



## NEULAND LABORATORIES LIMITED

(CIN: L85195TG1984PLC004393)

Registered Office: Sanali Info Park, 'A' Block, Ground floor, 8-2-120/113, Road No.2, Banjara Hills, Hyderabad-34.  
E-mail: ir@neulandlabs.com, website: www.neulandlabs.com, Tel: +91-040-67611600.

### POSTAL BALLOT NOTICE

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

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act"), read together with the Companies (Management and Administration) Rules, 2014, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), General Circular Nos. 14/2020, 17/2020 and 22/2020 dated April 8, 2020, April 13, 2020 and June 15, 2020, respectively, issued by Ministry of Corporate Affairs (the "MCA Circulars") including any statutory modification or re-enactment thereof for the time being in force, to transact the below mentioned proposed special businesses by the members of the Neuland Laboratories Limited ("the Company") by passing resolutions through postal ballot ("Postal Ballot") only through remote e-voting.

In view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, Ministry of Corporate Affairs (the "MCA") in terms of the MCA Circulars, has advised the companies to take all decisions requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. MCA has clarified that for companies that are required to provide e-voting facility under the Act, while they are transacting any business(es) by postal ballot up to September 30, 2020 or till further orders, whichever is earlier, the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis, hence the requirements of sending Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope has been dispensed with and the voting on the proposed resolutions will be conducted only through remote e-voting system. Accordingly, the Company will send the Postal Ballot Notice through email to all the members who have registered their email addresses with the Company or depository /depository participants.

The Explanatory Statement, as required under Section 102 of the Act, pertaining to the aforesaid resolutions setting out the material facts concerning the business and the reasons thereof is annexed hereto for your consideration. The members are requested to peruse the proposed Resolutions along with their respective Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company.

Members are requested to carefully read the instructions/ procedure in the Notes under the section 'Voting through Electronic Means' to cast their votes. Member may note that references to Postal Ballot(s) in this Notice stands only for votes received electronically i.e. e-voting.

The Board of Directors of the Company (the "Board") has appointed Mr. D. Hanumanta Raju, failing him, Ms. Shaik Razia, or failing her, Mr. Mohit Kumar Goyal, Partners, M/s. D. Hanumanta Raju & Co., Company Secretaries, as the Scrutinizer to the Postal Ballot/ e-voting process in a fair and transparent manner and they had communicated their willingness to be appointed and will be available for same purpose.

The Scrutinizer will submit his/ her report on Postal Ballot to the Chairman or Company Secretary or any person authorized by the Board after completion of the e-voting period. The result of the Postal Ballot shall be declared on or before September 14, 2020 and will be uploaded on the website of the Company (www.neulandlabs.com) and communicated to the Stock Exchanges on which the Company is listed. The results of the voting conducted through postal ballot (through the remote e-voting process) will be announced by the Chairman/ Company Secretary on or before September 14, 2020.

## SPECIAL BUSINESS

### 1. *Re-designation of Dr.Davuluri Rama Mohan Rao as the Executive Chairman*

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

**“RESOLVED THAT** in partial supersession of the earlier resolution approved by the members of the Company through Postal Ballot on March 25, 2019, and pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013, (“Act”), read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Articles of Association & Schedule V to the Act (including any statutory modification(s) or reenactment( s) thereof, for time being in force), Dr. Davuluri Rama Mohan Rao (DIN 00107737), Chairman & Managing Director of the Company, be re-designated as the ‘Executive Chairman’ of the Company with effect from August 4, 2020 and for the remaining period of his tenure i.e., up to March 31, 2024.

**RESOLVED FURTHER THAT** all other terms and conditions of the appointment of Dr.Davuluri Rama Mohan Rao, in terms of the resolution dated March 25, 2019, shall remain unchanged and continue to be effective.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it considers necessary or expedient for the purpose of giving effect to the aforesaid Resolution.”

### 2. *Re-designation of Mr.Davuluri Saharsh Rao as Vice Chairman & Managing Director*

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

**“RESOLVED THAT** in partial supersession of the earlier resolution approved by the members of the Company in the Annual General Meeting held on July 10, 2020, pursuant to the applicable provisions of the Companies Act, 2013 (including statutory modification(s) or re-enactment thereof for the time being in force) Mr.Davuluri Saharsh Rao (DIN: 02753145), Whole Time Director, designated as Joint Managing Director, be re-designated as ‘Vice Chairman & Managing Director’ of the Company in the capacity of Whole Time Director with effect from August 4, 2020.

**RESOLVED FURTHER THAT** all other terms and conditions of the appointment of Mr.Davuluri Saharsh Rao, in terms of the resolution dated July 10, 2020 shall remain unchanged and continue to be effective.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it considers necessary or expedient for the purpose of giving effect to this Resolution.”

By Order of the Board  
For Neuland Laboratories Limited

Sd/-  
Sarada Bhamidipati  
Company Secretary  
Membership No: 27854

Place: Hyderabad  
Date: August 4, 2020

## NOTES:-

1. The Explanatory Statement pursuant to Section 102 of the Companies Act read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions, setting out material facts and reasons in relation to the proposed special businesses are annexed hereto.
2. The Postal Ballot Notice is being sent by email to all the members, whose names appear in the Register of Members/ list of Beneficial Owners as received from National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on Friday, August 7, 2020 ("the Cut-off date") and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited ("KFin / RTA") (formerly Karvy Fintech Private Limited), which will be considered for the purposes of remote e-voting. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up share capital of the Company as on the Cut-off date. Any recipient of this Notice, who was not a member as on the aforesaid date should treat this Notice for information purposes only.
3. In terms of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, as amended, read together with the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') as amended from time to time, the Company is pleased to offer remote e-voting facility to all the members of the Company. The Company has appointed KFin for facilitating e-voting to enable the members to cast their votes electronically (hereinafter referred to as the "E-voting"/ "Remote e-voting").
4. To facilitate shareholders whose email IDs are not registered with the Company, to receive this Notice electronically and cast their vote electronically, the Company has made special arrangement with its RTA for registration of email addresses in terms of the MCA Circulars. The process for registration of email addresses is as under:
  - i. In light of the MCA Circulars, members who have not registered their email address and in consequence could not receive this Postal Ballot Notice, may temporarily get their email address registered with the KFin, by clicking the link: <https://karisma.kfintech.com/emailreg> and follow the registration process as guided thereafter. Post successful registration of the email address, the member would get a soft copy of the Notice and the procedure for remote e-voting along with the user ID and password to enable remote e-voting for this postal ballot. In case of any queries, shareholders may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - ii. It is clarified that for permanent registration of email address, members are requested to register their email addresses, in respect of electronic holdings with their concerned depository participants and in respect of physical holdings with KFin Technologies Private Limited, Selenium, Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, India by following due procedure.
  - iii. Those members who have already registered their email addresses are requested to keep their email addresses validated with their depository participants/ KFin to enable servicing of notices and documents electronically to their email address.
5. The Notice has also been placed on Company's website: [www.neulandlab.com](http://www.neulandlab.com) and KFin's e-voting website: <https://evoting.karvy.com> and will also be available on the website of stock exchanges i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
6. A member cannot exercise his vote by proxy on postal ballot. All members are requested to cast their votes only through remote e-voting as per the procedure provided herein.

7. The resolutions passed by the members through Postal Ballot are deemed to have been passed as if they have been passed at a duly convened general meeting of the members on the last date of e-voting i.e. Saturday, September 12, 2020.

**8. Voting through electronic means:**

Pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, General Circular and any other applicable provisions, if any, the Company has extended remote e-voting facility to enable the members to cast their votes electronically through the remote e-voting services provided by KFin.

The remote e-voting facility will be available during the following period:

|                                 |  |
|---------------------------------|--|
| Commencement of remote e-voting | From 9:00 A.M.(IST) on Friday, August 14, 2020       |
| End of remote e-voting          | Upto 5:00 P.M. (IST) on Saturday, September 12, 2020 |

9. The remote e-voting module shall be disabled by KFin for voting at 5:00 P.M. (IST) on Saturday, September 12, 2020. Once the vote on the resolution is cast by a member, he or she will not be allowed to change it subsequently.

**The procedure and instructions for remote e-voting are as follows:**

- a. Launch the internet browser by typing the URL <https://evoting.karvy.com>;
- b. Enter the login credentials (i.e., user ID and password). However, if you are already registered with KFin for remote e-voting, you can use your existing user ID and password for casting your vote;

|          |   |
|----------|---|
| User ID  | For members holding shares in demat form: -<br>i. For NSDL: - 8 Character DP ID followed by 8-digit Client ID<br>ii. For CDSL: - 16 digits Beneficiary ID / Client ID<br>iii. For members holding shares in physical form: - E-Voting Event Number (“EVENT”) followed by folio no. registered with the Company. |
| Password | Your existing password/ unique password provided in the e-mail forwarding the electronic notice   |

- c. After entering these details appropriately, click on “LOGIN”;
- d. You will now reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum eight characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and one special character (@, \$, # etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential;
- e. After changing password, you need to login again with the new credentials;
- f. On successful login, the system will prompt to select the EVENT for Neuland Laboratories Limited;
- g. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under each of the heading of the resolution and cast your vote by choosing the “FOR/ AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/ AGAINST” taken together shall not exceed your total shareholding as on Friday, August 7, 2020. You may also choose the option “ABSTAIN” and the shares held will not be counted under either head. Option “FOR” implies assent to the resolution and “AGAINST” implies dissent to the resolution. If the member does not indicate either “FOR” or “AGAINST”, it will be treated as “ABSTAIN” and the shares held will not be counted under either head;

- h. You may then cast your vote by selecting an appropriate option and click on “Submit”;
- i. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained;
- j. A confirmation box will be displayed. Click “OK” to confirm, else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the resolution(s);
- k. Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts;
- l. Corporate/ institutional members (i.e., other than individuals, HUF, NRI etc.) are also required to send scanned certified true copy (in pdf format) of the board resolution/ authority letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at [shr300@gmail.com](mailto:shr300@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com) and [ir@neulandlabs.com](mailto:ir@neulandlabs.com). The scanned image of the above-mentioned documents should be in the naming format “Corporate Name EVENT”;
- m. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
- n. For any query or grievance pertaining to remote e-voting, members may write to Company at [ir@neulandlabs.com](mailto:ir@neulandlabs.com) or may contact Mr. V. Raghunath, Deputy Manager-Corporate Registry-KFin Technologies Private Limited (KFin), Unit Neuland Laboratories Limited, Selenium, Tower B, Plot 31 & 32, Financial District, Gachibowli, Nanakramguda, Hyderabad - 500032, Tel. No.: +91 40 6716 1606/1776 or send an e-mail at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or [raghu.veedha@kfintech.com](mailto:raghu.veedha@kfintech.com) or may contact at their Toll Free No.: 1-800-34-54-001 for any further clarifications.

Further, members may also visit Help & FAQs section available at KFin’s website <https://evoting.karvy.com>.

- 10. ALL relevant documents referred to in the explanatory statement to this Notice will be available for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of the last date for receipt of votes by remote e-voting i.e., Saturday, September 12, 2020. Further, any query in relation to the resolution proposed to be passed by postal ballot may be addressed to the Company Secretary of the Company at [ir@neulandlabs.com](mailto:ir@neulandlabs.com).
- 11. As required by Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and SEBI Listing Regulations the details pertaining to this Postal Ballot will be published in one national daily newspaper circulating throughout India (in English language) and one daily newspaper circulating in Hyderabad (in Telugu language).

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**EXPLANATORY STATEMENT**  
(Pursuant to Section 102 of the Companies Act, 2013)

**Item No.1 & 2**

The resolutions set forth under Item No 1 & 2 of the Notice are for change in designations of Dr.Davuluri Rama Mohan Rao, Chairman & Managing Director and Mr.Davuluri Saharsh Rao, Whole Time Director designated as Joint Managing Director of the Company.

The Board of Directors of the Company, at its meeting held on August 4, 2020, on the recommendation of the Nomination and Remuneration Committee in its meeting held on August 3, 2020, has approved the change in designations of Dr.Davuluri Rama Mohan Rao and Mr.Davuluri Saharsh Rao, with no change in any other terms and conditions of their respective appointments, and subject to the approval of the shareholders, as under:

| Name                       | Previous designation         | Current designation               |
|----------------------------|------------------------------|-----------------------------------|
| Dr.Davuluri Rama Mohan Rao | Chairman & Managing Director | Executive Chairman                |
| Mr.Davuluri Saharsh Rao    | Joint Managing Director      | Vice Chairman & Managing Director |

Mr. Davuluri Sucheth Rao shall continue to be the Vice Chairman & Chief Executive Officer of the Company, in the capacity of Whole Time Director.

While recommending the change in the designations, the Nomination and Remuneration Committee considered the roles and responsibilities on various parameters which, inter alia, included, the scale of operations of the Company, contributions made by the Whole Time Directors for the overall growth of the Company especially in respect of streamlining and enhancement of manufacturing capacities, identifying new business opportunities to drive growth in the business including exploring new domestic and overseas markets, deeper penetration of existing markets and enhancing brand value through various initiatives etc.

The change in designations of Dr. Davuluri Rama Mohan Rao and Mr. Davuluri Saharsh Rao was made to commensurate with the roles and responsibilities being delegated to them and the growing complexity of the Company. Both the directors shall be in the capacity of Whole Time Directors.

None of the Directors, Key Managerial Personnel or their respective relatives, except Dr. Davuluri Rama Mohan Rao, Mr. Davuluri Sucheth Rao and Mr. Davuluri Saharsh Rao and their respective relatives to the extent of their shareholding in the Company, is concerned or interested in the Resolutions mentioned at Item No. 1 & 2 of the Notice.

The Board of Directors recommend the resolutions set forth at Item Nos. 1 & 2 of this Notice for your approval.

By Order of the Board  
For Neuland Laboratories Limited

Sd/-  
Sarada Bhamidipati  
Company Secretary  
Membership No: 27854

Place: Hyderabad  
Date: August 4, 2020