

Nectar Lifesciences Ltd.



Ref: NLL\CS\2015-209

Dated: 07-10-2015

1. National Stock Exchange of India Limited
'G' Block, Exchange Plaza, Bandra Kurla Complex,
Bandra (East), MUMBAI - 400 051.
2. BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
MUMBAI - 400 001.

Subject: Copies of Minutes of AGM of the Company

Sirs,

Pursuant to clause 31 of the Listing Agreement, please find enclosed herewith the copy of Minutes of Annual General Meeting (AGM) of Members held on September 30, 2015.

This is for your information and record please.

Thanking you,

Yours faithfully,

For NECTAR LIFESCIENCES LIMITED


Sunder Lal
Company Secretary

Encl. as above

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MINUTES OF THE 20TH ANNUAL GENERAL MEETING OF THE MEMBERS OF NECTAR LIFESCIENCES LIMITED HELD ON WEDNESDAY, SEPTEMBER 30, 2015 AT 10.00 A.M. AT REGISTERED OFFICE AND WORKS OF THE COMPANY AT VILLAGE SAIDPURA, TEHSIL DERABASSI, DISTT. S.A.S. NAGAR (MOHALI) PUNJAB.

PRESENT:

- | | |
|------------------------------|--------------------------------------|
| 1. MR. DINESH DUA | - CHIEF EXECUTIVE OFFICER & DIRECTOR |
| 2. MR. HARPARKASH SINGH GILL | - PRESIDENT (OPERATIONS) & DIRECTOR |
| 3. MR. AJAY SWAROOP | - DIRECTOR |
| 4. MR. VIJAY J SHAH | - DIRECTOR |

MEMBERS IN PERSON (including Authorised Representative)	:	32
MEMBERS BY PROXY	:	NIL

IN ATTENDANCE:

- | | | |
|---------------------------|---|------------------------------------|
| 1. MR. SUNDER LAL | - | VICE PRESIDENT & COMPANY SECRETARY |
| 2. MR. SANDEEP GOEL | - | VICE PRESIDENT (FINANCE) |
| 3. MR. RAVI KANT AGGARWAL | - | VICE PRESIDENT (ACCOUNTS) |
| 4. MR. PRINCE CHADAH | - | PRACTICING COMPANY SECRETARY |

It was informed that as per the provisions of articles of association of the company, the present directors had elected Mr. Dinesh Dua, Chief Executive Officer & Director as a Chairman of this meeting. Then, Mr. Dinesh Dua took the chair and the proceedings were started.

Mr. Sunder Lal, Company Secretary welcomed the members to the 20th Annual General Meeting of the Company and with the permission of the Chairman, he started with the proceedings of the meeting.

Mr. Sunder Lal, Company Secretary informed the Chairman that the Quorum was complete and subsequently the business of the Meeting was taken up.

The chairman informed that due to some pre occupations Mr. Sanjiv Goyal, Chairman & Managing Director, Mrs. Neena Singh, Director, Dr. (Maj. Gen.) S. S. Chauhan, VSM (Retd.), Director, Mr. Vivek Sett, Director and Mr. Raman Kapur, Director were not able to attend the meeting.

Mr. Vijay J Shah, Chairman of Audit Committee and Nomination & Compensation Committee, was present at the meeting. Mr. Ajay Swaroop, Chairman of Stakeholders Relationship was also present.

The register of proxies placed before the meeting. Thereafter, register of directors shareholdings, register of directors and KMPs, Secretarial Audit Report and Statutory Auditors Report together were annexure thereto were also placed before the meeting and it was informed to the members that the registers and auditor's reports were available for inspection.

It was also informed to members that Mrs. Neena Singh (DIN 00233352), who was appointed as an additional director on February 13, 2015, had vacated the office of director of the company as on September 30, 2015, being the date of this Annual General Meeting held after her appointment, pursuant to Section 161 of the Companies Act, 2013. Since, neither she nor any other member of the company proposed her candidature for appointment of director at this Annual General Meeting, therefore, she ceased to be director of the company. Even after her cessation, the company had requisite number of Independent Directors as per the provisions of clause 49 of the Listing Agreement and Section 149 of the Companies Act, 2013. The company would appoint a woman director within the time prescribed as per the provisions of extant law.

Copies of the Balance Sheet as at March 31, 2015 and the Profit and Loss Account for the period ended on that date along with the Directors' Report thereupon having already been sent to the members along with the notice of the meeting were taken as read.

The Chairman informed the Members that during the year 2014-15:

Overall, Active Pharmaceutical Ingredients (APIs) witnessed a tremendous increase in business. However, compared with steep pharmaceuticals growth curve, Phytochemicals (Menthol) performance during FY 2014-15 witnessed a roller coaster ride which was consciously attributed to a strategic shift in business option. This de-growth in menthol was primarily owing to the following reasons:

- Company's decision to cater to high value Pharmaceutical products
- High Market fluctuations led to lower natural menthol demands.

Despite the, above, the Gross revenues increased to Rs. 17463.86 Million, a growth of around 1.51% against Rs. 17203.55 Million in the previous year. Profit before depreciation and taxation was Rs. 2869.06 Million against Rs. 3003.96 Million in the previous year. The Profit before Tax increased to Rs. 847.54 Million, a growth of around 8.35% against Rs. 782.23 Million in the previous year, due to effective cost management. The Profit after Tax increased to Rs. 662.64 Million, a growth of around 6.74% against Rs. 620.80 Million in the previous year.

Chairman asked Mr. Sunder Lal, Company Secretary to read out the Auditors' Report and annexure thereto on Financial Statements of the Company. Then, Mr. Sunder Lal, Company Secretary read the Auditors' Report and annexure thereto. There was not any qualification or adverse remark in Auditors' Report.

It was also informed that Secretarial Audit Report, as circulated to members, alongwith Directors' Report, and placed before the meeting, did not contain any qualification or adverse remark and be taken as read.

The Chairman then apprised the shareholders that in view of the majority of the provisions of the Companies Act, 2013 coming into effect from April 1, 2014, the procedure of conducting of Annual General Meeting had also undergone a change.

The Company had made requisite arrangements for e-voting in accordance with Section 108 of the Companies Act, 2013 and Rules prescribed thereunder read with Clause 35B of the Listing Agreement. The e-voting concluded as per the time line mentioned in the Notice of the Annual General Meeting. The Chairman also informed the Shareholders that Mr. Prince Chadha, Practicing Company Secretary of P. Chadha & Associates was appointed as the Scrutinizer for e-voting as well as Poll process.

The Chairman also stated that in line with the provisions of the Companies Act and in terms of the clarification dated June 17, 2014 issued by Ministry of Corporate Affairs, Voting by 'Show of Hand' is not permitted at a General Meeting where e- voting has been offered to the shareholders. Therefore, it became mandatory to conduct the Poll at the meeting in respect of the items on the agenda to be transacted at the Annual General Meeting.

The Chairman further mentioned that the Ballot Papers were being provided to the members and then requested them to cast their votes and deposit them in the Ballot Boxes being kept at the venue, after properly filling and signing the Ballot Paper. The volunteers then opened the Ballot Boxes to show to the members that the same was empty.

Thereafter the Chairman gave his approval to start the process for conduct of Poll and informed the Meeting that there were a total of 7 resolutions to be passed in the Annual General Meeting.

The Chairman requested the Members present, who had not voted through e-voting, to cast their Votes on the Resolutions in the Ballot papers provided to them. The members had casted their votes and inserted the polling papers in ballot box. After the process was complete, Mr. Prince Chadha, the scrutinizer, had taken the custody of ballot box.

The Chairman informed the shareholders that the results of the poll aggregated with the results of e-voting would be placed on the website of the Company and also on the website of Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and on the website of Karvy Computershare Private Limited, the agency appointed for e-voting process by date October 3, 2014.

The chairman invited the questions from members.

Query: Mr. Om Parkash Saini raised that the market price of the shares of the company was quiet low and company was declaring small amount of dividends viz a viz profits of the company.

Answer: As far as the price of share of the company was concerned, the company had no control over it, as it was determined by the market forces such as demand and supply. The company had a progressive policy on dividends and the Board took into consideration the following factors while recommending the dividend:

- a) The performance of the company for a particular year,
- b) Funds requirements for future growth, and
- c) Sustainability of dividend.

Query: Mr. M. A. Murgesh asked about the high debt of the company and its planning to reduce it.

Answer: The Company had of art manufacturing facilities which had global regulatory accreditations like USFDA, EUGMP INFARMED, KFDA, PMDA, MCC, ANVISA Brazil and others. To put the manufacturing facilities like this, there was need of lot of investment which had come in the shape of debt and internal accruals of the company. The company's debt structure is in line with industry standard. With the Government policy of reducing of interest rates, the company was also hopeful that its debt cost would also get reduced in due course of time.

Thereafter, there being no other question, Chairman declared the Meeting as concluded at 12.15 P.M. with a vote of thanks to all the Members present.

Results of Remote e-voting and polling at AGM

On the basis of the Scrutinizers' consolidated Report for the Remote Electronic Voting (e-voting) and Physical Ballot held at the Annual General Meeting held on September 30, 2014, the Chairman announced the results of the Voting on October 1, 2015 that all the 7 resolution for the Ordinary and Special Businesses specified in the Notice dated August 14, 2015 had been passed with requisite majority as follows:

Item No. of Notice	Subject matter of Resolution	Mode of Business	Votes cased in favour of resolution		Votes casted against the resolution		Invalid Votes (including abstained)
			Nos.	%age	Nos.	%age	
1	Adoption of Standalone Financial Statements of the Company for the year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2015 and the Report of Auditors thereon (Ordinary Resolution)	E-voting	99279108	99.9918	100	0.0001	1300
		Poll	8039	0.0081	0	-	20
		Total	99287147	99.9999	100	0.0001	1320
2	Declaration of Final Dividend @10% i.e. Re. 0.10/- per equity share for the financial year ended on March 31, 2015 (Ordinary Resolution)	E-voting	99278608	99.9915	400	0.0004	1000
		Poll	8049	0.0081	0	-	10
		Total	99286657	99.9996	400	0.0004	1010


Chairman's Initial

Minutes Book

3	Re-appointment of Mr. Sanjiv Goyal, as Director retiring by rotation (Ordinary Resolution)	E-voting	99145279	99.8572	133729	0.1347	1000
		Poll	8048	0.0081	0	-	11
		Total	99153327	99.8653	133729	0.1347	1011
4	Re-appointment of the Statutory Auditors of the Company and fix their remuneration (Ordinary Resolution)	E-voting	99279108	99.9915	400	0.0004	1000
		Poll	8048	0.0081	0	-	11
		Total	99287156	99.9996	400	0.0004	1011
5	Ratification of remuneration of Cost Auditors under Section 148 of the Companies Act, 2013 (Ordinary Resolution)	E-voting	99279908	99.9918	100	0.0001	1000
		Poll	8049	0.0081	0	-	10
		Total	99287957	99.9999	100	0.0001	1010
6	Revision in the remuneration of Mr. Dinesh Dua, Chief Executive Officer & Director (Special Resolution)	E-voting	99279558	99.9914	450	0.0005	1000
		Poll	8048	0.0081	1	0.0000	10
		Total	99287606	99.9995	451	0.0005	1010
7	Revision in the remuneration of Mr. Harparkash Singh Gill, President (Operations) & Director (Special Resolution)	E-voting	99279558	99.9914	450	0.0005	1000
		Poll	8048	0.0081	1	0.0000	10
		Total	99287606	99.9995	451	0.0005	1010

The Resolutions for the Ordinary and Special Business as set out from item no. 1 to 7 in the Notice of the 20th Annual General Meeting, duly approved by the Members with requisite majority, are recorded hereunder as part of the proceedings of the 20th Annual General Meeting of the Company held on September 30, 2015:

Resolution no.	Resolution Details
1.	<p>Adoption of Standalone Financial Statements of the Company for the year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2015 and the Report of Auditors thereon (Ordinary Resolution)</p> <p>"RESOLVED THAT Standalone Financial Statements of the Company for the year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2015 and the Report of Auditors thereon, circulated to members and laid down before this meeting be and are hereby received, considered and adopted."</p>
2.	<p>Declaration of Final Dividend @ 10% i.e. Re. 0.10/- per equity share for the financial year ended on March 31, 2015 (Ordinary Resolution)</p> <p>"RESOLVED THAT pursuant to the recommendation made by the Board of Directors, a Final Dividend @ Re. 0.10 per share (i.e. 10% on the fully paid-up Equity Share of Re. 1/- each) of the Company amounting to Rs.22,426,097/- be declared out of the profits of the company for the financial year 2014-15 and be paid to the members whose names appeared in the Register of Members during the book closure dates i.e. September 24, 2015 to September 30, 2015 (both days inclusive).</p> <p>FURTHER RESOLVED THAT dividend be paid latest by October 28, 2015 to all the members who are entitled to receive the said dividend."</p>

3.	<p>Re-appointment of Mr. Sanjiv Goyal, as Director retiring by rotation (Ordinary Resolution)</p> <p>"RESOLVED THAT Mr. Sanjiv Goyal (DIN – 00002841) who retires from the board at the ensuing Annual General Meeting in accordance with the provisions of the Articles of Association, being eligible and had offered himself for being re-appointed, be and is hereby re-appointed as a director of the company whose period in office will be liable to end by rotation."</p>
4.	<p>Re-appointment of the Statutory Auditors of the Company and fix their remuneration (Ordinary Resolution)</p> <p>"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Datta Singla & Company, Chartered Accountants (ICAI Registration No. 006185N), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company, at such remuneration plus service tax and other expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."</p>
5.	<p>Ratification of remuneration of Cost Auditors under Section 148 of the Companies Act, 2013 (Ordinary Resolution)</p> <p>"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration of Rs. 2,00,000/- (Rupees Two lacs only) as decided by the Board of Directors, based on the recommendation of Audit committee, payable to V. KUMAR & ASSOCIATES (Firm registration no. 100137), Cost Accountants for conduct the audit of the cost records of the Company for the financial year ending March 31, 2016.</p> <p>RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."</p>
6.	<p>Revision in the remuneration of Mr. Dinesh Dua, Chief Executive Officer & Director (Special Resolution)</p> <p>"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to the requisite approval of the Central Government, if necessary, the consent of the members be and is hereby accorded to the revision of remuneration of Mr. Dinesh Dua, Wholtime Director designated as Chief Executive Officer & Director of the company from April 1, 2015 till the end of his tenure on the terms and conditions including remuneration as are set out hereinbelow:</p> <ol style="list-style-type: none"> Salary: Rs. 1,222,637.00 (Rupees Twelve Lacs Twenty Two Thousand Six Hundred and Thirty Seven only) per month and inclusive of perquisites of medical reimbursement and leave travel. He is also entitling to bonus equivalent to his one month salary in a financial year, proportionately to his tenure in a year. Other Perquisites: He shall be entitled to personal accident insurance, club fees, company maintained car, telephone and such other perquisites in accordance with the company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules, 1962, being restricted to Rs. 1.00 lacs per

	<p>annum.</p> <p>FURTHER RESOLVED THAT Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not to exceed the limits specified in Schedule V to the Companies Act, 2013."</p>
7.	<p>Revision in the remuneration of Mr. Harparkash Singh Gill, President (Operations) & Director (Special Resolution)</p> <p>"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to the requisite approval of the Central Government, if necessary, the consent of the members be and is hereby accorded to the revision of remuneration of Mr. Harparkash Singh Gill, Wholetime Director designated as President (Operations) & Director of the company from April 1, 2015 till the end of his tenure on the terms and conditions including remuneration as are set out hereinbelow:</p> <ol style="list-style-type: none"> 1) Salary and Allowances: Rs. 189141.00 (Rupees One Lac Eighty Nine Thousand One Hundred and Forty One only) per month or such other increment as may be decided by the Board of Directors from time to time. 2) Perquisites: He shall be entitled to medical reimbursement, Leave Travel and such other perquisites in accordance with the company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules, 1962, being restricted to Rs. 0.63 lacs per annum. 3) He is also entitling to bonus not exceeding Rs. 261500.00 in a financial year. <p>FURTHER RESOLVED THAT Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not to exceed the limits specified in Schedule V to the Companies Act, 2013."</p>


(DINESH DUA)
CHAIRMAN

Date: October 7, 2015
Place: Chandigarh


Chairman's Initial