

Bottlers Nepal Limited
Minutes of the 40th Annual General Meeting (Fiscal Year 2017/18 (2074/75 B.S))
Company Registration No: 140

1. Annual General Meeting

The 40th Annual General Meeting (the "Meeting") of Bottlers Nepal Limited (the "Company") for the Fiscal Year 2017/18 (2074/075 B.S) was held under the Chairpersonship of Ms. Shukla Wassan, the Chairperson of Board of Directors of the Company, on Monday, Asoj 15, 2075 (1st October, 2018) at Hotel Radisson, Lazimpat from 4:00 PM. to 5:00 P.M.

Discussions and approved proposals of this Meeting are recorded as follows.

2. Attendance

2.1. Attendance of Director(s)

Ms. Shukla Wassan
Mr. Gaurav Khosla
Mr. Pradip Pandey
Mr. Sundeep Bajoria
Mr. Surendra Silwal
Mr. Narmadeshwar Narayan Singh
Dr. Trilochan Upreti

2.2 Attendance of Shareholders

Person/Authorized Representative/ through proxy: 16

2.3 Attendance of the office-bearers

Mr. Bijay Kumar Agrawal, Representative of M/s B.K Agrawal & Co. Chartered Accountants
Mr. Pramod Kumar Swarnkar, Representative of M/s B.K Agrawal & Co. Chartered Accountants
Ms. Pratima Burma, Company Secretary

3. Notice of 40th Annual General Meeting

Ms. Pratima Burma, Company Secretary informed that the notice for convening 40th Annual General Meeting of the Company on 1st October, 2018 (Asoj 15th, 2075) was first published in Kantipur Dainik, a National Daily Newspaper on 10th September, 2018 (25th Bhadra, 2075) and the 2nd notice was published on 21st September, 2018 (5th Ashwin, 2075) in Arthik Abhiyan, a National Daily Newspaper. Notice along with the Annual Report of the Company was sent through courier to the shareholders at their respective addresses as recorded in Company's Shareholder Register.

4. Quorum

Total shareholders including proxy and authorized representative present: 16

Total number of shares: 1,492,842 (Representing 76.6% of the Company's total shares of 1,948,887)



A handwritten signature in blue ink, appearing to be "B. K. Agrawal".

5.) Agenda of the Meeting

5.1. Agenda:

- 5.1.1. To adopt the Director's Report for the Fiscal Year 2074/75.
- 5.1.2. To consider and approve the remuneration and other facilities of Managing Director.
- 5.1.3. To consider and approve cash dividend for Fiscal Year 2074/75.
- 5.1.4. To adopt the Audited Financial Statements including the Consolidated Financial Statements of the Company comprising of Balance Sheet as of 32nd Ashad, 2075, Income Statement for the Fiscal Year 2074/75, Profit & Loss Account and Cash flow Statement for the same period and Auditors' Report thereon;
- 5.1.5. To consider and approve the re-appointment of Statutory Auditor and their remuneration for the Fiscal Year 2075/76 as per Section 111 of the Companies Act, 2066 (2063) and as recommended by Audit Committee.

5.2. Miscellaneous:

- 5.2.1. As per permission of Chairperson of the Meeting.

6. Meeting begins

The Shareholders present confirmed that 40th Annual General Meeting of the Company was convened in compliance with the provisions of the Companies Act 2063(2006) and Articles of Association of the Company.

Ms. Burma informed the Members that in pursuance to Section 74 of the Companies Act, 2063 read with Article 13(c) of Articles of Association of the Company, Ms. Shukla Wassan, Chairperson of the Board, shall chair the 40th Annual General Meeting of the Company.

Ms. Shukla Wassan, Chairperson, after ascertaining the requisite quorum being present, called the Meeting to order.

The Chairperson welcomed all the distinguished shareholders, guests and employees to the 40th Annual General Meeting of the Company and introduced the Members of the Board present on dais. She congratulated and thanked all the shareholders for reaching milestone of 40 years of the Company and requested the shareholders to join in cutting cake to mark this celebration.

7. Chairperson's Speech

The Chairperson informed Shareholders that the Company has yet again maintained its track record of consistent performance and has registered impressive results. She informed that the Company along with its subsidiaries, succeeded in recording growth of 15% in Volume and 48% in Net Profit as compared to last year.

She further informed that the Company's subsidiary, Bottlers Nepal (Terai) Limited had started commercial local production of flagship "Kinley ®" brand packaged drinking water in 500 ml and 1 ltr at its Bharatpur Plant. She also apprised that the Institute of Chartered Accountants of Nepal (ICAN) has



honored the Company with the "Best-Presented Annual Report Award, 2017" in the General sector for excellence for its annual report 2017 presentation.

She commended the existing management team and the employees of the Company for their continued hard work and dedication. She also expressed her gratitude to the business partners, Labour Unions, Statutory & government bodies, bankers and financial institutions, diplomatic officials, media, local community, shareholders and the entire team of the Company for their continued support.

Thereafter the Chairperson requested the Company Secretary to take up the Agenda Item(s).

8. Discussion and Decision

8.1. To adopt Directors' Report of the Company for the Fiscal Year 2074/75.

Ms. Burma tabled the Directors' Report of the Company for the Fiscal Year 2074/75 before the Shareholders and requested to propose and second the Resolution as an "Ordinary Resolution". Ms. Burma, then invited the shareholders to give their comments/ suggestions, if any.

8.1.1 Shareholder Mr. Amrit Nath Regmi firstly thanked the Board Members and Management for receiving various national and international recognition and recommended as follows:

- a. He suggested arranging for dinner to the shareholders during the Annual General Meeting and that the Management should consider giving recognition or token of love to shareholders during the anniversary of the Company as is done in other companies in Nepal.
- b. He also suggested to take reference and adopt good practices of other local companies while drafting Annual Report. He suggested to mention date in Chairperson Speech and Directors Report. He also informed that in few of the other local companies, Section 109 of Companies Act is annexed as an Annexure and is not part of Directors Report and the Management could consider the same.
- c. He further mentioned that the Annual General Meeting of subsidiary company should have been held first technically, and then only the Annual General Meeting of holding company could approve this consolidated financials.
- d. He also suggested that in its subsidiary company, Bottlers Nepal (Terai) Limited's notice not to specify the bank name in the agenda seeking approval for obtaining loan from Standard Chartered Bank, so that the Board will have the flexibility in choosing the appropriate bank.

8.1.3 Management response to the questions raised by the shareholders:

Chairperson appreciated the comments/recommendation and valuable inputs of the Shareholders. She also informed that all the suggestions from the shareholders had taken note of. She also informed that from this year, the Company started plant tour for our shareholders to showcase our production facility and will try to continue the same in future. Queries relating to finance were



responded to by Mr Gaurav Khosla, Chairman of the Audit Committee and those relating to marketing and products were responded to by Mr Pradip Pandey.

After some discussions, Mr. Amrit Nath Regmi, Shareholder, proposed the following resolution as Ordinary Resolution.

"RESOLVED THAT the shareholders of the Company do hereby receive, consider and adopt the Director's Report of the Company, for the Fiscal Year 2074/75."

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote and was passed unanimously.

8.2. To consider and approve the remuneration and other facilities of Managing Director.

Ms. Burma informed the Shareholders that the Board of Directors had appointed Mr. Pradip Pandey as Managing Director of the Company for a term of three (3) years with effect from 1st September, 2018 and had proposed Base Salary of INR 20,056,000/-, Perquisites & Benefits of up to INR 16,229,068/- (paid or provided net of taxes) and, other incentives (Annual/Long Term), facilities or, benefits as has been approved and recommended by the Board.

Ms. Burma requested the shareholders to propose and second the Resolution as "Ordinary Resolution". She also invited the shareholders to give comments/ suggestions, if any.

Mr. Bal Krishna Shrestha, Shareholder, proposed the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 91(1) and other applicable provisions of the Companies Act, 2006 (2063) (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for payment of remuneration of Base Salary of INR 20,056,000/-, Perquisites & Benefits of up to INR 16,229,068/- (paid or provided net of taxes) per annum and, other incentives (Annual/Long Term), facilities or, benefits as approved and recommended by the Board, which forms part of this resolution, to Mr. Pradip Pandey, Managing Director (an Indian National bearing Passport No. Z3195365 issued on 16th April, 2015) of the Company with effect from 1st September, 2018."

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote and was passed unanimously.



8.3. To consider and approve the cash dividend as recommended by the Board of Directors;

Ms. Burma informed the Shareholders that the Board of Directors vide their resolution dated on 21st August, 2018 had proposed with the cash dividend of NPR 20/- per ordinary share.

Ms. Burma requested the shareholders to propose and second the Resolution as "Special Resolution".

Mr. Amrit Nath Regmi, Shareholder, proposed the following resolution as Special Resolution.

"RESOLVED THAT the approval of the Shareholders, be and is hereby accorded for payment of cash dividend at the rate of NPR 20/- per ordinary share for the Fiscal Year ending 16th July, 2018 i.e. 32nd Ashad 2075 (F/Y 2074/75) as recommended by the Board of Directors.

Mr. Bal Krishna Shrestha, Shareholder seconded the same.

The resolution was then put to vote, by show of hands and was approved unanimously.

8.4. To Adopt the Audited Financial Statements including the Consolidated Financial Statements of the Company comprising of Balance Sheet as of 32nd Ashad, 2075, Income Statement for the Fiscal Year 2074/75, Profit & Loss Account and Cash flow Statement for the same period and Auditors' Report thereon;

Ms. Burma presented the Audited Financial Statements including the Consolidated Financial Statements of the Company comprising of Balance Sheet as of 32nd Ashad 2075, Income Statement for the Fiscal Year 2074/75, Profit & Loss Account and, Cash Flow Statement for the same period along with Auditors' Report thereon for adoption of Shareholders. She, thereafter requested the shareholders to propose and second the Resolution as a "Special Resolution" in compliance with Article 15(b)(5) of Article of Association of the Company.

All queries / comments raised by the Shareholder had already been addressed at time of adopting the Directors' Report, Mr. Chandra Das Tuladhar, Shareholder, proposed the following resolution as a Special Resolution.

"RESOLVED THAT the Audited Financial Statements including the Consolidated Financial Statements comprising of Balance Sheet as of 32nd Ashad, 2075, Income Statement for the Fiscal Year 2074/75, Profit & Loss Account and Cash Flow Statement for the same period along with the Auditors' Report thereon, be and is hereby received, considered and adopted by the Company."

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote and was passed unanimously.



- 8.5. To consider & approve the re-appointment of Statutory Auditor and their remuneration For Fiscal Year 2075/76 as per Section 111 of Companies Act, 2006 (2063) and as recommended by Audit Committee;

Ms. Burma informed the Shareholders that on recommendation of Audit Committee, the Board of Directors of your Company had proposed the re-appointment of M/s B.K Agrawal & Co. Chartered Accountants (Firm Registration Number 02) (Mr. Bijay Kumar Agrawal, Partner) as the Statutory Auditors of the Company for the Fiscal Year 2075/76 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at a consolidated Statutory Audit Fee of NPR 500,000 (Five Hundred Thousands Only) (excluding out of pocket expenses) (inclusive of applicable taxes excluding VAT).

Ms. Burma requested the shareholders to propose and second the Resolution as a "Special Resolution" in compliance with Article 15(b)(5) of Article of Association. She also invited the shareholders to provide queries/comments/ suggestions.

Mr. Achyut Sharma, Shareholder representing M/s Himat City Beverage Private Limited, proposed the following resolution as Ordinary Resolution.

"RESOLVED THAT M/s B.K Agrawal & Co. Chartered Accountants (Firm Registration Number 02) (Mr. Bijay Kumar Agrawal, Partner) be and is hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at a Statutory Audit Fee of NPR 500,000/- (Five Hundred Thousand Only) (including consolidation) (excluding out of pocket expenses) (inclusive of all applicable taxes, except VAT)."

Mr. Bal Krishna Shrestha, Shareholder, seconded the same.

The resolution was then put to vote and was approved unanimously.

8.6. Miscellaneous

There was no other agenda to be discussed.

9. Listing of the decisions taken at 40th Annual General Meeting of the Company

9.1 Ordinary Resolution:

- 9.1.1 Unanimous approval of resolution passed for adoption of Directors' Report of the Company for Fiscal Year 2074/75 (i.e. 2017-18).
- 9.1.2 Unanimous approval of resolution passed for payment of remuneration of Base Salary of INR 20,056,000/-, Perquisites & Benefits of up to INR 16,229,068/- (paid or provided net of taxes) per annum and, other incentives (Annual/Long Term), facilities or, benefits as approved and recommended by the Board to Mr. Pradip Pandey, Managing Director (an



Indian National bearing Passport No. Z3195365 issued on 16th April, 2015) of the Company with effect from 1st September, 2018.

- 9.1.3 Unanimous approval of resolution passed for declaration of cash dividend of NPR 20/- per ordinary share for the Fiscal Year 2074/75.

9.2 Special Resolution:

- 9.2.1 Unanimous approval of resolution passed for adoption of the Audited Financial Statements including the Consolidated Financial Statements comprising of Balance Sheet as of 32nd Ashad, 2075, Income Statement for the Fiscal Year 2074/75, Profit & Loss Account and Cash Flow Statement for the same period along with the Auditors' Report.
- 9.2.2 Unanimous approval of resolution passed for re-appointment of M/s B.K Agrawal & Co. Chartered Accountants (Firm Registration Number 02) (Mr. Bijay Kumar Agrawal, Partner) as Statutory Auditors of the Company for the Fiscal Year 2073/74 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting with the remuneration of NPR 500,000/- (Five Hundred Thousand Only) (including consolidation) (excluding out of pocket expenses) (inclusive of all applicable taxes, excluding to VAT).

- 9.3 Meeting recorded that Minutes of the Meeting will be signed by the Chairperson & Company Secretary.

10. Vote of thanks & Closure of Meeting

Since there were no other agenda to be discussed, the Meeting concluded with a vote of thanks to the Chair.



Shukla Wassan
Chairperson

Date: 15th Oct, 2018



Pratima Burma
Company Secretary

Date: 15th Oct, 2018