

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting (AGM) of the Members of SMS Pharmaceuticals Limited (CIN: L24239TG1987PLC008066) will be held **on Monday, 29<sup>th</sup> September, 2025 at 11.00 a.m.** through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) and the venue of the Meeting shall be deemed to be the Registered Office of the Company situated at Plot. No.72, H.No. 8-2-334/3&4, Road No. 5, Opp. SBI Executive Enclave, Banjara Hills, Hyderabad, Telangana, India – 500034, to transact the following business:

## ORDINARY BUSINESS:

### 1. ADOPTION OF FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 and the Reports of the Board of Directors and the Auditors thereon, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 and the Reports of the Board of Directors and Auditors thereon laid before this Meeting, be and are hereby received, considered and adopted."

### 2. DECLARATION OF DIVIDEND ON EQUITY SHARES FOR THE FINANCIAL YEAR 2024-25

To consider and declare dividend on the Equity Shares of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** as per recommendation of the Board of Directors, approval of the Members of the Company be and is hereby given for the payment of dividend of Re. 0.40 (i.e., @ 40%) per equity share of the Company for the Financial Year 2024-25."

### 3. RE-APPOINTMENT OF MR. TRILOK POTLURI (DIN: 07634613) WHO RETIRES BY ROTATION, AND BEING ELIGIBLE, AND OFFERS HIMSELF FOR RE-APPOINTMENT

To consider re-appointment of Mr. Trilok Potluri (DIN: 07634613), who retires by rotation, at this Annual General Meeting and being eligible, offers himself for re-appointment 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 152 and other applicable provisions of the Companies Act, 2013, Mr. Trilok Potluri (DIN: 07634613), who retires by rotation

and being eligible offers himself for reappointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

## SPECIAL BUSINESS:

### 4. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS WITH M/S. VKT PHARMA PRIVATE LIMITED (VKT PHARMA).

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 ("Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such approvals, consents, sanctions and permissions as may be necessary, approval 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 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 VKT Pharma Private Limited (VKT Pharma) an Associate Company as detailed in the table forming part of the Explanatory Statement annexed to this notice with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services including providing and/or receiving of loans or securities or making investments, or any other transactions of whatever nature, notwithstanding that such transactions may exceed 10% of the consolidated turnover of the Company in any Financial Year or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions as the Board of Directors may deem fit, in the normal course of business and on arm's length basis, during the period from the date of this 37<sup>th</sup> Annual General Meeting to till the date of next Annual General Meeting to be held in the year 2026, which shall not be more than fifteen months and within the limits as mentioned in the explanatory statement."

**"RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be hereby authorized to take such steps as may be necessary for obtaining approvals,

statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**5. APPROVAL FOR REMUNERATION PAYABLE TO THE COST AUDITORS FOR THE FINANCIAL YEAR 2025-2026**

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

“**RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 (‘Act’) and Rule 6 of the Companies (Cost Records and Audit) Rules, 2014 and all other applicable provisions, if any, of the Act and the rules made thereunder, as amended, the Members be and hereby ratify the remuneration of ₹1,00,000/- (Rupees One Lakh only) and taxes as applicable plus out of packet expenses payable to M/s. Harshitha Annapragada & Co., Cost Accountants having Firm Registration No. 006031 appointed by the Board of Directors of the Company to conduct the Cost Audit for the Financial Year 2025-2026.”

“**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**6. APPROVAL FOR APPOINTMENT OF SECRETARIAL AUDITORS OF THE COMPANY**

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 204 of the Companies Act, 2013, and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions of the Companies Act, 2013, read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and based on the recommendation

of the Audit Committee and Board of Directors the approval of the members be and is hereby accorded for appointment of M/s. SVVS and Associates Company Secretaries LLP (ICSI UID: L2015MH000700), as the Secretarial Auditors of the Company, for a term of five consecutive financial years commencing from the Financial Year 2025-2026 to 2029-2030 to conduct Secretarial Audit of the Company at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its committees thereof), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

“**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**7. APPROVAL FOR RE-APPOINTMENT OF MR. VAMSI KRISHNA POTLURI (DIN: 06956498) AS EXECUTIVE DIRECTOR & FIX THE REMUNERATION**

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 Sections 152, 178, 188, 196, 197, 203 other applicable provisions if any read with Schedule V of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Articles of Association of the Company and based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Vamsi Krishna Potluri (DIN:06956498) as a Whole Time Director designated as an ‘Executive Director’ of the Company for a period of 3 (three) years effective from 1<sup>st</sup> July, 2025 and is liable to retire by rotation up on the terms and conditions including remuneration, as set out in the explanatory statement annexed to the Notice convening the Meeting with liberty to the Board to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** in the absence of or inadequacy of profits in any financial year, the Company will pay remuneration by way of salary as decided by the Board and as per the provisions of Schedule V of the Act or in accordance with any statutory modification(s) thereof.

**RESOLVED FURTHER THAT** pursuant to Regulation 17(6) (e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the consent be and is hereby accorded for the payment of remuneration, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, to Mr. Vamsi Krishna Potluri, Executive Director, notwithstanding that (i)

the annual remuneration payable to him exceeds Rupees 5 crore or 2.5% of the net profits of the Company, whichever is higher; or (ii) the aggregate annual remuneration of all the promoter Executive Directors of the Company exceeds 5% of the net profits of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered expedient and necessary in this regard."

By the order of the Board

Place: Hyderabad  
Date: 09.08.2025

**Ramesh Babu Potluri**  
Chairman and Managing Director  
(DIN:00166381)

**NOTES:**

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 2/2022, 10/2022 and 09/2023 dated 08<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020, 05<sup>th</sup> May, 2020, 13<sup>th</sup> January, 2021, 14<sup>th</sup> December, 2021, 05<sup>th</sup> May, 2022, 28<sup>th</sup> December, 2022, 25<sup>th</sup> September 2023 and 19<sup>th</sup> September, 2024 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2022/62, SEBI/HO/CFD/PoD-2/P/CIR/2023/4, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 12<sup>th</sup> May, 2020, 13<sup>th</sup> May, 2022, 05<sup>th</sup> January, 2023, 07<sup>th</sup> October 2023, 3<sup>rd</sup> October 2024 respectively (collectively referred to as "Circulars"), Companies are permitted the holding of an Annual General Meeting ("AGM") through Video Conferencing/Other Audio Visual Means ("VC/OAVM") without the physical presence of the Members at a common venue. Accordingly, the 37<sup>th</sup> AGM of the Company will be held through VC/ OAVM in compliance with the provisions of the Act and Rules made thereunder, the SEBI Listing Regulations read with the aforesaid Circulars. The deemed venue for the 37<sup>th</sup> AGM shall be at the Registered Office of the Company, i.e., Plot. No.72, H.No. 8-2-334/3&4, Road No. 5, Opp. SBI Executive Enclave, Banjara Hills, Hyderabad, Telangana, India – 500034.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of the AGM venue are not annexed to this notice.
3. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 4 to 7 of the Notice is annexed hereto. Further the relevant details pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
4. The Members can join the AGM in the VC/OAVM Mode 15 minutes before & after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 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 AGM without restriction on account of first come first served basis. The detailed instructions for joining the Meeting through VC/OAVM forms part of this notes.
5. Pursuant to Section 113 of the Companies Act, 2013, Institutional / Corporate shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body Resolution / Authorisation etc., authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said Resolution / Authorisation shall be sent to the Scrutiniser by e-mail on its registered e-mail address to [csbassociates27@gmail.com](mailto:csbassociates27@gmail.com) with a copy marked to [cs@smspharma.com](mailto:cs@smspharma.com)
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15<sup>th</sup> April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
9. In line with aforementioned MCA and SEBI Circulars, the Notice of the AGM along with the Integrated Annual Report for the Financial Year 2024-25 is being sent through e-mail, allowed to vote to those Members whose e-mail addresses are registered with the Company/ Registrar & Share Transfer Agent (RTA)/ Depository Participant/ Depositories. The Notice convening the 37<sup>th</sup> AGM along with the Integrated Annual Report for the Financial Year 2024-25 has been uploaded on the website of the Company at [www.smspharma.com](http://www.smspharma.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
10. The Company's Registrar and Transfer Agent for its Share Registry Work (Physical and Electronic) is Aarthi Consultants Private Limited having its office at 1-2-285, Domalguda, Hyderabad - 500029, Telangana, India.

**11. Process for registering/ updating e-mail address and mobile number:**

- In case shares are held in physical form: Please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card, by email to the RTA at [info@arthiconsultants.com](mailto:info@arthiconsultants.com) with a copy mark to [cs@smspharma.com](mailto:cs@smspharma.com).
- In case shares are held in demat form: please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit Beneficiary ID), name, client master or copy of consolidated account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card by email to the RTA at [info@arthiconsultants.com](mailto:info@arthiconsultants.com) with a copy mark to [cs@smspharma.com](mailto:cs@smspharma.com).
- The RTA/Company shall co-ordinate with CDSL and provides the login credentials to the above mentioned Shareholders. Please update your email ID & mobile No. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

Alternatively, Members may also visit website of the Company's RTA and submit their details at below link: <http://www.arthiconsultants.com/investors/register.php>

**12. Record Date, Book Closure and Dividend:**

- a) The Company has fixed Monday, **22<sup>nd</sup> September, 2025** as the '**Record Date**' for determining entitlement of Members to dividend for the Financial Year ended 31<sup>st</sup> March, 2025, if approved at the AGM.
- b) The Register of Members and the Share Transfer Books of the Company will be closed from **Tuesday, 23<sup>rd</sup> September, 2025 to Monday, 29<sup>th</sup> September, 2025** (both days inclusive).
- c) If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made within 30 days from the date of AGM as under:
  - i. To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as at the end of day on Monday, 22<sup>nd</sup> September, 2025;
  - ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as at the closure of business hours on Monday, 22<sup>nd</sup> September, 2025.

13. Regulation 40 of SEBI Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in Demat mode. Further, SEBI Master Circular No. SEBI/ HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, has clarified that listed companies, with immediate effect, shall issue the securities only in Demat mode while processing investor service requests pertaining to issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission, transposition etc. Accordingly, Members are requested to submit duly filled and signed Form ISR-4.

The Form is available on website of Company at <https://smspharma.com/company-announcements/communication-to-shareholders/> and RTA at <http://www.arthiconsultants.com/investors/register.php>. In view of this, Members holding shares in physical form are requested to consider converting their holdings to Demat mode. Any shareholder who is desirous of dematerialising their securities may write to the Company at [cs@smspharma.com](mailto:cs@smspharma.com) or Company's Registrar and Share Transfer Agent, M/s. Aarathi Consultants Private Limited at 1-2-285, Domalguda, Hyderabad - 500029, India, Email Id: [info@arthiconsultants.com](mailto:info@arthiconsultants.com) [www.arthiconsultants.com](http://www.arthiconsultants.com) ("RTA" or "Registrar") for assistance in this regard.

14. Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f., 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the Depository Participant (if shares held in electronic form) and Company / RTA (if shares held in physical form). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to [info@arthiconsultants.com](mailto:info@arthiconsultants.com) / [cs@smspharm.com](mailto:cs@smspharm.com) on or before 22<sup>nd</sup> September, 2025. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [info@arthiconsultants.com](mailto:info@arthiconsultants.com) / [cs@smspharm.com](mailto:cs@smspharm.com). The aforesaid declarations and documents need to be submitted by

the shareholders on or before 22<sup>nd</sup> September, 2025. For further details and formats of declaration available on the Company's website at <https://smspharma.com/company-announcements/corporate-announcements/>.

- 15.** Members may please note that as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021 as amended from time to time, the latest being SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17<sup>th</sup> November, 2023, Members, who hold shares in physical form and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode with effect from 1<sup>st</sup> April, 2024. Accordingly, payment of final dividend, subject to approval by the Members in the AGM, shall be paid to physical holders only after the above details are updated in their folios. Members may refer to FAQs issued by SEBI in this regard available on their website at [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf) (FAQ Nos. 38 & 39). Communication in this regard has been sent to all physical holders whose folios are not KYC updated at the latest available address/email-ID. Members are once again requested to update their KYC details by submitting the Investor Service Request (ISR) Forms, viz. ISR-1, ISR-2, ISR-3/SH-13, as applicable, duly complete and signed by the registered holder(s) so as to reach our RTA, on or before 15<sup>th</sup> September, 2025 so that the folios can be KYC updated before the cut-off date of 22<sup>nd</sup> September, 2025. ISR Forms can be accessed from our website at <https://smspharma.com/company-announcements/communication-to-shareholders/>
- 16.** Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to Registrar/respective DPs as may be applicable.
- 17.** Updation of bank mandate for receiving dividends directly in bank account through Electronic Clearing System or any other electronic means in a timely manner:

**Shares held in physical form:** Members are requested to send a scanned copy of the following details/ documents at [info@arthiconsultants.com](mailto:info@arthiconsultants.com) copy mark to [cs@smspharm.com](mailto:cs@smspharm.com):

- a) signed request letter mentioning their name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
  - i) Bank Name and Branch of Bank, Bank Account type and 11 digit IFSC Code;

- ii) Bank Account Number & Type allotted by the Bank after implementation of Core Banking Solutions;
- b) self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
  - c) self-attested scanned copy of the PAN Card; and
  - d) self-attested scanned copy of any document (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

**Shares held in electronic form:** Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective Depository Participants (DP).

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

- 18.** The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other electronic means, due to non-registration of the Electronic Bank Mandate or other technical reasons like change in IFSC, inactive account etc., the Company shall dispatch the dividend warrant/ bankers' cheque/demand draft to such members through postal or courier services to their registered address.
- 19.** Members are requested to note that dividends that are not claimed within seven (7) years from the date of transfer to the Company's Unpaid Dividend Account, shall, as per Section 124 of the Act, be transferred to the Investor Education and Protection Fund (IEPF). **Further, shares on which the dividends remain unclaimed for seven consecutive years will also be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.** Hence, members who have not claimed/ encashed their dividend warrant for respective Financial Years are requested to write to the Company/ Registrar and Share Transfer Agent (RTA) at least a month before the due dates mentioned hereunder:

Due date for transfer of unclaimed dividend to IEPF				
Year	Dividend per share (₹)	Date of declaration	Due date for transfer to IEPF	Amount of Unpaid Dividend(₹)
2017-18	Re. 0.25	20/09/2018	27/10/2025	84,413.00
2018-19	Re. 0.25	30/09/2019	04/10/2026	82,586.00
2019-20	Re.0.25	18/03/2020 (interim Dividend)	18/04/2027	1,09,480.25
2020-21	Re.0.30	30/09/2021	04/10/2028	61,343.00
2021-22	Re.0.30	30/09/2022	04/10/2029	3,41,337.40
2022-23	Re.0.30	30/09/2023	04/10/2030	1,28,565.70
2023-24	Re. 0.40	30/09/2024	04/10/2031	1,47,911.20

20. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM are requested to write to the Company on or before **22<sup>nd</sup> September, 2025** through e-mail on [cs@smspharma.com](mailto:cs@smspharma.com). The same will be replied by the Company suitably.
21. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
22. Details of Unclaimed Shares: The Company doesn't have any shares remaining unclaimed in the unclaimed suspense account.

**INSTRUCTIONS FOR REMOTE E-VOTING & E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/ OAVM ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in Demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in Demat mode.

- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended) and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the 37<sup>th</sup> AGM. 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 authorised e-Voting agency. The facility of casting votes by a Member using remote e-voting system as well as e-Voting during the AGM will be provided by CDSL.

- ii. The remote e-voting period commences on **Thursday, 25<sup>th</sup> September, 2025 at 9.00 a.m. (IST) and ends on Sunday, 28<sup>th</sup> September, 2025 at 5.00 p.m. (IST)**. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e., as on the closure of business hours on **Monday, 22<sup>nd</sup> September, 2025**.
- iii. Members of the Company holding shares either in physical form or in electronic form as on the closure of business hours on **Monday, 22<sup>nd</sup> September, 2025 i.e., cut-off date** may cast their vote by remote e-voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-Voting before the AGM as well as remote e-voting during the AGM.

Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holds shares as on the cut-off date i.e., as on the closure of business hours on Monday, 22<sup>nd</sup> September, 2025, may obtain a copy of AGM Notice by sending a request to [info@arthiconsultants.com](mailto:info@arthiconsultants.com) or can also be downloaded from the Company's website at [www.smspharma.com](http://www.smspharma.com) and participate in remote e-voting or e-voting at AGM by following the instructions provided herein.

- iv. The Members who have cast their vote by remote e-voting prior to the AGM may attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote on such resolution again. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.

- v. Mr. C. Sudhir Babu, Practicing Company Secretary, Hyderabad has been appointed as the Scrutiniser(s) to scrutinise the e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
- vi. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also be able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

decided to enable e-voting to all the Demat account holders, by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in Demat mode.

- vii. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat Account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their Demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in Demat mode.

**I. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat Account or in the Company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the Depository or Company, please enter the member ID / folio number in the Dividend Bank details field.</li> </ul>

- II. After entering these details appropriately, click on "SUBMIT" tab.
- III. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- IV. For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- V. Click on the EVSN for the relevant <SMS Pharmaceuticals Limited> on which you choose to vote.
- VI. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- VII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- VIII. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- IX. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- X. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- XI. If a Demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XII. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

#### **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc., together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [cs@smspharma.com](mailto:cs@smspharma.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- 1) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- 2) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.
- 3) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM except on the resolutions which couldn't be voted during the remote e-Voting.
- 4) Members may join the Meeting through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed/ band to avoid buffering/ disconnections during the Meeting. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi- Fi or LAN connection to mitigate any glitches.
- 5) Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number at [cs@smspharma.com](mailto:cs@smspharma.com) **before 6.00 p.m. (IST) on 22<sup>nd</sup> September, 2025**. Only those Members who have preregistered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- 6) Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 37<sup>th</sup> AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail addresses at [cs@smspharma.com](mailto:cs@smspharma.com) **before 6.00 p.m. (IST) on 22<sup>nd</sup> September, 2025**. Such questions by the Members shall be suitably replied by the Company.
- 7) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 8) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- 9) If any votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.
- 10) During the AGM remote e-voting module will be enabled for e-Voting and the same will be open for 15 minutes after conclusion of the meeting.

**Other instructions:**

- o The Scrutiniser shall, immediately after the conclusion of voting at the AGM, unblock the votes cast during the AGM and votes cast through remote e-Voting and make, not later than 2 working days of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- o The result declared along with the Scrutiniser's Report shall be placed on the Company's website at [www.smspharma.com](http://www.smspharma.com). The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
- o The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911 or call on 022-23058542/43.

**Information at a glance:**

Day, date & time of AGM	Monday, 29 <sup>th</sup> September, 2025 ,11.00 a.m. IST
Book Closure	Tuesday, 23 <sup>rd</sup> September, 2025 to Monday 29 <sup>th</sup> September, 2025 (both day inclusive)
Record Date for Dividend	Monday, 22 <sup>nd</sup> September, 2025
Cut-off Date for e-voting eligibility and attending AGM	Monday, 22 <sup>nd</sup> September, 2025
E-Voting Start date and time	Thursday, 25 <sup>th</sup> September, 2025, 9.00 a.m. IST
E-Voting End date and time :	Sunday, 28 <sup>th</sup> September, 2025, 5.00 p.m. IST
Company	SMS Pharmaceuticals Limited Phone: 040-35359999 Email : <a href="mailto:cs@smspharma.com">cs@smspharma.com</a> ; <a href="mailto:complianceoffier@smspharma.com">complianceoffier@smspharma.com</a>
Registrar and Transfer Agent	M/s. Aarthi Consultants Private Limited Phone: 040-27638111/ 27634445/ 27642217 Email: <a href="mailto:info@aarthiconsultants.com">info@aarthiconsultants.com</a>
e-Voting Agency	M/s. Central Depository Services (India) Limited E-mail : <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Toll Free : 1800 21 09911
Scrutinizer	Mr. C. Sudhir Babu, Practicing Company Secretary Phone: 7981191458 / 9493676368 Email : <a href="mailto:csbassociates27@gmail.com">csbassociates27@gmail.com</a>

## EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### Item No. 4:

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in Clause (a) to (g) of the said Section requires a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of ordinary resolution in case the value of the Related Party Transactions exceed the stipulated thresholds prescribed in Rule 15 of the said Rules and transactions other than in ordinary course of business and on arm's length basis.

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with the Company's Policy on Related Party Transactions, stipulates that entering into Material Related Party Transactions which, either individually or taken together with previous transaction(s) during a financial year, exceed ₹ 1,000 crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower, requires approval of the shareholders through ordinary resolution.

Based on the Audited Financial Statements of March 31, 2025, the threshold limit for Material Related Party Transactions (RPTs) is ₹ 78.90 Crores.

As per the SEBI vide its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 08<sup>th</sup> April, 2022 clarified that the shareholders' approval of omnibus Related Party Transactions approved in an Annual General Meeting shall be valid up to the date of the next Annual General Meeting for a period not exceeding fifteen months.

Accordingly, the Company took approval of the shareholders in its AGM held on 30<sup>th</sup> September, 2024 for the Material Related

Party Transactions from the conclusion of the 36<sup>th</sup> AGM till the conclusion of 37<sup>th</sup> AGM. To continue to enter in to the related party transactions after the 37<sup>th</sup> AGM till the conclusion of 38<sup>th</sup> AGM of the Company. Similar to that to continue to enter in to the related party transactions after the 37<sup>th</sup> AGM, the Material Related Party Transactions as recommended by the Audit Committee and approved by the Board of Directors at their meetings held on 09<sup>th</sup> August, 2025 are hereby placed before the shareholders for their approval by way of Ordinary Resolution to enable the Company to enter into the following Material Related Party Transactions in one or more tranches, during the period from the date of this Annual General Meeting to till date of next Annual General Meeting, which shall not be more than fifteen months. The approval by the shareholders' is without prejudice to the need for the Audit Committee to approve, authorize and review transactions on a financial year basis.

Further, Securities and Exchange Board of India ("SEBI") vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated 14 February 2025 has introduced the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ("Industry Standards") to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the Listing Regulations read with the SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11 November 2024 ("SEBI Circular") which shall be applicable from 01 July 2025. The Industry Standards inter-alia requires listed entity to provide minimum information, in specified format, relating to the proposed RPTs, to the Audit Committee and to the shareholders, while seeking approval.

Details of the proposed transactions with VKT Pharma Private Limited (VKT Pharma) being a related party of the Company, including the information pursuant to Clause 4 of the Industry Standards read with SEBI Circular and applicable provisions of the Act, if any, and as placed before the Committee for consideration while seeking prior approval of the proposed RPT(s), are provided below:

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
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#### A. Details of the related party and transactions with the related party

##### A(1). Basic details of the related party

1.	Name of the related party	VKT Pharma Private Limited (VKT Pharma)
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Manufacturing of Pharmaceuticals formulations and related activities

##### A(2). Relationship and ownership of the related party

4.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party.	VKT Pharma is an Associate Company to SMS Pharmaceuticals Limited
5.	Shareholding or contribution % or profit & loss sharing % of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	SMS Pharmaceuticals is holding 34.83 % in VKT Pharma Private Limited.  VKT Pharma having common Promoter Directors Mr. Vamsi Krishna Potluri (MD) and Mr. Ramesh Babu Potluri holding 2.54% and 17.03% respectively.  Mr. Vamsi Krishna Potluri is son of Mr. Ramesh Babu Potluri.
6.	Shareholding of the related party, whether direct or indirect, in the listed entity/subsidiary (in case of transaction involving the subsidiary).	VKT Pharma does not have any Shareholding in SMS Pharmaceuticals Limited. However the directors of VKT Pharma Mr. Ramesh Babu Potluri and Mr. Vamsi Krishna Potluri are the promoters, Managing Director and Executive Director respectively who also has shareholding in SMS Pharma

##### A(3). Financial performance of the related party

7.	Standalone turnover of the related party for each of the last three financial years:	Amount (₹ in Lakhs.)
	FY 2024-2025	19,846.37
	FY 2023-2024	9,391.69
	FY 2022-2023	3,177.51
8.	Standalone net worth of the related party for each of the last three financial years:	
	FY 2024-2025	5,340.58
	FY 2023-2024	4,847.93
	FY 2022-2023	4,674.20
9.	Standalone net profits of the related party for each of the last three financial years:	
	FY 2024-2025	498.68
	FY 2023-2024	171.27
	FY 2022-2023	(2994.05)

##### A(4). Details of previous transactions with the related party

10.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during each of the last three financial years.
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FY 2024-2025

Sl. No.	Nature of Transactions	Amount (₹ in Lakhs)
1.	Sales	3,959.76
2.	Rent Receivable	28.11
3.	Other income	6.32
	<b>Total</b>	<b>3,994.19</b>

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee												
FY 2023-2024															
<b>Sl. No.</b>	<b>Nature of Transactions</b>	<b>Amount (₹ in Lakhs)</b>													
1.	Sales	2,248.45													
2.	Rent Receivable	26.27													
3.	Other income	53.10													
	<b>Total</b>	<b>2,327.82</b>													
FY 2022-2023															
<b>Sl. No.</b>	<b>Nature of Transactions</b>	<b>Amount (₹ in Lakhs)</b>													
1.	Sales	1,072.93													
2.	Rent Receivable	25.56													
3.	Other income	62.31													
	<b>Total</b>	<b>1,160.80</b>													
11.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current financial year (till the date of approval of the Audit Committee / shareholders).	Actual amount of all transactions undertaken during the FY 2024-25 is ₹ 3994.19 lakhs and Q1 2025-26 is ₹1207.82 Lakhs  The Company has taken the approval of the shareholders till the date of 37 <sup>th</sup> AGM to be held in the FY 2025-26 and these transactions fall within the approved Limits.													
12.	Whether prior approval of Audit Committee has been taken for the above mentioned transactions?	Yes													
13.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last three financial years.	No													
<b>A(5). Amount of the proposed transactions (All types of transactions taken together)</b>															
14.	Total amount of all the proposed transactions being placed for approval in the current meeting	<table border="1"> <thead> <tr> <th>Nature of Transaction</th> <th>Amount ₹ In Lakhs</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>17,000</td> </tr> <tr> <td>Purchases</td> <td>300</td> </tr> <tr> <td>Rent (Receivable)</td> <td>100</td> </tr> <tr> <td>Other Reimbursement</td> <td>100</td> </tr> <tr> <td><b>Total</b></td> <td><b>17,500</b></td> </tr> </tbody> </table>	Nature of Transaction	Amount ₹ In Lakhs	Sales	17,000	Purchases	300	Rent (Receivable)	100	Other Reimbursement	100	<b>Total</b>	<b>17,500</b>	
Nature of Transaction	Amount ₹ In Lakhs														
Sales	17,000														
Purchases	300														
Rent (Receivable)	100														
Other Reimbursement	100														
<b>Total</b>	<b>17,500</b>														
		Sale of Active Pharmaceutical Ingredients (APIs), office rent receivable or any other transactions for transfer of resources, services or obligations and other reimbursements/ recoveries for business purpose from/to VKT Pharma for aggregate monetary value not to exceed Rupees 17,500 lakhs from the conclusion of the 37 <sup>th</sup> AGM to till the conclusion of the 38 <sup>th</sup> AGM to be held in the FY 2026-27.													
15.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT in terms of Para 1(1) of these Standards?	Yes													

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
16.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	The Company's Annual Consolidated turnover for the FY 2024-25 is ₹78,897.25 Lakhs so the proposed transaction shall constitute 22.18% of the Annual consolidated turnover.	
17.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the listed entity is not a party to the transaction)	NA	
18.	Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding financial year.	88.18 % VKT Pharma's Annual Standalone Turnover ₹19,846.37 Lakhs	
<b>B. Details for specific transactions</b>			
<b>B(1). Basic details of the proposed transaction</b>			
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Sales, Purchases and Rent receivables and other reimbursement in the ordinary course of business	
2.	Details of the proposed transaction	a) Sale Active Pharmaceuticals Ingredients (APIs). b) Purchase of consumables and other miscellaneous items c) Leasing of Office premises & R&D Premises. d) Availing or rendering of any services e) Any transfer of resources, services, or obligations to meet its objective/ requirements	
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One year  The shareholders' approval will be valid for the period commencing from the conclusion of 37 <sup>th</sup> Annual General Meeting upto the date of 38 <sup>th</sup> Annual General Meeting of the Company to be held in the year 2026.	
4.	Indicative date /timeline for undertaking the transaction	The Transactions in one or more tranches, during part of the financial year 2025-26 as well as part of the financial year 2026-27  i.e., from conclusion of the 37 <sup>th</sup> AGM till the date of the 38 <sup>th</sup> AGM of the Company to be held in the FY 2026.	
5.	Whether omnibus approval is being sought?	These related party transactions are recurring transactions, in the ordinary course of business for both transacting parties  Refer Point No. 14 in section A(5) above for the breakup of the transactions.  The actual transactions are reviewed quarterly by the Audit Committee	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
6.	<p>Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract.</p> <p>If omnibus approval is being sought, the maximum value of a single transaction during a financial year.</p>	<p>Not Applicable</p> <p>Since the Company is taking approval from the conclusion 37<sup>th</sup> AGM to till the date of the 38<sup>th</sup> AGM</p>	
7.	<p>Whether the RPTs proposed to be entered into are:</p> <p>(i) not prejudicial to the interest of public shareholders, and</p> <p>(ii) going to be carried out on the same terms and conditions as would be applicable to any party who is not a related party</p>	<p>Yes.</p> <p>Further, Certificate from the Promoter Director(s) &amp; CFO of the Company confirming that the proposed transactions are not prejudicial to the interest of the public shareholders of SMS Pharma</p>	
8.	<p>Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders.</p>	<p>Since, VKT Pharma is forward integration to SMS Pharma which is value addition to the company. Considering the current business scenario, for sale of Company's API's to VKT Pharma, shall support to increase of its overall operations and profitability and for growth of the business of the Company.</p> <p>The procurement of consumables and other miscellaneous items from VKT Pharma to meet immediate requirement if any.</p> <p>These transactions shall be purely on the basis of day to day business requirements and in the Ordinary Course of business.</p>	
9.	<p>Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.</p> <p>The details shall be provided, where the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%.</p> <p>a. Name of the director / KMP</p> <p>b. Shareholding of the director / KMP, whether direct or indirect, in the related party</p>	<p>None of the promoters are interested, directly or indirectly, in the proposed transactions, except to the extent of their shareholding.</p> <p>The details of promoters/directors/KMPs of listed company have interest in VKT Pharma:</p> <p>Mr. Ramesh Babu Potluri-17.03%</p> <p>Mr. Vamsi Krishna Potluri-2.54%</p> <p>Mr. Trilok Potluri-3.18%</p> <p>Mrs. Hima Bindu Potluri-7.20%</p> <p>And Mr. Ramesh Babu Potluri- CMD of SMS Pharma is a Director in VKT Pharma</p> <p>Mr. Vamsi Krishna Potluri- ED of SMS Pharma is an MD in VKT Pharma and</p> <p>Mr. Vamsi Krishna Potluri is son of Mr. Ramesh Babu Potluri</p>	
10.	<p>Details of shareholding (more than 2%) of the director(s) / key managerial personnel/ partner(s) of the related party, directly or indirectly, in the listed entity.</p> <p>a. Name of the director / KMP/ partner</p> <p>b. Shareholding of the director / KMP/ partner, whether direct or indirect, in the listed entity</p>	<p>Refer Point No. 9 in section B(1) above.</p>	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
11.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	All contracts with the related parties in the ordinary course of business and on arm's length basis and the same shall be placed before the Audit Committee for review and approval.	
12.	Other information relevant for decision making.		
<b>B(2). Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction</b>			
13.	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	The proposed transactions are repetitive and in the ordinary course of business of SMS Pharma. The transactions with the related party being the Associate company of the listed entity is beneficial for both parties as well as shareholders of the Companies.	
14.	Best bid / quotation received. If comparable bids are available, disclose the price and terms offered.	The arm's length pricing is being validated by the Audit Committee of the listed Company.	
15.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	Therefore, management is of the view that bids are not required for the said transactions.	
16.	Where bids were not invited, the fact shall be disclosed along with the justification for the same.		
17.	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.		
<b>Point No. B(3) to B(6) of table forming part of Clause 4 of the Industry Standards are not applicable.</b>			
<b>B(7). Additional details for proposed transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate</b>			
19.	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	The Company has vacant portion at Research & Development (R&D), which is providing on lease to its Associate Company VKT Pharma.	
20.	Best bid / quotation received If comparable bids are available, disclose the price and terms offered.	The management is of the opinion that the said transaction is in the ordinary course of business and the Company may not get bids for the lease from the other parties since the Company cannot provide the unused portion to outside party due to business confidentiality and secrecy especially in R & D facility	
21.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	VKT Pharma is a forward integration to SMS Pharma it can provide lease to VKT Pharma, it cannot provide lease to other API Manufacturing companies.	
22.	Where bids were not invited, the fact shall be disclosed along with the justification for the same.	Hence, the Company has not obtained comparable bids.	
23.	Wherever comparable bids are not available, state what is the basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.	Based on the circumstances and the transaction was approved by the Audit Committee.	
24.	Reasons for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate.		
25.	Financial track record of the subsidiary / undertaking that is being sold (in case of sale of undertaking, segment level data to be provided) during the last three financial years:	NA	

S. No.	Particulars of the information	Information provided by the management			Comments of the Audit Committee
		FY 2022-2023	FY 2023-2024	FY 2024-2025	
	Turnover				
	Net worth				
	Net Profit				
	Net Profit Margin				
	Operating Cash Flow				
	Return on Assets (RoA)				
26.	Expected financial impact on the consolidated turnover, net worth and net profits of the listed entity or its subsidiary due to sale of the subsidiary / undertaking				NA
	a. Expected impact on turnover				
	b. Expected impact on net worth				
	c. Expected impact on net profits				
27.	Details of earlier sale, lease or disposal of assets of the same subsidiary or of the unit, division or undertaking of the listed entity, or disposal of shares of the same subsidiary or associate to any related party during the preceding twelve months.				The same facility was leased to the same party during the preceding twelve months.
28.	Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.				NA
29.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?				NA
30.	Does it involve transfer of key intangible assets or key customers which are critical for continued business of the listed entity or any of its subsidiary?				NA
31.	Are there any other major non- financial reasons for going ahead with the proposed transaction?				NA
<b>Point No. B(8) of table forming part of Clause 4 of the Industry Standards is not applicable.</b>					

The proposed contracts/arrangements/transactions relate to sale/purchase of goods/services or any other transaction(s), which shall be governed by the Company's Related Party Transaction Policy and shall be reviewed by the Audit Committee within the overall limits approved by the members.

The proposal outlined above will contribute to the principal business activities of your Company and is in the interest of the Company. Hence, the Audit Committee/Board recommends the resolution set out in the Item No. 4 of the notice for your approval as an Ordinary Resolution. None of the Related Parties shall vote in favour of the resolution.

Except Mr. Ramesh Babu Potluri, Chairman & Managing Director, Mr. Vamsi Krishna Potluri, Executive Director and Mr. Trilok Potluri, Non-Executive Director and their respective relatives, none of the other Directors/ Key Managerial Personnel/their respective

relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

#### Item No. 5

Based on the recommendations of the Audit Committee, the Board in their meeting held on 30<sup>th</sup> May, 2025, has appointed the Cost Auditor M/s. Harshitha Annapragada & Co., Cost Accountants, having Firm Registration No. 006031, to conduct the Audit of the cost records of the Company for the Financial Year 2025-26.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration of the Cost Auditor requires ratification from the members of the Company. Accordingly, consent of the members is accorded, for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31<sup>st</sup> March, 2026 as set out in the Notice.

The Board of Directors, based on the said recommendation of the Audit Committee, recommends resolution No. 5 for approval of members as set out in the Notice convening the annual general meeting.

None of the Directors/ Key Managerial Personnel/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

### Item No. 6

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time, every listed public Company is required to annex with its Board's Report made out in terms of Section 134(3) of the Companies Act, 2013, a Secretarial Audit Report given by a Company Secretary in practice.

SEBI vide its notification dated 12 December 2024, amended the Listing Regulations. As per the amended Listing Regulations, on the basis of recommendation of the Board of Directors, a listed entity shall appoint or re-appoint a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, subject to approval of the shareholders in the AGM. Further, such a Secretarial Auditor must be a peer-reviewed company secretary and should not have incurred any of the disqualifications as specified by SEBI.

In light of the aforesaid, M/s. SVVS Associates Company Secretaries LLP (ICSI UID: L2015MH000700), being eligible, has consented to act as Secretarial Auditors of the Company for a period of five consecutive financial years i.e., from 2025-26 to 2029-30 as required under Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. M/s. SVVS Associates has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate. Based on the profile and experience of M/s. SVVS Associates, the Audit Committee has recommended the appointment of M/s. SVVS Associates as the Secretarial Auditors of the Company for a period of five financial years i.e., from 2025-26 to 2029-30.

The proposed remuneration to be paid to M/s. SVVS Associates of ₹ 1,25,000/- per annum (Rupees One Lakh Twenty-Five Thousand only) with an annual increase in remuneration plus out of pocket expenses (if any) at actuals to conduct Secretarial Audit of the Company, the annual increase of remuneration as may be decided by Board of Directors in consultation with the Audit Committee. Besides the secretarial audit services, the Company may also obtain certifications from M/s. SVVS Associates under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation

with the Audit Committee. The above fee excludes the proposed remuneration to be paid for the purpose of secretarial audit of subsidiaries, if any.

The Board of Directors, based on the said recommendation of the Audit Committee, recommends resolution No. 6 for approval of members as set out in the Notice convening the annual general meeting.

None of the Directors/ Key Managerial Personnel/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

### Item No. 7

Mr. Vamsi Krishna Potluri was appointed as an Executive Director of the Company for a period of 5 years commencing from 01<sup>st</sup> July, 2020 which concluded on 30<sup>th</sup> June, 2025.

The Board of Directors of the Company, based on the recommendation of the Nomination & Remuneration Committee ("NRC") at its meeting held on 14 June, 2025, approved the re-appointment of Mr. Vamsi Krishna Potluri as Whole Time Director designated as an Executive Director for the period of 3 (three) years w.e.f. 01<sup>st</sup> July 2025 to 30<sup>th</sup> June, 2028 subject to the approval of the shareholders.

### Background & Profile of Mr. Vamsi Krishna Potluri

Mr. Vamsi Krishna Potluri is currently serving as the Executive Director of the Company. He holds a Bachelor's degree in Electrical and Electronics Engineering from BITS Pilani, Dubai, and a Master's in Engineering Management from the Missouri University of Science and Technology, USA.

Mr. Vamsi Krishna Potluri, has done his internship in Julphar, one of the biggest Pharma companies in Middle East. He began his career with OHM Labs (Ranbaxy, USA) in supply chain operations before joining SMS Pharmaceuticals. He initially joined in the Company as Vice President (Operations) in 2013. During his tenure as Vice President (Operations), he has made significant contributions and has successfully led the Company's marketing operations. Under his leadership, the Company witnessed a notable increase in the client base, his strategic approach and operational oversight played a key role in strengthening the market presence of the Company.

Subsequently, he was appointed as an Executive Director in 2020, as he consistently demonstrated strong management capabilities and leadership qualities in people management and resource optimization skills which have greatly benefited the organization. He embraces a hands-on management style, effectively blending contemporary business practices with time-tested principles. His vision and execution capabilities continued in positioning the Company for future growth. His initiative related to new products introduction and strategic backward integration of ibuprofen project enhanced supply chain resilience, cost savings, a substantial rise in sales turnover, long-term growth potential increased profitability and efficient gains to the Company.

Mr. Vamsi Krishna Potluri also holds the position of Managing Director of VKT Pharma Private Limited and therefore the consent of all the Directors present at the meeting was accorded in terms of third proviso to Section 203(3) of the Companies Act, 2013.

Mr. Vamsi Krishna Potluri has confirmed that he is not disqualified from being appointed as Director in terms of the provisions of Section 164(1) and (2) of the Act. Mr. Vamsi Krishna Potluri has provided his consent for such appointment and has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI order or any such authority, pursuant to circulars dated June 20, 2018 issued by the BSE Limited and the National Stock Exchange of India Limited, pertaining to the enforcement of SEBI orders regarding the appointment of Directors by the listed companies. The Other detail of Mr. Vamsi Krishna Potluri under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, are provided in the "Annexure" to the Notice.

### **Terms and Condition and Remuneration of appointment of Mr Vamsi Krishna Potluri is as under:**

#### **I. Period of Appointment**

The re-appointment is for a period of 3 (three) years with effect from 01<sup>st</sup> July, 2025 to 30<sup>th</sup> June, 2028.

#### **II. Salary:**

Salary: ₹ 15,00,000/- (Rupees Fifteen Lakhs Only) per month and the Board reserves the right to revise remuneration within applicable limits

#### **III. Allowances & Perquisites:**

- a) Housing:
  - i. Rent Free Accommodation. If no accommodation is provided by the Company, the Executive Director shall be entitled to House Rental Allowance for an amount of ₹ 1,50,000 (Rupees One Lakhs Fifty Thousand Only) p.m.
  - ii. Actual expenses pertaining to maintenance of accommodation, Gas, Electricity, Water and other utilities will be / reimbursed by the Company.
  - iii. The Company shall provide such furniture, furnishings, domestic servant and security guards at his residence as may require.
- b) Provident Fund, Gratuity: Company's contribution to the Provident Fund and payment of Gratuity shall be as per the Rules of the Company.
- c) Medical Reimbursement: Reimbursement of actual medical expenses incurred in India and abroad for self and dependent family members.

- d) Medical Insurance: Premium will be paid by the Company as per the Company's Policy.
- e) Leave Travel Allowance (LTA): LTA will be paid once in a year for maximum of one month salary, as per Rules of the Company.
- f) Leave Encashment: As per rules of the Company.
- g) Personal Accident Insurance: The premium shall not exceed ₹ 2,00,000/- per annum.
- h) Club Membership: Subscription or reimbursement of membership fees (excluding admission and life membership) for two clubs.
- i) Benefits if any, assigned under Keyman Insurance Policy.
- j) Other allowances as may be decided by the Board / nomination and remuneration committee from time to time, subject to the provisions of the Companies Act, 2013.

#### **IV. Amenities, Terms & Conditions:**

- i. Conveyance facility: The Company shall provide a Car with Driver.
- ii. Communication facilities: The Company shall provide Telephone, Cell Phone, Internet, and other communication facilities at the Executive Director's residence.
- iii. Travelling expenses actually incurred on travelling and boarding and lodging for self and spouse and also attendant, if required accompanying him during domestic and overseas business trips.
- iv. Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent that these either singly or together are not taxable under the Income Tax Act. He is also entitled for Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure. All these shall not be included in the computation of ceilings aforesaid.
- v. For the purposes of calculating the above overall ceiling, perquisites and allowances shall be as per Income Tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost or hire charges.
- vi. The terms and conditions of the said appointment may be altered and varied from time to time by the Board and Nomination and Remuneration Committee as it may, in its discretion, deem fit, within the maximum amount payable to the Executive Director in accordance with Schedule V to the Act or any amendments thereto

made hereinafter in this regard, as may be agreed by the Board and Mr. Vamsi Krishna Potluri.

**V. Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Appointee, the Company has no profits or its profits are inadequate, the Company shall pay minimum remuneration by way of salary, allowances and perquisites as specified above.

**VI. Remuneration based on profits:**

Remuneration based on profits as percentage of profits as may be decided by the Board of Directors on yearly basis.

In view of the above, the Board on the recommendation of the Nomination and Remuneration Committee, taking into consideration, the valuable contribution of Mr. Vamsi Krishna Potluri, to steer the Company in these challenging times,

have approved the payment of remuneration to Mr. Vamsi Krishna Potluri as per terms and conditions mentioned above, pursuant to the approval of members accorded by Special Resolution at the General Meeting.

However, the total remuneration payable to Mr. Vamsi Krishna Potluri would not exceed the ceiling prescribed under section 197 of the Companies Act, 2013 which prescribes the limit of 5% of net profit computed as per Section 198 of the Companies Act, 2013 for one Managing Director / Executive Director and 10% of net profit for all the Managing Directors / Executive Directors in aggregate.

Except Mr. Vamsi Krishna Potluri Executive Director, Mr. Trilok Potluri Non-Executive Director, and Mr. Ramesh Babu Potluri Chairman & Managing Director none of the other Directors/ Key Managerial Personnel/their respective relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING****[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India]**

<b>Name</b>	<b>Mr. Trilok Potluri</b>	<b>Mr. Vamsi Krishna Potluri</b>
DIN	07634613	06956498
Age	35	36
Date of first appointment/ re-appointment	12.08.2024	05.06.2020 as Director
Qualifications	B.E. Computer Science from BITS Pilani- Dubai Diploma in Arts & Design and Game Design from Vancouver Film School, Canada.	BE(EEE) from Bits Pilani – Dubai Masters in engineering management from Missouri University of science and technology, US.
Expertise in specific functional areas	Information Technology, Cyber Security, Business Management and financial planning.	Strong leadership, managerial capabilities, and effective team-building skills, Governance & Board Relations, finance and cash flow management
Skills and capabilities required for the role and the manner in which the Directors meet the requirements	He has expertise skills in Strategic planning, Monitoring & evaluating, financial planning, Business Management, Communication, Tactical Market Planning, Organizational strategy, structure and dealt with various domestic and international clients.	He had exposure to subjects like Lean manufacturing; finance and cash flow management, international marketing, strategic Decision-Making & Problem- Solving skills etc. which will keep him in a good stead going forward in managing Pharma industry.
Brief Profile	Mr. Trilok Potluri has completed his under graduation in Computer Science at BITS Pilani-Dubai and has pursued his diploma in the field of Arts & Design and Game Design from Vancouver Film School. He is a passionate game designer and a serial entrepreneur with a 9+ years of management experience encompassing the avenues of Gaming, Animation, F&B & IT services.  He has expertise skills in Strategic planning, Monitoring & evaluating, financial planning, Business Management, Communication Tactical Market Planning, Organizational strategy, structure and dealt with various domestic and international clients.  <b>Professional Experience</b> <ul style="list-style-type: none"> <li>● Zynga Games Inc. (2013-2016) – Game Designer</li> <li>● PixaLot Labs Private Limited (2016 onwards) - Founder, Director &amp; CEO</li> </ul> <p>Lucratech Solutions Private Limited (2019 onwards) - Co-Founder &amp; Director</p>	Mr. Vamsi Krishna Potluri is currently serving as the Executive Director of the Company. He holds a Bachelor's degree in Electrical and Electronics Engineering from BITS Pilani, Dubai, and a Master's in Engineering Management from the Missouri University of Science and Technology, USA.  He began his career with OHM Labs (Ranbaxy, USA) in supply chain operations before joining SMS Pharmaceuticals in 2014. In addition to his role as Executive Director, Mr. Vamsi Krishna also leads the Company's marketing division and oversees research and development operations.  Mr. Vamsi Krishna's hands-on leadership, modern management style, and strong people skills, has been instrumental in fostering innovation, enhancing operational efficiency, and driving sustained growth across the organization.
Terms and conditions of appointment / reappointment	Appointment as a Non-executive Independent Director	Appointment as Whole-Time Director designated as an Executive Director

Name	Mr. Trilok Potluri	Mr. Vamsi Krishna Potluri
Remuneration proposed to be paid	Sitting fees for attending Board Meetings and Committee meetings, if any, where he is a member.	15,00,000/- p.m. excluding perquisites and benefits
Shareholding in the Company as on 31 March 2025 (including shareholding as Beneficial Owner)	Equity Shares - 21,88,000 Convertible Warrants - 25,00,000	Equity Shares - 1,33,28,370 Convertible Warrants - 25,00,000
Relationship with other Directors/Key Managerial Personnel/Manager	Mr. Trilok Potluri is younger son of Mr. Ramesh Babu Potluri who is a Chairman and Managing Director of the Company and Mr. Trilok Potluri is brother of Mr. Vamsi Krishna Potluri who is Executive Director of the Company.	Mr. Vamsi Krishna Potluri is the eldest son of Mr. Ramesh Babu Potluri, Chairman and Managing Director of the Company and he is also brother of Mr. Trilok Potluri Non-Executive Director of the Company.
Directorship of other Boards as on 31 March 2025	Nil	Nil
Membership/Chairmanship of Committees of the other Boards as on 31 March 2025	Member in Stakeholders Relationship Committee	Member in Audit Committee
Listed Entities from which resigned in past three years	Nil	Nil
Information as required under Circular No. LIST/ COMP/14/2018-19 and NSE/ CML/2018/02	Mr. Trilok Potluri is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.	Mr. Vamsi Krishna Potluri is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

Further, they are not disqualified from being appointed as a director in terms of section 164 of the Companies Act, 2013.

Notes:

- The Directorships, Committee memberships and Chairmanships do not include unlisted Companies and Private Companies, LLPs, position as an advisory Board Member and position in Companies incorporated under Section 8 of Companies Act, 2013.
- Information pertaining to the remuneration paid to the directors who are being appointed / re-appointed and the number of Board Meetings attended by them during the year 2024-25 have been provided in the Corporate Governance Report forming part of the Annual Report.

By the order of the Board

Place: Hyderabad  
Date: 09.08.2025

**Ramesh Babu Potluri**  
Chairman and Managing Director  
(DIN:00166381)