name and address, self-attested copy of the PAN card and self-attested copy of a valid proof of address (eg. Aadhar card or Passport or voting Card in support of the member's address).
 7. Members will be provided with a facility of electronic voting (e-voting) and for attending the AGM through VC/OAVM by the National Securities Depository Limited (NSDL) e-Voting system i.e. www.evoting.nsdl.com.
 8. Members may please note that notice, annual report and other documents as mentioned in the annual report are available on the Company's website at www.lykalabs.com, on 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 and also on website of the NSDL (i.e. www.evoting.nsdl.com).
 9. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of business under Item Nos.5 to 10 are annexed to the Notice.
 10. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September, 2020 to 25th September, 2020(both days inclusive) for the purpose of Annual General Meeting.
 11. The Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170 of the Companies Act, 2013 will be made available for inspection by the members.
 12. Members holding shares in electronic mode are:
 - a. requested to submit their Bank Account Details, email id and PAN to the Depository Participant (DP) respective DPs with whom they are maintaining their demat accounts, as mandated by SEBI.
 - b. For availing the nomination facility please contact respective DPs .
 13. We are pleased to provide the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM by logging on the website at <https://evoting.nsdl.com> using their secure login credentials or on the website of the Company www.lykalabs.com under the Investors section.
 14. Since the AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not attached to this notice.
 15. Brief profile of the Directors seeking appointment/re-appointment, in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standard, is furnished below:

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1. Smt. Nehal N Gandhi

Name of Director	Smt. Nehal N. Gandhi
Date of Birth	30 th September, 1952
Date of Appointment	4 th February, 1995
Qualification	Bachelor of Arts
Expertise in specific functional areas	Business Management
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Lyka Animal Healthcare Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Nil
Number of shares held in the Company	1144803
Number of Board Meetings attended during the year	4
Siting Fees for Attending Board Meetings	₹ 120,000/-
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the company	Shri Kunal N Gandhi, Managing Director and Chief Executive Officer (Son)

2. Shri Sandeep P Parikh

Name of Director	Shri. Sandeep P. Parikh
Date of Birth	04 th January, 1960
Date of Appointment	01 st November 2019
Qualification	Chartered Accountant and Cost Accountant
Expertise in specific functional areas	Shri. Sandeep P. Parikh is member of Institute of Chartered Accountants of India and Institute of Cost Accountants of India. He has vast experience in area of audit and tax and Finance.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	- One Capitall Limited - Lyka BDR International Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Memberships- 4 Chairmanship- 1
Number of shares held in the Company	4000 Equity Shares
Number of Board Meetings attended during the year	3
Siting Fees for Attending Board Meetings and Audit Committee Meetings	₹ 150,000/-
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the company	-



3. Shri Yogesh B Shah

Name of Director	Shri. Yogesh B. Shah
Date of Birth	29 th August, 1960
Date of Appointment	12 th February, 2020
Qualification	Bachelor of Commerce
Expertise in specific functional areas	Shri. Yogesh B. Shah has more than 30 years of experience in Accounting and Finance field.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	-Lyka Healthcare Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	0
Number of shares held in the Company	50 Equity Shares
Number of Board Meetings attended during the year	1
Remuneration	₹ 15,74,400/-
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the company	-

The Instructions for the Shareholders voting electronically are as under:

- i. In Compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administrative) Rules, 2014 and Regulation 44 of Listing Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means. The voting through electronic means will commence on **22nd September, 2020, Tuesday at 10.00 a.m. and will end on 24th September, 2020, Thursday at 5.00 pm. The cut off date for entitlement of voting through electronic means is 18th September, 2020, Friday.**
- ii. The Board of Directors of the Company has appointed Mr Kaushal Doshi and Associates (Membership No: 13143), Practicing Company Secretary as the Scrutinizer to scrutinize the remote e-voting process and e-voting in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
- iii. The Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Friday, 18th September, 2020, are entitled to vote on the Resolutions set forth in this notice. In addition, the facility for voting through electronic voting system will also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting will be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting will be eligible to attend the AGM, however, they will not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>

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/>

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Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.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.nsd.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:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.



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6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in 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?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company Secretary by e-mail to Companysecretary@lykalabs.com with a copy marked to 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 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 or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

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4. For convenience and proper conduct of the AGM, Members will be allowed to login and join 15 minutes before and anytime thereafter till conclusion of AGM. The login facility will remain open throughout the proceedings. Members who need technical assistance before or during the AGM can send a request at evoting@nsdl.co.in or use Toll free no: 1800-222-990; or Mr. Pratik Bhatt at designated email ID: pratikb@nsdl.co.in or at telephone nos: +91-22-24994738, or Ms. Sarita Mote at designated email ID: saritam@nsdl.co.in or at telephone nos.: +91-22-24994890

AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 5

Ratification of Appointment and fixing Remuneration of Cost Auditor for cost audit for the financial year 2019-2020

The Board at its meeting held on 10th June, 2020 appointed M/s Sarvottam Rege and Associates, Cost Accountants as a Cost Auditor to fill the casual vacancy arisen on account of resignation of M/s Kirit Mehta and Associates as a Cost Auditor of the Company for the Financial Year 2019-2020.

M/s Sarvottam Rege and Associates, Cost Accountants have provided their eligibility certificate and their consent to act As a Cost Auditor of the Company for the Financial Year 2019-2020. Their appointment as a Cost Auditor was recommended by Audit Committee on payment of remuneration of ₹ 1,25,000/- p.a. plus re-imbursment of out of pocket expenses.

For appointment and payment of remuneration to Cost Auditor for the Financial year 2019 - 20 require shareholder's approval.

The Board of Directors recommend the resolution as mentioned at Item No. 5 of the notice for your approval.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, in the passing of the said resolution.

Item No. 6

Ratification of Remuneration of Cost Auditor for cost audit for the financial year 2020- 2021

Pursuant to Section 148 of the Companies Act, 2013, and Rule 14 of Companies (Audit and Auditors) Rules, 2014, M/s. Sarvottam Rege and Associates- Cost Accountants, have been appointed as a Cost Auditor for conducting Cost Audit of Pharmaceutical Products of the Company for the financial year 2020-21. Their appointment as Cost Auditor and payment of remuneration of ₹ 1,25,000 /- p.a. plus re-imbursment of out of pocket expenses was considered by the Board on the recommendation by the Audit Committee.

For payment of remuneration to Cost Auditor for the financial year 2020 - 21 requires shareholder's approval.

The Board of Directors therefore recommends the resolution as mentioned at Item No. 6 of the notice for your approval.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, in the passing of the said resolution.

Item No. 7

Appointment of Shri Sandeep P Parikh (DIN: 00022365) as an Independent Director

The Board of Directors based on recommendations of Nomination and Remuneration Committee has appointed Shri Sandeep P Parikh (DIN: 00022365), at their meeting held on 01st November, 2019, who is meeting the criteria as an Independent Director, as Additional Director to the Board. He holds the office till 41st Annual General Meeting. His appointment as an Independent Director is proposed for a period of 3 (three) years from 41st Annual General Meeting. He is not liable to retire by rotation under Section 149 of the Companies Act, 2013. His appointment is subject to approval by the members.



Shri Sandeep P Parikh is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as an Independent Director of the Company. The Company has also received a declaration from him that he meets the criteria of Independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013. In the opinion of the Board, Shri Sandeep P Parikh, who is proposed to be appointed as Independent Director of the Company, fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and he is independent of the management. The brief particulars of Shri. Sandeep P Parikh are as follows:

Shri. Sandeep P. Parikh is a Chartered Accountant and having vast experience in finance, tax and audit. Considering his knowledge, skill and experience, his appointment as a Director will be beneficial to the Company.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India are set out in the notice.

The Board of Directors recommend the resolution as mentioned at Item No. 7 of the notice for your approval.

Except Shri Sandeep P Parikh, none of the Directors, Key Managerial Personnel is concerned or interested in the passing of the said resolution.

Item No. 8

Appointment of Shri Yogesh B Shah (DIN :06396150) as a Director:

The Board of Directors of the Company at their meeting held on 12th February, 2020, appointed Shri Yogesh B Shah as an Additional Director of the Company. He holds the office till 41st Annual General Meeting. In terms of the provisions of Companies Act, 2013, approval of the members of the Company is required for appointment of Shri Yogesh B Shah as a Director of the Company.

Brief profile of Shri Yogesh B Shah is given below:

Shri. Yogesh B. Shah is a Commerce Graduate from Mumbai University, has about 38 years of experience in Accounts, Finance and Taxation. His appointment would be useful to the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Shri Yogesh B Shah is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the resolution set forth in Item no.8 for the approval of the members.

Item No. 9

Appointment of Shri Yogesh B Shah DIN (06396150) as an Executive Director:

Based on the recommendation of the Nomination and Remuneration Committee and keeping in view of his vast experience and exposure in Accounts and Finance, the Board of Directors of the Company at its meeting held on 12th February 2020, has appointed Shri Yogesh B Shah Chief Financial Officer (CFO) as a Executive Director subject to approval of the members of the Company.

He will hold both the position as a CFO and Executive Director. The remuneration drawn by Shri Yogesh B Shah as a CFO will be now paid to him in the capacity of Executive Director and he will not be paid any extra remuneration for holding position as a CFO.

Brief profile of Shri Yogesh B Shah is given below for reference of the member:

Shri. Yogesh B. Shah is a Commerce Graduate from Mumbai University, has about 38 years of experience in Accounts, Finance and Taxation. His appointment would be useful to the Company.

The terms and condition of his appointment are mentioned in his appointment letter dated 12th February, 2020 which is available for inspection by the ,members of the Company.

Lyka Labs Limited

Remuneration:

Particulars	CTC p.a (in ₹)
Basic	45,000
House Rent Allowance	20,000
Education Allowance	14,800
Conveyance	1,600
Medical Allowance	1,250
Newspaper Allowance	6,100
Soft Furnishing Reimbursement	9,000
Hard Furnishing Reimbursement	9,000
Reimbursement of Expenses	15,000
LTA (5% of Basic)	2,250
Provident Fund (12% of Basic)	5,400
Gratuity (4% on Basic)	1,800
Total Gross/CTC Per Annum	15,74,400/-

The aggregate of salary, together with perquisites, allowance, benefits and amenities payable to Shri Yogesh B Shah in any financial year shall not exceed the limits prescribed from time to time under section 196, 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force).

Shri Yogesh B Shah shall not be entitled to any sitting fees for attending meetings of the Board or Committees thereof. The letter dated 12th February, 2020 for appointment of Shri Yogesh B Shah may be treated as a written contract between Shri Yogesh B Shah and the Company under Section 190 of the Act. Details of Shri Yogesh B Shah is provided in the "Annexure" to the Notice. Shri Yogesh B Shah is interested in the resolution set out at Item No. 9 of the Notice.

The Board recommends the special resolution set out at Item No. 9 of the Notice for approval by the members.

Item No. 10**Related Party Transactions:**

The Company is engaged in manufacturing and dealing of Pharmaceutical Products. During the course of business, the Company is required to sell, purchase or supply of any goods or material directly or through appointment of agents and leasing of the propertie(s) to its subsidiaries namely, Lyka BDR International Ltd., Lyka Exports Ltd., and Lyka Healthcare Ltd, Lyka Animal Healthcare Ltd which are considered as the Related Parties within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Considering the future business projections, the transaction of sell, purchase or supply of any goods, materials, services, dossiers, brands, patents directly or through agents and selling or otherwise disposing of or buying, renting and leasing of the propertie(s) to Lyka BDR International Ltd, Lyka Export Ltd and Lyka Healthcare Ltd and Lyka Animal Healthcare Ltd (Related Parties), is estimated at ₹ 35 crores, ₹ 8 crores, ₹ 5 crores and ₹ 2 crores aggregating financial limit of 50 Crore in a financial year ,2020-21.



The Board of Directors recommends the resolution as mentioned at Item No. 10 of the notice for your approval.

Shri Sandeep P Parikh Director of Company is also a Director in Lyka BDR International Ltd, and Shri Vinod Shanbhag Director of the Company is also a Director in Lyka Exports Limited and Lyka BDR International Ltd and Shri Kunal N Gandhi, Managing Director of the Company, is also a Director in Lyka BDR International Ltd, Lyka Exports Ltd, Lyka Animal Healthcare Ltd and Lyka Healthcare Ltd. and Smt. Nehal N Gandhi, Director of the Company is also a relative of Shri Kunal N Gandhi are deemed to be considered as interested directors in the transactions with the related parties.

None of the Directors or Key Managerial Personnel other than Smt. Nehal N Gandhi, Shri Kunal N Gandhi, Shri Sandeep P Parikh and Shri Vinod Shanbhag are concerned or interested, in the above resolution.

By Order of the Board

Place: Mumbai
Date: 7th August, 2020

Piyush G. Hindia
Company Secretary