

## NOTICE

(Note: The business of this Meeting may be transacted through electronic voting system)

### Nectar Lifesciences Limited

(Corporate Identification Number: L24232PB1995PLC016664)

Registered Office: Village Saidpura, Tehsil Derabassi, Distt. S.A.S. Nagar (Mohali) Punjab - 140507

Email: [cs@neclife.com](mailto:cs@neclife.com), Website: [www.neclife.com](http://www.neclife.com)

Phone: +91-01762-532001 Fax: +91-01762- 531833

**NOTICE** is hereby given that the 27<sup>th</sup> Annual General Meeting ("AGM") of Nectar Lifesciences Limited ("Company") will be held at the registered office and works of the company at Village Saidpura, Tehsil Derabassi, Distt. S.A.S. Nagar (Mohali) Punjab - 140507 on Wednesday, September 21, 2022 at 11.00 A.M. to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2022 and the Report of Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary** Resolution:

**"RESOLVED THAT** Standalone Financial Statements of the Company for the year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2022 and the Report of Auditors thereon, circulated to members be and are hereby received, considered and adopted."

2. To appoint a director in place of Mr. Sanjiv Goyal (DIN – 00002841), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary** Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), 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, and being eligible offers 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."

3. To appoint M/s Deepak Jindal & Co, Chartered Accountants as Statutory Auditors from the conclusion of this AGM until the conclusion of 32<sup>nd</sup> AGM and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary** Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof for the time being in force), and on recommendations of the Audit Committee and Board of Directors, M/s Deepak Jindal & Co, Chartered Accountants (Firm Registration No.023023N), who have confirmed their eligibility for appointment as Statutory Auditors in terms of Section 141 of the Act and Rules, be and are hereby appointed as Statutory Auditors of the Company, and to hold office for a period of five years from the conclusion of the ensuing 27<sup>th</sup> Annual General Meeting ("AGM") till the conclusion of the 32<sup>nd</sup> AGM of the Company, at such remuneration and out of pocket expenses, as may be decided by the board of directors of the company.

**FURTHER RESOLVED THAT** the board of directors of the company be and is hereby authorized to decide and/or alter the terms and conditions of the appointment including the remuneration for subsequent financial years as it may deem fit and/or to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### SPECIAL BUSINESS:

4. To ratify the remuneration of Cost Auditors under section 148 of the Companies Act, 2013 and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary** Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to V. KUMAR & ASSOCIATES (Firm registration no. 100137), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, amounting to INR 2,00,000/- (Rupees Two Lacs only) as also the payment of tax(es) as applicable and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.

**FURTHER RESOLVED 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."

5. To approve the Contribution/ Donation to Bonafide Charitable Funds and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary** Resolution:

**"RESOLVED THAT** pursuant to Section 181 of the Companies Act, 2013 and the rules made there-under ("Act") (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board of Directors of the Company be and is hereby authorized to subscribe or contribute or donate or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, sports, exhibition, national, public or any other institutions, objects or purposes or other funds not directly relating to the business of the Company or the welfare of its employees, from time to time in any financial year to the extent of Rupees One Crore only, notwithstanding that such contributions of the Company, in any financial year, may exceed 5% of the average net profits of the Company for the three immediately preceding financial years."

**FURTHER RESOLVED 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."

6. To approve the Special Incentive/ Bonus to Chairman & Managing Director and in this regard, to consider and if thought fit, to pass the following resolution as a **Special** Resolution:

**"RESOLVED THAT** in continuation of resolution passed by the Board of Directors in their meetings held on October 30, 2020 and/or July 23, 2021 and pursuant to the authority granted by the members in their Extraordinary General Meeting held on February 01, 2021 ("EGM 2021") and/or in their Annual General Meeting held on September 21, 2021 ("AGM 2021") and pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013, the rules made there-under ("Act") and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the provisions of Memorandum and Articles of Association and Nomination, Remuneration and Evaluation Policy of the Company and recommendation of Board of Directors, the consent of the Members be and is hereby accorded for payment of Special Incentive/ Bonus of INR 16,50,000/- (Rupees Sixteen Lacs and Fifty Thousand only) to Mr. Sanjiv Goyal, Chairman & Managing Director ("CMD") of the Company, an amount equivalent to his one month's salary of March 2022.

**FURTHER RESOLVED THAT** other terms of his remuneration will remain the same as set out in resolution passed by the members in their EGM 2021 and/or in their AGM 2021.

**FURTHER RESOLVED THAT** in the event of no profits or the profits of the Company are inadequate, in any financial year, the Company may pay aforesaid remuneration to him exceeding the limits specified in the Schedule V of the Act, in compliance of Schedule V of the Act including any statutory modifications or re-enactment thereof."

7. To approve the appointment of Dr. Indu Pal Kaur as an Independent Director of the Company to hold office for a first term of five years and shall not be liable to retire by rotation and in this regard, to consider and if thought fit, to pass the following resolution as a **Special** Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, read with Schedule IV to the Companies Act, 2013 ("Act") and any other applicable provisions of the Act and the Rules made thereunder and Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), including any statutory amendment(s) or re-enactment(s) thereof and pursuant to the provisions of Memorandum and Articles of Association and Nomination, Remuneration and Evaluation Policy of the Company, Dr. Indu Pal Kaur having Director Identification Number (DIN) 09686862, who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161(1) of the Act and the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and who has submitted a consent to act as a director and declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and LODR Regulations and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a first term of five years from August 02, 2022, and she shall not be liable to retire by rotation.

**FURTHER RESOLVED THAT** Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

By order of the Board of Directors  
of **Nectar Lifesciences Limited**

Date: 22-08-2022  
Place: Chandigarh

(Anubha)  
**Company Secretary**

## IMPORTANT NOTES:

**1. MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten per cent of the total share capital of the Company. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the AGM. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), which sets out details relating to Special Business at the AGM, is annexed hereto. Disclosures under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and under Secretarial Standard -2 issued by Institute of Company Secretaries of India ("ICSI") are also contained in Explanatory Statement pursuant to Section 102 of the Act. The Directors have furnished the requisite declarations for their appointment/re-appointment.
3. The register of members and the share transfer books of the company will remain closed from September 15, 2022 to September 21, 2022 (both days inclusive) in accordance with the provisions of the Act and the LODR Regulations, for the purpose of AGM.
4. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
  - a. For shares held in electronic form: to their Depository Participants (DPs)
  - b. For shares held in physical form: to the Company/ Registrar and Share Transfer Agent ("RTA") of the Company KFin Technologies Limited ("KFIN") in prescribed Form ISR-1 and other forms pursuant to SEBI Circular dated November 3, 2021 which are available on the RTA website: [https://ris.kfintech.com/clientservices/isc/default.aspx#isc\\_download\\_hrd](https://ris.kfintech.com/clientservices/isc/default.aspx#isc_download_hrd) or the Company website: <https://www.necellife.com/investor-relations>.

[necellife.com/investor-relations](https://www.necellife.com/investor-relations). The Company has sent letters through speed post for furnishing the required details. Members may also refer to RTA's website or the Company's website for more information.

5. Members who are holding shares in physical form are hereby informed that SEBI has amended regulation 40 of LODR Regulations vide Notification dated June 8, 2018 and January 24, 2022 and in terms of said notifications, the requests for effecting transfer and/or transmission and/or transposition of securities shall not be processed unless the securities are held in the dematerialized form with a depository.
6. Members may please note that SEBI vide its Circular dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. 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 and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the RTA's and Company's websites. It may be noted that any service request can be processed only after the folio is KYC Compliant.
7. Electronic copy of the Annual Report for 2021-22 is being sent to all the members whose email IDs are registered with the Company/DPs for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for 2021-22 are being sent in the permitted mode.
8. Members may also note that the Notice of the 27<sup>th</sup> AGM and the Annual Report for 2021-22 will also be available on the Company's website [www.necellife.com](http://www.necellife.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the AGM. Corporate members intending to send their authorised representatives to attend and vote at the AGM pursuant to Section 113 of the Act are requested to send, a certified true copy of the board resolution authorising their representative to attend and vote on their behalf at the AGM.
10. Members desirous of having any information as regards accounts are requested to write to the company at least Seven days in advance so as to enable the Management to keep the information ready.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office and Corporate Office of the Company during

normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays and Sundays, up to and including the date of the AGM of the Company. The details of above offices are given in this Annual Report.

12. Pursuant to the provisions of Section 124 and 125 of the Act, the details of unpaid/ unclaimed dividends lying with the Company as on the last AGM of the Company is available on the website of the Company.
13. Members are informed that the dividend amount for the year ended 2014-15 remaining unclaimed shall become due for transfer on October 31, 2022 to the Investor Education and Protection Fund ("IEPF") established by the Central Government in terms of the Act. Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of 7 years from the dates they became first due for payment.

The Company has already sent reminders to those members having shares in respect of which dividend remains unpaid or unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account, are required to be transferred to the designated Beneficiary ("Demat") Account of the IEPF maintained with National Securities Depository Limited ("NSDL"). Details of such shareholders are also uploaded as per the requirements, on the Company's website [www.neclife.com](http://www.neclife.com).

Members, who have not encashed their dividend, are advised to write to the Company or KFIN immediately claiming dividends declared by the Company. Any member, who has not claimed dividend in respect of the financial year ended 2014-15 onwards, is requested to approach the Company/ KFIN in this respect.

The Company has already transferred all shares (in respect of which dividend has not been paid or claimed for seven consecutive years or more in respect Dividend upto 2013-14) to designated Demat Account of the IEPF maintained with NSDL. Members who have so far not claimed or collected their dividends for the said period may claim their dividend and shares from the IEPF Authority, by submitting an application in the prescribed form.

14. Pursuant to Section 108 of Act read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members' facility to exercise their right to vote at the 27<sup>th</sup> AGM by electronic means (remote e-voting) and the business may be transacted through remote e-voting services provided by KFIN. The Members, whose names appear in the Register of Members / list of Beneficial Owners on the close of the day on Wednesday, September 14, 2022 (cut-off date), i.e. the date prior to the commencement of book closure,

are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Members for e-voting and for physical voting at the AGM shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on cut-off date.

The remote e-voting facility will be available at the link <https://evoting.kfintech.com/> during the following voting period:

Commencement of remote e-voting: FROM 9.00 a.m. on Sunday, September 18, 2022

End of remote e-voting: TO 5.00 p.m. on Tuesday, September 20, 2022.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFIN upon expiry of aforesaid period.

In terms of provisions of Section 107 of the Act, since the Company is providing the facility of remote e-voting to the shareholders, there shall be no voting by show of hands at the AGM. The facility for ballot / polling paper shall be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot / polling paper. The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the AGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting through physical ballot will not be considered. The members who have cast their vote by remote e-voting may also attend the AGM.

The login ID and password for e-voting along with process and manner for generating or receiving the password and for casting of vote in a secure manner (remote e-voting instructions), is being sent along with this notice through permitted mode. Any person, who becomes member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date, may obtain the User Id and password in the manner as mentioned remote e-voting instructions. The persons, who have received this notice and e-voting details, ceased to be a member as on the cut-off date should treat this and e-voting details Notice for information purposes only. The remote e-voting instructions are also available on the website of the company at [www.neclife.com](http://www.neclife.com).

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in dematerialised mode are allowed to vote through their Demat account maintained with Depositories and DPs. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in dematerialised mode Central Depository Services (India) Limited ("CDSL")/ NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Dematerialised mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>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 URL for users to login to Easi /Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>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 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 i.e. CDSL/ NSDL/KFIN/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Beneficiary (Demat) Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Beneficiary (Demat) Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Individual Shareholders holding securities in Dematerialised mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>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> <li>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></li> <li>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 Beneficiary (Demat) account number hold 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</li> </ol>
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Individual Shareholders (holding securities in Dematerialised mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your Beneficiary (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 & voting during the meeting.
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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 dematerialised mode for any technical issues related to login through Depository i.e. CDSL and NSDL:

Login type	Helpdesk details
Individual Shareholders holding securities in Dematerialised mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Dematerialised mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

The Company has appointed Mr. Prince Chadha, Practising Company Secretary (C.P. No. 12409), as Scrutinizer to scrutinize the physical voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose. He has also confirmed that in case of any emergency and he could not attend AGM, he shall be represented by Advocate Vikas Garg, who shall act as Scrutinizer for e-voting and polling on resolutions to be passed at the forthcoming AGM of the Company.

After the conclusion of voting at the AGM, the scrutiniser shall, immediately first count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses (who shall not be in the employment of the company). Thereafter, Scrutinizer shall give a consolidated report, specifying the total votes cast in favour or against, if any, within forty eight hours of conclusion of the AGM, to the Chairperson or a person authorised by him in writing who shall countersign the same. The

Chairperson or a person authorised by him in writing shall declare the result of the voting forthwith. The results declared shall be available on the website of the Company ([www.neclife.com](http://www.neclife.com)) and on the website of the KFIN (<https://evoting.kfintech.com/>). The results shall simultaneously be communicated to the Stock Exchanges. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("Act") AND INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LODR Regulations") AND SECRETARIAL STANDARD – 2 ("SS-2"), ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA.**

**Item No. 2 and Item No. 6**

The Statement for Item No. 2 is provided, though strictly not required, as per Section 102 of the Act.

Mr. Sanjiv Goyal (DIN – 00002841), Director will retire by rotation in the forthcoming AGM and being eligible, offer himself for reappointment. The Board recommends his reappointment as proposed in Item No. 2. His term of office shall be liable to retire by rotation. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Additionally, members may please note that Company has recently completed 25 successful years in business. On this occasion, the company has decided and recommended to pay a Special Incentive/ Bonus to all its confirmed employees as appreciations of their services and association with the company, which would be equivalent to the one month's salary of the respective employees.

The Board of Directors of the Company on recommendation of Nomination & Remuneration Committee ("NRC") in their meetings held on May 30, 2022, have approved to to pay Special Incentive/ Bonus to the Chairman & Managing Director ("CMD") an amount equivalent to his one month's salary of March 2022.

The criteria laid out for payment of Special Incentive/ Bonus is same for all the employees, this payment (transaction) to CMD is justified.

Other terms of CMD's remuneration will remain the same as approved in resolution passed by the members in their EGM 2021 and/or AGM 2021 (available on the website of the company at [www.neclife.com](http://www.neclife.com) or can be inspected in the manner as provided in Notes of AGM) and the relevant extracts of resolution passed in EGM 2021 are reproduced hereunder for the ready reference of the members:

- Salary:** INR 1600,000/- (Rupees Sixteen Lacs only) per month plus an annual increment of INR 50,000/- w.e.f. April 1 of every year or such other increment as may be decided by the Board of Directors from time to time.

- b) **Perquisites:** He shall be entitled to medical reimbursement, club fees, personal accident insurance, 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 INR 10.00 Lacs per annum.

Therefore, it is proposed to pay Special Incentive/ Bonus to CMD and seek the approval of members by way of special resolutions as required under Schedule V of the Act. In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Act, the Board recommends the Special Resolution of Item No. 6 of the accompanying Notice for the approval of the Members.

Statements of Particulars pursuant to Schedule-V of the Act, LODR Regulations and SS-2 are given as annexure 'A' to this explanatory statement and shall be deemed to be part of this explanatory statement.

Except Mr. Sanjiv Goyal, none of the Directors and/or Key Managerial Personnel (KMPs) of the Company and/or their relatives is concerned or interested, financial or otherwise, in the Item No. 2 and Item No. 6. He does not have any relation with any other directors or KMPs.

#### **Item No. 3**

The Statement for this item is provided, though strictly not required, as per Section 102 of the Act.

The term of M/s Ashwani K. Gupta & Associates, Chartered Accountants, Statutory Auditors of the Company, will end at the conclusion of the 27<sup>th</sup> AGM of the Company. In terms of Section 139 of the Act, the Board of Directors on recommendations of Audit Committee proposed the appointment of M/s Deepak Jindal & Co, Chartered Accountants (Firm Registration No. 023023N) as the Statutory Auditors of the Company, for a period of five years commencing from the conclusion of the 27<sup>th</sup> AGM till the conclusion of the 32<sup>nd</sup> AGM to be held in the year 2027.

M/s. Deepak Jindal & Co. has been in existence for the last 26 years and has adequate Professional Competence and infrastructure. They have 4 qualified and experienced Chartered Accountants as partners, 30 Semi Qualified staff and 5 audit and other support staff. The partners of the firm have vast experience in Statutory Audit of various Public Limited Listed and Unlisted Companies, Private Limited Companies, Partnership Firms and Proprietorships. Some of the main activities of the firm are Statutory Audit and Tax Audit of Companies in different sectors including Pharmaceuticals, Statutory Audits of Scheduled Bank Branches, Internal Audit, Stock Audit of Borrower Companies on behalf of the Banks.

M/s Deepak Jindal & Co have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act. The Firm has obtained Peer Review Certificate from the Institute of Chartered Accountants of India. The Proposed fees payable to the statutory auditor(s) is INR 21 Lacs. There are not any material changes in the fee payable to auditor from that paid to previous auditors. The other terms of their appointment are as per SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

The auditors are independent of the management. Based on their profile, experience, independence, capabilities and being peer reviewed firm, the Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the resolution.

#### **Item No. 4**

The Board, on the recommendation of the Audit Committee, has approved the re-appointment of V. KUMAR & ASSOCIATES (Firm registration no. 100137), Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023 on the remuneration of INR 2 Lacs. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023. The Board recommends the Ordinary Resolution set out at Item no. 4 of the Notice for the approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the resolution.

#### **Item No. 5**

The members may please note that there was a drastic change in the laws governing CSR expenditures in recent past including that all trusts/ societies etc. which are incurring CSR expenditure have to register under sections 12A and 80G of Income Tax Act, 1961 and to obtain CSR registration from Ministry of Corporate Affairs. Some of the trusts/ societies, which are incurring CSR expenditure on behalf of the Company, were not able to get the requisite registrations.

However, the Company is proposing to donate some amounts to that trusts/ societies etc. so that they could continue their welfare activities without any interruption in the interest of the society.

Pursuant to Section 181 of the Act, prior permission of the shareholders is required in the event that the Company contribute/ donate to any bona fide charitable and other funds in case any such amount, the aggregate of which, in any financial year exceed five per cent of its average net profits for the three immediately preceding financial years.

Accordingly, it is proposed to obtain the members' approval to contribute/ donate to bona fide charitable and other funds not exceeding Rupees One Crore in any financial year notwithstanding such contribution, in any financial year, exceeds five per cent of the Company's average net profits for the three immediately preceding financial years.

The Board recommends the Ordinary Resolution set out at Item no. 5 of the Notice for the approval of the Members.

None of the Directors and/or Key Managerial Personnel and/or their relatives is interested or concerned, financially or otherwise, in the resolution.

#### **Annexure 'A' as referred in Item Nos. 2 and 6**

The Members may please note the company is in recovery mode from the impact Covid-19 pandemic and may have inadequate profits during the financial year 2021-22 and onwards for payment of managerial remuneration. Therefore, it is proposed that in the event of no profit or the profits of the company are inadequate, during the currency of tenure of Chairman & Managing Director ("CMD"), the company may pay remuneration to him exceeding the limit under the Schedule V of the Act in compliance of Schedule V of the Act including any statutory modifications or re-enactment thereof. Therefore, it is proposed to pay Special Incentive/ Bonus to CMD as proposed in the Item No. 6 and seek the approval of members by way of special resolutions pursuant to the provisions of Sections 197, Schedule V as applicable and other applicable provisions, if any, of the Act.

#### **Statement of particulars pursuant to Schedule-V of the Act, LODR Regulations and SS-2**

The Particulars of the information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Act, LODR Regulations and SS-2 are as under:

##### **1. General information:**

- a) **Nature of Industry:** Drugs and Pharmaceuticals

- b) **Date or expected date of commencement of Commercial Production:** Not applicable as Company is an existing company and have facilities where commercial production is already started.

- c) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable and as provided in clause (b) above.

- d) **Financial performance based on given indicators:**

INR in Millions

Particulars	Year ended on 31-Mar-22	Year ended on 31-Mar-21	Year ended on 31-Mar-20
Gross Sales (Including GST)	19249.22	17622.69	26392.81
Other Income	113.18	37.94	43.62
Profit before Interest, Depreciation & Amortization and Tax	1701.31	1129.49	2223.32
Interest	788.10	1120.32	1258.23
Depreciation & Amortization	569.68	602.53	607.66
Profit (Loss) before exceptional items & tax	343.53	(593.36)	357.43
Exceptional Items (Net of Tax)	-	253.15	-
Profit before tax	343.53	(846.51)	357.43
Tax expenses	90.34	(115.04)	56.82
Profit after tax	253.20	(731.47)	300.61
Other Comprehensive income (Net of Taxes)	8.13	3.94	12.62
Profit after tax available for Appropriations	261.32	(727.53)	313.22

- e) **Foreign investments or collaborations, if any:**

#### **Global Depository Receipts (GDRs)**

GDRs: The Company has issued and allotted 46,000,000 equity shares underlying 46,000,000 Global Depository Receipts (GDRs) aggregating to US\$ 34.96 Million. The GDRs are listed on: Luxembourg Stock Exchange/ LuxSE Société de la Bourse de Luxembourg S.A. B. P. 165, L-2011 Luxembourg Siège social, 11, av de la Porte-Neuve.

#### **Foreign Direct Investment**

The Company issued 26,000,000 equity shares aggregating to INR 910.00 million by way of Preferential Allotment to NSR Direct PE Mauritius LLC (name changed to Isengard Direct PE, LLC) (a non-promoter entity).



## 2) Information about the appointees:

Particular	Item no. 6 - CMD
a) Background Details:	Mr. Sanjiv Goyal, aged 62 years, is commerce and law graduate. Mr. Sanjiv Goyal established Nectar Lifesciences Limited in 1995 and had been the CMD ever since its incorporation i.e. June 27, 1995.
b) Past Remuneration:	The Details of Remuneration he was drawing is provided in the Item No. 6.
c) Recognition or awards:	He was conferred with prestigious global award of "Entrepreneur of the Year" for financial year 2013-14, instituted by Asia Pacific Entrepreneurship Awards (APEA), a global NGO from Malaysia.
d) Job profile and his suitability and Nature of expertise and specific functional area:	Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Pharmaceutical Industry. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business of all the industrial units of Company, along with a team of senior management personnel, who assist him in carrying out his activities. He has expertise in Overall Business Management and Corporate Management.
e) Remuneration Proposed:	Special Incentive/ Bonus to CMD as proposed in the Item No. 6
f) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):	The remuneration has been considered by the NRC and the Board of Directors of the Company and is in line with his expertise in Overall Business Management and Corporate Management, and the remuneration being drawn by similar positions in the industry.
g) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:	<p>Apart from receiving managerial remuneration, Mr. Sanjiv Goyal holds 55845600 Equity Share in the Company representing 24.90% of total paid up share capital of the company. He also holds 43622400 equity share as an ultimate beneficial owner as a Karta of Sanjiv (HUF) representing 24.90% of total paid up share capital of the company.</p> <p>Payment of rent in ordinary course of business and at arm's length basis of INR 700,000/- per month of premises of plot no. 110, Industrial Area, Phase 1, Chandigarh approximately 10000 square feet, to Mrs. Raman Goyal, wife of Mr. Sanjiv Goyal via rent agreement.</p> <p>Apart from above he does not have any Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel.</p>
h) Directorships in other Companies	<p>His Directorships are as under:</p> <p>a) Nectar Organics Private Limited</p> <p>b) Nectar Lifesciences USA, LLC</p> <p>He is not holding directorship in any other listed entity</p> <p>Further, he has not resigned from any of the listed entity in past 3 years.</p>
i) Board Meetings	During the financial year 2021-22, 6 (Six) meetings of the Board of Directors had been held and Six meetings were attended by CMD
j) Committee memberships/ Chairmanships	<p>Mr. Sanjiv Goyal is the Chairman of CSR Committee and Management Committee and a Member of Stakeholders' Relationship Committee of the Company.</p> <p>He does not hold Committee memberships/ Chairmanships in any other company.</p>

The details of number of committee meetings attended by CMD, details of remuneration drawn and Shareholding in the Company have also been provided in the Corporate Governance Report, forming part of the Annual Report.

## 3) Other Information:

- a) Reasons of loss or inadequate profits:** Due to Covid-19 pandemic, revenue for the year ended March 31, 2021 had been impacted resulting in losses during the financial year 2020-21. Though, the Company has gained profits in financial year 2021-22, it cannot be guaranteed that the company will not incur losses in coming financial years. Thus, it cannot be guaranteed that the company will have sufficient profits as per section 197 to pay proposed remuneration to CMD. Therefore, the Board of Directors are in view to obtain approval of shareholders as per the provisions of Schedule V of the Act.
- b) Steps taken or proposed to be taken for improvement:** The Board of Directors and company will, in their best endeavor, try to improve the performance of the company in terms of adequate profits to pay remunerations to its managerial personnel.

**c) Expected increase in productivity and profits in measurable terms:**

The company is taking all the necessary precautions and keeping necessary measures in place to tackle with the challenges. The Company has managed to have profits in financial year 2021-22, thus, the company stands a good chance to come out on the better side amidst these situations and to ramp up its operations to have adequate profits.

**Item No. 7**

The members may please note that pursuant to section 149 of the Act, and LODR Regulations, it is mandatory for every listed company to have at least one Woman Independent Director on the Board of the Company. Due to resignation of Ms. Gajit Sethi (DIN 00669460) on May 09, 2022, the company has to appoint another director in her place.

Therefore, based on the recommendation of the Nomination and Remuneration Committee ("NRC") and pursuant of provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Act and LODR Regulations, the Board of Directors vide resolution dated August 02, 2022 have appointed Dr. Indu Pal Kaur (DIN 09686862) on the Board as an Additional Director in the capacity of Independent Director and she vacates her office at the ensuing AGM. The Board recommends the appointment of Dr. Indu Pal Kaur as regular independent director for a period of five years from August 02, 2022 in the ensuing AGM, whose period of office shall not be liable to determination by retirement of directors by rotation.

Dr. Indu Pal Kaur aged 57 years, completed her Graduation & Post-graduation in Pharmacy & Pharmaceutics respectively from Panjab University, Chandigarh, and is a Scholar Ph.D. in pharmaceutics from Panjab University, Chandigarh.

She has vast professional experience in teaching and in the field of Pharmaceutics Research of 33 years. She is a supervisor for Research assistants and Ph.D. Scholars and is currently the Chairperson of University Institute of Pharmaceutical Sciences (UIPS) Panjab University, Chandigarh. She has a specialisation in pharmaceutical research. She is one of the top 2% most cited scientists across the globe as per Stanford University, USA (2020;2021).

She does not have any relationship with any other director of the company. She does not hold any equity share in the company. She is not director in any other company as on date and thus, does not hold and Committee membership or chairpersonship. She has not resigned from the post of director of a listed entity in last three years.

She will be eligible for payment of sitting fee, as payable to other non-executive directors of the Company. The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the LODR Regulations and available for inspection by the members

at the registered office of the Company during business hours.

She has certified that she is not disqualified to become a Director under the Act and not debarred from holding the office of Director by virtue of any Securities & Exchange Board of India (SEBI) Order or any other such authority.

She has provided the declaration to the effect that she met the criteria of independence as provided under section 149(6) of the Act and LODR Regulations and she is not aware of any circumstance or situation, which existed or may be reasonably anticipated, that could impair or impact her ability to discharge her duties with an objective independent judgment and without any external influence. She has also submitted a declaration of compliance of sub-rule (1) and sub-rule (2) of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

In the opinion of the Board, Dr. Indu Pal Kaur fulfils the conditions specified in the Act, the Rules thereunder and the LODR Regulations for appointment as an Independent Director and that she is independent of the management of the Company. The NRC will evaluate the performance of all the Independent Directors including Dr. Kaur.

Dr. Indu Pal Kaur fulfils the requirement of her role of Skills/expertise/competence as an Independent Director as specified below:

1. Knowledge of domain of Pharmaceuticals, Science & Research
2. Overall familiarity about Finance, Accounting, Manufacturing, Quality Management Systems, Sales, marketing and business development
3. Skills in regulations
4. OH&S (Occupational health and safety)

Being a research scholar and having specialisation in pharmaceuticals, she will contribute immensely to the Board deliberations and the Company will be benefitted out of her vast experience in various fields of academics and pharmaceuticals.

Pursuant to the provisions of LODR Regulations, approval of the members by way of a special resolution is required for appointment of Independent Director. The Board recommends the Special Resolution set out in Item No. 7 of the accompanying Notice for approval by the Members.

Except Dr. Indu Pal Kaur, none of the Directors and/or Key Managerial Personnel (KMPs) of the Company and/or their relatives is concerned or interested, financial or otherwise, in her re-appointment. She does not have any relation with any other directors or KMPs.

By order of the Board of Directors  
of **Nectar Lifesciences Limited**

Date: 22-08-2022  
Place: Chandigarh

(Anubha)  
**Company Secretary**

## Form No. MGT-11

### Proxy form

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the company: NECTAR LIFESCIENCES LIMITED

CIN: L24232PB1995PLC016664

Registered office: Village Saidpura, Tehsil Derabassi,

Distt. S.A.S. Nagar (Mohali) Punjab – 140 507

Name of the member (s): \_\_\_\_\_ DP ID: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Folio No/ Client Id: \_\_\_\_\_

Registered address: \_\_\_\_\_

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

1. Name \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Registered address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

2. Name \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Registered address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

3. Name \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Registered address: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27<sup>th</sup> Annual General Meeting ("AGM") of the company, to be held on Wednesday, September 21, 2022 at 11.00 a.m. at registered office and works of the company at Village Saidpura, Tehsil Derabassi, Distt. S.A.S. Nagar (Mohali) (Punjab) and at any adjournment thereof in respect of all or such resolutions as are indicated below:

Resolution Nos.

1.

2.

3.

4.

5.

6.

7.

Dated:

Affix  
Revenue  
Stamp

Signature of shareholder: \_\_\_\_\_

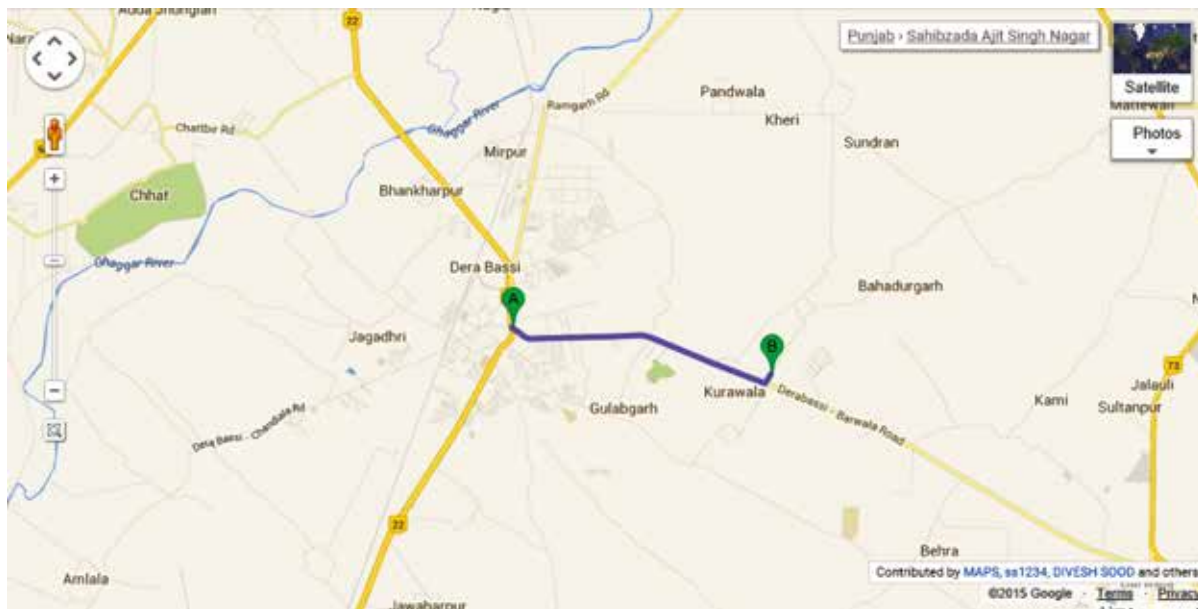
Signature of Proxy holder(s): \_\_\_\_\_

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the AGM.**

## Route map of loaction of 27<sup>th</sup> AGM.

A – Ambala Chandigarh Expressway (NH-22) at Derabassi.

B – Nectar Lifesciences Limited, Works and Registered Office at Village Saidpura, Derabassi, Punjab.



# NOTES

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.