

MINUTES OF THE 18TH ANNUAL GENERAL MEETING OF ANKUR DRUGS AND PHARMA LIMITED HELD ON MONDAY, 31ST DECEMBER, 2012 AT 9.00 A.M. AT TIME AND AGAIN BANQUET, ANDHERI (WEST), MUMBAI.

Director Present:

Mr. Dileep Shinde, Non-Executive and Independent Director of the Company was present. Mr. Purnandu Jain, Chairman of the Company, Mr. Giriraj Vijayvargiya, Executive Director, Mr. Ramesh Batham, Independent Non-Executive Director and Mr. A. K. Khadke, Nominee Director of Central Bank of India were absent.

46 Members were present in person and 8 (no. of proxies) were present at the Meeting and their aggregate shareholding was 21,92,917.

CHAIRMAN

As the Chairman of the Company, Mr. Purnandu Jain was not present at the meeting, members present at the meeting decided to elect the Chairman for the meeting. Accordingly, Shri Dileep Shinde, Non-Executive Director of the company, who was present, was elected as the Chairman of the meeting.

After ascertaining the requisite quorum for the meeting, the Chairman called the meeting in order. With the permission of members, the notice of the meeting was taken as read.

CHAIRMAN'S SPEECH:

The Chairman welcomed the members present at the meeting. He explained the extra-ordinary circumstances in which the annual general meeting of the Company was being held. The Chairman conveyed to the members that the other directors of the company were not able to attend the annual general meeting due to persistent threats by one of its unsecured loan creditor who had also purportedly threatened the directors and the company secretary of dire consequences if they dared to attend company's Annual General Meeting. The Chairman also informed that M/s M.G. Vashi & Co., statutory auditors of the company were also not present at the meeting.

The Chairman explained that due to several factors beyond the control of the management, the company incurred operating losses, the detailed reasons for which have been explained in the Directors' Report.

Thereafter, the Chairman took up the first resolution for the consideration of the members.

RE: RESOLUTION NO.1:

ADOPTION OF ANNUAL ACCOUNTS

Mr. Jitendra Chopra, a Shareholder of the Company sought detailed explanations on company's current financial positions and its viability. The Chairman explained that the company had been incurring losses due to lower capacity utilization and high interest burden. The company also wrote off its obsolete and expired stock of raw material, packing material and finished goods.

dlw

The management was making all out efforts, including hiving off one of its unit, to bring the company out of the current difficult situations, make it debt-free and profitable.

Further, Mr. Gaurav Chaubey, a shareholder of the company pointed out that annual accounts of the company laid before the annual general meeting were apparently not signed by its statutory auditors viz. M/s. M.G. Vashi & Co., Chartered Accountants. The Chairman explained that the annual accounts of the company were duly audited and signed by the auditors. The Chairman clarified that the original signed copies of audited annual accounts were taken back by the auditors on the pretext of making some corrections like spelling errors, changes in fonts, etc. and the management acceded to the auditors request in good faith. The Chairman informed the members that even in the past auditors had taken back and later returned the duly signed copies of annual accounts, so there was no reason for the management to suspect anything unusual in the conduct of the auditors.

The Chairman also pointed out that the audit report contained several qualifications which would not have been possible without proper audit of the company's annual accounts. Moreover, the statutory auditors had signed the limited review for the half year ended 30th September 2012 in which audited data relating to assets, liabilities, income and expenditure were stated. Hence, it was evident that the said annual accounts were actually audited and duly signed by the auditors; but for reasons best known to them, the auditors played truant with the shareholders of the company.

However, the conduct of the auditors gave rise to the bona fide presumption that they had acted under coercion and threat of one of the unsecured loan creditor, who had also purportedly threatened the directors and the company secretary of dire consequences, if they dared to attend company's annual general meeting.

The annual accounts of the company for the year ended 31.03.2012 were laid in the meeting for approval by the members of the company. The resolution for approval of the annual accounts by the members was kept on hold because the said accounts were alleged to have not been signed by the auditors as pointed out by certain shareholders.

Mr. Harish Shah, shareholder of the Company demanded that the Annual Accounts be audited by the new Auditors of the Company and the remaining shareholders unanimously consented to the same.

In the circumstances, the Chairman of the meeting declared that the resolution for the consideration of the accounts stood withdrawn with the unanimous consent of the members present at the meeting. He also assured the members that the said resolution will be brought forward for the consideration of the members at a later date after doing the needful in the matter for which a fresh notice will be given to all the members.



RE: RESOLUTION NO.2:

REAPPOINTMENT OF SHRI RAMESH BATHAM AS DIRECTOR OF THE COMPANY

Mr. Gaurav Chaubey, a shareholder of the company pointed out that Shri Ramesh Batham was ineligible for reappointment as director of the company in terms of Sec. 274(1)(g) of the Companies Act, 1956 because the company had defaulted in payment of dues to fixed deposit holders. However, when another shareholder explained that as per the provisions of Sec. 274(1)(g), a director of defaulting company is eligible for re-appointment in the same defaulting company, the objecting shareholder agreed on reappointment of the director.

The Chairman thereafter put forth the resolution for reappointment of Shri Ramesh Batham as the Director of the Company.

Mr. Dinesh Kotecha, a shareholder of the Company proposed the following resolution:

"RESOLVED THAT Shri Ramesh Batham, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-elected as a Director of the Company."

Mr. Hemal Marfatia, a shareholder of the Company seconded the resolution.

The Chairman put the resolution to vote.

The Chairman declared the resolution passed unanimously on show of hands.

RE: RESOLUTION NO.3:

REAPPOINTMENT OF THE AUDITOR:

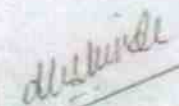
Consequent to the withholding of the approval of the annual accounts of the company, the resolution for the reappointment of M/s M.G. Vashi & Co., as auditors, was also withdrawn with permission of the members present at the meeting.

VOTE OF THANKS:

There being no other business to transact, the meeting was adjourned *sine die* with a vote of thanks to the chair. The resolution for vote of thanks was moved by Shri Babulal Parekh, a member of the company.

Place: Mumbai

Date: 28/01/2013


DILEEP SHINDE
CHAIRMAN