



## FDC Limited

MANUFACTURERS & EXPORTERS OF FOODS, DRUGS & CHEMICALS

October 06, 2018

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

National Stock Exchange of India Ltd.  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai - 400 051

Dear Sir/ Madam,

**Sub.: Minutes of the Proceedings of Annual General Meeting**

Please find enclosed herewith a copy of the Minutes of the Proceedings of the Seventy Eighth Annual General Meeting of the Shareholders of FDC Ltd., held on **Friday, September 07, 2018** at **10.00 a.m.** at WelcomHotel Rama International, R-3, Chikalhana, Aurangabad – 431 210, duly signed by the Chairman.

Kindly take the same on record.

Thanking you,

Yours truly,

For FDC LIMITED  
Company Secretary

Encl.: As above



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E-mail: fdc@fdcindia.com • Website : www.fdcindia.com

REGISTERED OFFICE : B-8, M.I.D.C. Industrial Area, Waluj - 431 136, Dist. Aurangabad. INDIA  
Tel.: 0240-255 4407 / 255 4299 / 255 4967 • Fax : 0240-255 4299  
E-mail : waluj@fdcindia.com • CIN : L24239MH1940PLC003176

HELD AT \_\_\_\_\_ ON \_\_\_\_\_ TIME \_\_\_\_\_

**MINUTES OF PROCEEDINGS OF THE SEVENTY EIGHT ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF FDC LIMITED HELD ON FRIDAY, SEPTEMBER 07, 2018 AT 10.00 A.M. AT WELCOMHOTEL RAMA INTERNATIONAL, R-3, CHIKALTHANA, AURANGABAD – 431 210 AND CONCLUDED AT 12.15 P.M.**

**PRESENT:**

Mr. Mohan A. Chandavarkar	- Chairman & Managing Director
Mr. Nandan M. Chandavarkar	- Joint Managing Director
Mr. Ashok A. Chandavarkar	- Wholetime Director
Mr. Ameya A. Chandavarkar	- Wholetime Director
Ms. Nomita R. Chandavarkar	- Wholetime Director
Dr. Rahim H. Muljiani	- Independent Director (Chairman - Stakeholders Relationship Committee)
Dr. Satish S. Ugrankar	- Independent Director
CA. Vinod G. Yennemadi	- Independent Director (Chairman- Nomination & Remuneration Committee)
CA. Swati S. Mayekar	- Independent Director (Chairperson- Audit Committee)
CA. Uday Kumar Gurkar	- Independent Director

**In Attendance:**

CA. Sanjay Jain	- Chief Financial Officer
CS. Varsharani Katre	- Company Secretary
CA. Ankita Prem Damani	- Representative of BSR & Co. LLP, Statutory Auditors
CS. Sanjay R. Dholakia	- Practising Company Secretary - Secretarial Auditor and the Scrutinizer for the purpose of remote e-voting and voting at the AGM

**1. CHAIRMAN OF THE MEETING**

Mr. Mohan A. Chandavarkar, Chairman & Managing Director of the Company took the Chair and welcomed the members. He introduced the Board members and other stakeholder's present on the dais.

**2. QUORUM**

The Chairman stated that 41 (Forty One) members were present in person and there were 4 (Four) Proxies representing 5,38,50,412 (Five Crores Thirty Eight Lakhs Fifty Thousand Four Hundred and Twelve) Shares. Having ascertained that the requisite quorum was present at the meeting, the Chairman called the meeting to order.

  
CHAIRMAN'S INITIALS

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**3. REGISTERS**

The Chairman informed the Members that the Statutory Registers, Proxy Registers and inspection documents has been kept open for inspection.

**4. NOTICE, DIRECTORS REPORT & ANNUAL ACCOUNTS**

With the concurrence of the Members, the Notice of the 78<sup>th</sup> Annual General Meeting, Director's Report alongwith the Annexures thereto and the Annual Accounts for the year ended March 31, 2018 were taken as read.

**5. AUDITORS REPORT**

The Chairman informed the members that there were no qualifications, observations or comments in the Auditors report for the financial year 2017-18.

He thereafter requested Ms. Varsharani Katre, Company Secretary, to read out the Auditors Report for the financial year 2017-2018 for the information of members. The Auditors Report was then read out by the Company Secretary.

**6. CHAIRMAN'S SPEECH**

The Chairman delivered his speech to the shareholders, in which he broadly covered the outlook of Indian pharma industry, the performance of the Company during financial year 2017-18, the current market scenario, the regulatory changes and overall impact on the Company's Business during the financial year and years ahead.

He mentioned that the total consolidated revenue of the Company has registered a growth of 2.98% and the Company has been able to maintain a steady profitable growth, through its increase in operations, cost control measures and a healthy working capital cycle despite of various challenging conditions.

He briefed on the domestic and export business of the Company and various Products launched during the year 2017- 2018. He stated that the Company had aligned itself in terms of portfolios & priorities, in order to maintain its finest performance. Further he deliberated on the various product approvals received during the financial year.

He apprised the members on the recent inspections at plants by regulatory authorities.

The Chairman also elaborated on the Goods and Services Tax (GST) introduced by the Government with effect from 1 July, 2017 and the Compliance of same by the Company.

He further apprised the members that Company had taken up various challenges as an opportunity and the Company has been in compliance with all the reforms despite of various uncertainties and it continues to make quality medicines at affordable prices to consumers.

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Thereafter, the Chairman thanked all the employees, stakeholders, customers, business associates and medical fraternity for their continued support and confidence in the Company. He also thanked the colleague Board members for their active participation throughout in the Company.

#### **7. E-VOTING AND POLL**

The Chairman stated that the Company had offered remote e-voting facility for the shareholders to vote on the resolutions mentioned in the Notice of the 78<sup>th</sup> Annual General Meeting, under Section 108 of the Companies Act, 2013 engaging the services of Central Depository Services (India) Limited (CDSL). The said facility was provided to all shareholders of the Company holding shares as on the cut-off date i.e. August 31, 2018. The remote e-voting commenced on Tuesday, September 04, 2018 from 09.00 a.m. (IST) and ended on Thursday, September 06, 2018 at 05.00 p.m. (IST).

He informed that the Members who have not voted through the remote e-voting mode can vote at the meeting by way of Ballot Papers on all the resolutions enumerated in the Notice of the 78<sup>th</sup> Annual General Meeting.

He further informed the Members that CS. Sanjay Dholakia, Proprietor of M/s. Sanjay Dholakia & Associates, Practising Company Secretary (C.P.No.2655) had been appointed as a Scrutinizer to scrutinize the remote e-voting and Poll and submit his report thereon.

The Chairman proceeded with the Agenda items as set forth in the Notice of Annual General Meeting and requested the Members to propose and second the said resolutions to be passed. He then took up the following resolutions for voting:-

**RESOLUTION NO.-1 :- ADOPTION OF THE AUDITED STANDALONE AND CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018 AND REPORTS OF BOARD OF DIRECTORS AND AUDITORS THEREON.**

Mr. Santosh Kulkarni proposed the following resolution as an Ordinary Resolution which was seconded by Mr. G.V. Nayak.

**“RESOLVED THAT** the Audited Standalone Financial Statements and Audited Consolidated Financial Statement for the year ended March 31, 2018 and Reports of the Board of Directors and that of the Auditors thereon, be and are hereby received, considered and adopted.”

The Chairman being interested in Resolution Number 2 and 3 of the AGM Notice, the proceedings of the meeting were conducted by CA Vinod Yennemadi for the said resolutions.

**RESOLUTION NO.-2 :- RE-APPOINTMENT OF MR. ASHOK A. CHANDAVARKAR, WHOLETIME DIRECTOR (DIN: 00042719) WHO RETIRES BY ROTATION AND BEING ELIGIBLE, SEEKS RE-APPOINTMENT.**

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Mr. Subhash Satam proposed the following resolution as an Ordinary Resolution which was seconded by Mr. Manoj Rane.

**"RESOLVED THAT** Mr. Ashok A. Chandavarkar (DIN: 00042719), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**RESOLUTION NO.-3:- RE-APPOINTMENT OF MR. MOHAN A. CHANDAVARKAR AS CHAIRMAN AND MANAGING DIRECTOR.**

Ms. Fatima D'souza proposed the following resolution as a Special Resolution which was seconded by Mr. Sameer Nigam.

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the shareholders be and is hereby accorded for the re-appointment of Mr. Mohan A. Chandavarkar (DIN: 00043344) as a Chairman and Managing Director of the Company for a period of 5 (five) years with effect from April 01, 2019, on the following terms and conditions, remuneration and perquisites up to a maximum as may be permitted under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof as in force for the period covered under the Agreement to be entered into by the Company with Mr. Mohan A. Chandavarkar or on the basis of such other law or notification as may be permissible or applicable ("said appointee"):

**1. The material terms of the said Agreement are as follows:**

- i. Term: April 01, 2019 to March 31, 2024
- ii. Salary: Rs. 6,50,000 (Rupees Six Lacs Fifty Thousand Only) p.m. with effect from April 01, 2019, with an annual increment of Rs. 20,000 (Rupees Twenty Thousand Only) p.m. upto to maximum salary of Rs. 7,30,000 (Rupees Seven Lacs Thirty Thousand only) p.m.

Annual increments every year, for the term, will be effective from April 01, 2019.

- iii. Commission: In addition to salary and perquisites, commission not exceeding 0.60 percent of the net profits of the Company in a financial year, computed in the manner laid down in Section 198 of the Companies Act, 2013 and subject to the overall ceilings laid-down under Sections 198 of the Companies Act, 2013.

**2. Perquisites: In addition to the salary and commission as mentioned in clause 1 above, the said appointee shall be entitled to perquisites as under:**

- i. Housing: The expenditure incurred by the company on hiring furnished accommodation for the appointee shall be subject to a ceiling of 60% of his

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salary. However, if the Company does not provide the appointee residential accommodation, the said appointee is entitled to house rent allowance of 60% of his salary. Besides, the Company shall provide amenities such as gas, electricity, water and furnishings subject to a ceiling of 10% of salary, computed as per Income Tax Rules, 1962.

- ii. Medical, hospitalization and health care expenses: Reimbursement of medical, hospital and nursing expenses including mediclaim policy premium paid by the Company and where recommended by a medical practitioner travelling expenses for this purpose in or outside India for himself, his spouse and dependent children actually incurred subject to a ceiling of 1 (One) month's salary per year or 3 (Three) months' salary in a block period of 3 (Three) years.
- iii. Leave Travel Concession: For the appointee, his wife and dependent children once a year, in accordance with any Rules specified by the Company subject to a ceiling of 1 (One) month's salary during leave for holidaying in any place or places in India not more frequently than once in a year, including travelling expenses by air and/or air-conditioned first class by rail, subject to a condition that he will not be entitled to any expenses of stay at any holiday resort.
- iv. Club Fees: Reimbursement of club fees, subject to a maximum of 2 (Two) clubs, excluding life membership and admission fees.
- v. Personal Accident Insurance: As per any Rules specified by the Company.
- vi. Health Mediclaim Insurance: As per any Rules specified by the Company.
- vii. Provident Fund : Company's contribution to provident fund shall be as per the scheme applicable to the employee's of the Company, but not exceeding 12% of the salary or such other limits as prescribed by the Government.
- viii. Contribution to Superannuation Fund and Pension Scheme: The Company's contribution towards pension and/or superannuation fund shall be an amount equivalent to 15% of the salary, as applicable to the other senior officers of the Company.

Contribution to provident fund, super annuation fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act.

- ix. Gratuity: As per the Rules of the Company, payable in accordance with the approved gratuity fund which shall not exceed half month's salary for each completed year of service.
- x. Ex- Gratia: In accordance with the Company's Rules and Regulations in force from

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- xi. time to time.
- xii. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites.
- xiii. Land line telephone/ mobile phone/ internet for official use.
3. Where in any financial year during the currency of the tenure of the said appointee, the Company has no profit or inadequacy of profits, the remuneration by way of salary, commission and perquisites shall not exceed, the maximum limits prescribed in Schedule V to the Companies Act, 2013.
4. The said appointee shall be eligible for annual privilege leave on full salary for a period of 21 (Twenty one) days and such leave shall be allowed to be accumulated for not more than 90 (Ninety) days during the tenure of his appointment. Encashment of unavailed privilege leave at the end of the tenure of appointment will not be included in the computation of the ceiling on perquisites.
5. The said appointee shall be entitled to :
- (i) Reimbursement of expenses actually and properly incurred for the business of the Company as well as other expenses incurred by the appointee in the performance of duties on behalf of the Company.
- (ii) The reimbursement of travelling, hotel and other expenses incurred by the appointee in India and abroad exclusively for the business of the Company.
6. The said appointee shall unless prevented by ill-health throughout the said term devote his whole time attention and abilities to the business of the Company and shall carry out the directions issued from time to time by the board of directors and shall in all respects conform to and comply with the directions and regulations made by the Board and shall well and faithfully serve the Company and use his utmost endeavors to promote the interests of the Company.
7. The salary payable to the said appointee in terms of Clause 1, hereof shall continue to be paid to him in full during the first 6 (Six) months of his illness or for causes beyond his control which would enforce his absence from duties and thereafter at the rate of one half of such salary during such absence until he shall have been so absent for a continuous period of 12 (Twelve) months or until this Agreement is determined as hereinafter provided, whichever is earlier.
8. The said appointee shall not at any time or times during or after the continuance of his employment divulge, disclose or make public any of the secrets regarding the accounts, transactions or processes or regarding specifications, technical and patent information, formulae and know-how to be used for the manufacture or processing of drugs and products of the Company or any of the secrets regarding its plant, facilities, machinery and equipments, information and organization of production and material flow as well as methods and procedures of production

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or dealings of the Company which shall come to his knowledge whether the same shall be confided to him or become known to him as Director or in any other manner whatsoever during the course of his employment.

9. In the case of death of the said appointee in the course of his employment, the Company shall pay to his legal representatives the remuneration for the current month in addition to such other sum as the Board may determine.
10. If the said appointee shall, in the opinion of the Board of Directors, fail for 6 (Six) consecutive months to perform or be negligent in his duty to the Company, the Company may by notice in writing determine this Agreement.
11. The said appointee shall not during the continuance of this Agreement, or for a period of 3 (Three) years after the termination thereof, without the consent in writing of the Company, either solely or jointly with or as manager or agent for any other person or persons directly or indirectly carry on or be engaged in such business as the Company has been carrying on for the last preceding 3 (three) years.
12. The said appointee hereby agrees that he will not at any time after determination of his employment:
- (i) Solicit the custom of or deal with any person or Company who has during the three/ five years preceding such determination been a customer of the Company; and
  - (ii) Represent himself as being in any way directly or indirectly connected with or interested in the business of the Company.
13. Subject to Section 191 of the Companies Act, 2013 in the event of the Company at any time transferring its undertaking to another Company for any reason whatsoever the Company may make it one of the terms and conditions of such transfer that such other Company shall appoint the said appointee as a member of such other Company upon the same terms and conditions as are herein contained.
14. In the event of the Company being wound up voluntarily and in case it is able to pay its debts, the said appointee shall be paid by the Company or by its liquidator in priority to all other creditors as compensation for the loss of his employment as the appointee the sum equal to his 12 (Twelve) months' remuneration consisting of salary on the basis of the last salary drawn and such compensation shall at all times
- be the first charge on the assets of the Company.
15. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate this Agreement, at anytime giving the other party 90 (Ninety) days notice in writing in that behalf.

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ON \_\_\_\_\_

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"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby empowered to modify the terms and conditions of the appointment of Mr. Mohan A. Chandavarkar, subject to the conditions that such modification complies with relevant sections and Schedule V of the Companies Act, 2013".

**RESOLUTION NO.-4:- RATIFICATION OF REMUNERATION PAYABLE TO M/S. SEVEKARI KHARE & ASSOCIATES, COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2019.**

Mr. Manoj Rane proposed the following resolution as an Ordinary Resolution which was seconded by Mr. Jayant Sau.

"RESOLVED THAT pursuant to provisions of Section 148 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 Members do and hereby ratify the remuneration of Rs. 4,25,000/- (Rupees Four Lakhs and Twenty Five Thousand Only) plus taxes and out of pocket expenses, payable to M/s. Sevekari Khare & Associates, Cost Accountants (Firm Registration No. 000084), who have been appointed as the Cost Auditors by the Board of Directors, on the recommendation of the Audit Committee, to audit the cost records of the Company for the financial year ending March 31, 2019.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be required in this regard."

The Chairman then invited queries from the members to seek clarifications, if any, on the Agenda items as set out in the Notice of the 78<sup>th</sup> Annual General Meeting. He replied to the queries and noted the suggestions of the members.

Thereafter, the Chairman requested PCS. Sanjay Dholakia to take over the Poll proceedings.

He further informed that the Scrutinizer's combined report on the Poll and e-voting would be intimated to the BSE Limited and National Stock Exchange of India within the stipulated time".

**8. VOTE OF THANKS**

The Chairman thanked the Members for their participation, suggestions and comments. The meeting concluded at 12.15 p.m., when the last vote was cast by the member.

The Consolidated results of the remote e-voting and Poll were declared by the Company on September 07, 2018 on the website of the Stock Exchanges and the website of the Company i.e. [www.fdcindia.com](http://www.fdcindia.com). The details of the result are enclosed as **Annexure I** to these Minutes.

DATE: 06/10/2018

PLACE: Mumbai



CHAIRMAN

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## ANNEXURE I

**78<sup>th</sup> ANNUAL GENERAL MEETING HELD ON SEPTEMBER 07, 2018**

## Declaration of Results of remote E-voting and Poll

The Consolidated Results (remote E-voting and Poll) as per the Scrutinizers Report dated September 07, 2018 is as follows:

Sr. No.	Item No.	% Votes in Favour	% Votes Against	Type of Resolution
	<b>Ordinary Business:</b>			
1.	Adoption of the Audited Standalone Financial Statements and Audited Consolidated Financial Statement for the year ended March 31, 2017 and Reports thereon.	100	0.00	Ordinary
2.	Re-appointment of Mr. Ashok A. Chandavarkar, Wholetime Director (DIN: 00042719) who retires by rotation and being eligible, seeks re-appointment.	99.97	0.03	Ordinary
	<b>Special Business:</b>			
3.	Re-appointment of Mr. Mohan A. Chandavarkar as Chairman and Managing Director.	99.96	0.04	Special
4.	Ratification of Remuneration payable to M/s. Sevekari Khare & Associates, Cost Auditors for the financial year ending March 31, 2019.	99.99	0.01	Ordinary

Based on the Consolidated Report of the Scrutinizer, all the Resolutions as set out in the Notice of the 78<sup>th</sup> Annual General Meeting have been duly approved by the Shareholders with requisite majority.

DATE: 06/10/2018

PLACE: Mumbai



CHAIRMAN