



pharmaceuticals ltd.

Registered & Corporate Office :

Plot No. 19-111, Road No. 71,
Opp. Bharatiya Vidya Bhavan Public School,
Jubilee Hills Hyderabad - 500 096.Telangana. INDIA,
Tel : +91-40-6628 8888, Fax : +91-40-2355 1402
CIN : L24239AP1987PLC008066
Email : info@smspharma.com, www.smspharma.com

29th October, 2015

To,
Bombay Stock Exchange Limited,
National Stock Exchange of India Limited

Reference: BSE: Stock Code: 532815; NSE: SMSPHARMA

Subject: Proceedings of the 27th Annual General Meeting held on 29.09.2015

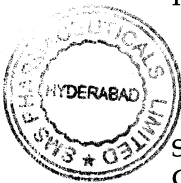
Dear Sir/Madam,

This is further to our letter dated 30th September, 2015 and in compliance with Clause 31(d) of the Listing Agreement, please find attached herewith proceedings of the 27th Annual General Meeting of SMS Pharmaceuticals Limited held on Tuesday, the 29th day of September, 2015 at 11:00 a.m. at the Jubilee Hills International Centre (Jubilee Hills Club), Jubilee Hills, Hyderabad-500 096, Telangana State.

Please take the above intimation on your records.

Yours Faithfully,

For SMS Pharmaceuticals Limited



Saurav Roy

Saurav Roy
Company Secretary

Encl: a/a

CC: Central Depository Services Limited



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SMS PHARMACEUTICALS LIMITED

Proceedings of the 27th Annual General Meeting of SMS Pharmaceuticals Limited held on Tuesday, the 29th day of September, 2015 at 11:00 a.m. at the Jubilee Hills International Centre (Jubilee Hills Club), Jubilee Hills, Hyderabad-500 096, Telangana State.

PRESENT

Directors

Mr. TVVSN Murthy: (Executive Director)	Chairman of the Meeting. (Vice Chairman & Joint Managing Director)
Mr. A. P. Rao: (Independent Director)	Chairman -Stakeholders Relationship Committee; and Member - Audit and Nomination and Remuneration Committee.
Mr. P. Sarath Kumar: (Independent Director)	Member - Audit Committee; Stakeholders Relationship Committee; Nomination and Remuneration Committee; Corporate Social Responsibility & Governance Committee.

Company Secretary

Mr. Saurav Roy

Invitees

Mr. N. RajendraPrasad	: Chief Financial Officer
Mr. G.V.L. Prasad	: Partner, M/s. Ramabau & Co. (Statutory Auditors)
Mr. C. Sudhir Babu	: M/s. CSB Associates (Secretarial Auditor & Scrutinizer)
Mr. Y. Nagarjuna Rao	: Deputy General Manager (HR & Legal)
Mr. T. Lakshmi Narayana	: Deputy General Manager (Finance)

Members

In Person	: 220 members
Through Proxy	: 26 proxies representing 1715 shares.

The Company Secretary welcomed all the members at the 27th Annual General Meeting (AGM) of the Company and requested all the Directors and Chief Financial Officer present at the meeting to come on dais and occupy their chairs.

He subsequently introduced all the dignitaries present on the dais and informed to the members that Mr. Ramesh Babu Potluri, Mr. K. S. Rao, Dr. Mihir K. Chaudhuri, Dr. (Mrs) T. Neelaveni, Mr. Utpal Gokhale, Dr. Ayman Sahli have expressed their inability to attend the meeting due to their preoccupation.

Chairmanship of Meeting

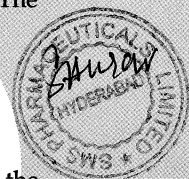
Due to the absence of Mr. Ramesh Babu Potluri, the Chairman & Managing Director of the Company and in accordance with Article 71 and 72 of the Articles of Association of the Company, Mr. TVVSN Murthy, Vice-Chairman and Joint Managing Director of the Company was requested to Chair the Meeting. Accordingly, he occupied the chair and conducted the meeting.

The Chairman commenced the meeting at 11:00 a.m. by welcoming the Members and announced that, "as the requisite quorum being present, the meeting is called to order". The Chairman requested the Company Secretary to proceed with formal Agenda of AGM.

Proceedings

The Company Secretary stated the following facts:

1. In compliance with the Section 96 of the Companies Act, 2013 the Board had called the Annual General meeting (AGM) to transact the business mentioned in AGM Notice in accordance with Article 66 of the Articles of Association of the Company.



2. Copies of Annual Report, Annual General Meeting (AGM) Notice, Notice of e-voting etc. were sent to the members who have registered their email id with the Company / Depository participants (DPs) / Registrar and Share Transfer Agent (RTA). Members whose email ids were not registered with the Company / DPs / RTA were sent physical copies of AGM Notice, Annual Report and notice of e-voting through permitted mode.
3. In compliance with the Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company had engaged M/s. Central Depository Services (India) Limited as the Authorized Agency to provide remote e-voting facility to the members to cast their votes for resolutions as mentioned in the AGM notice dated 8th August, 2015. The remote e-voting facility was made available to the members from Saturday, 26th September, 2015 (IST 09:00 a.m.) to Monday, 28th September, 2015 (IST 05:00 p.m.). The detailed instructions for e-voting, user Id and password along with the procedure to be followed were provided in the notice of e-voting, sent along with the notice of AGM.
4. The Company had appointed Mr. C. Sudhir Babu of M/s. CSB Associates (Company Secretaries), Hyderabad as the Scrutinizer to scrutinize the remote e-voting and poll process at the AGM in a fair and transparent manner. He had given his consent to act as scrutinizer vide his letter dated 08th August, 2015. This was informed to the Board.
5. In terms of the provisions of the Companies Act, 2013 and the Listing Agreements with the Stock Exchanges, Mr. A. P. Rao, being the Chairman of Stakeholders Relationship Committee was present at the AGM. He attended the AGM in the capacity of member of Audit Committee, Nomination and Remuneration Committee and was authorized by the above mentioned Committees to represent at the AGM since Mr. K. S. Rao, Chairman of Audit Committee, Nomination and Remuneration Committee was unable to attend the meeting.
6. In terms of the provisions of the Companies Act, 2013 and the Listing Agreements with the Stock Exchanges, Mr. P. Sarath Kumar, member of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility & Governance Committee and Stakeholders Relationship Committee was authorized by the above mentioned committee's to represent the Committees at the AGM since Mr. K. S. Rao, Chairman of Audit Committee, Nomination and Remuneration Committee and Mr. Ramesh Babu Potluri, Chairman of Corporate Social Responsibility & Governance Committee were unable to attend the meeting.
7. The Company had received, 26 valid proxies covering a total of 1715 (one thousand seven hundred fifteen) equity shares of ₹10 each, 48 hours before the time of the commencement of the AGM, the same were laid on table.
8. Register of Directors, KMPs and their shareholding; Register of loans, guarantee, security and acquisition made by the company (as per MBP-2), Register of contracts & arrangements in which Directors are interested (as per MBP-4), Proxy Register and other statutory documents were kept open for inspection of members during the meeting.
9. In terms of the provisions of the Companies Act, 2013 and the Listing Agreements with the Stock Exchanges, a Ballot Box, immediately after the entrance of the Hall placed for the convenience of the Shareholders for Ballot Voting. This facility can be availed by those shareholders who had not availed e-voting facility to cast their votes.
10. The Statutory Auditors' Report did not contain any qualification, observation or disclaimer. The Secretarial Auditors' Report contains an Observation for appointment of relative in Place of Profit, which was explained in detail in the Board's Report.
11. The following documents were placed on the table:
 - a. Notice convening the 27th Annual General Meeting.
 - b. Directors' Report along with its Annexure thereto for the Financial Year ended on 31st March, 2015.
 - c. Audited Financial Statements and Auditors' Report thereon for the Financial Year ended on 31st March, 2015.
 - d. Secretarial Audit Report and reply thereon for the Financial Year ended on 31st March, 2015.



Thereafter, the Company Secretary requested the Chairman to commence the proceedings.

12. The Chairman, Mr. TVVSN Murthy informed the shareholders about the flow of events at the AGM and stated that, after his speech he would take AGM Notice, Director's and Auditor's Report. He would move all the resolutions as set out in the Notice of AGM and discuss on them at length. Thereafter, he would have a Q & A session on the operations of company.
13. He briefed the members about the operations and performance of the Company. The highlights of the briefing are as follows:
 - a. During the year under review, your company has earned gross revenue of Rs.600.91 crores as against Rs.537.37 crores in the previous year.
 - b. Your company has earned net profit of Rs.35.24 crores as against Rs.20.38 crores in the previous year. So, your company's reserves were at Rs.246.29 crores as on 31.03.2015.
 - c. We are happy to inform you that your company's manufacturing facility at Bachupally has successfully and continuously getting USFDA approvals since 2003.
 - d. Apart from the above, we are having PMDA (Japan) approval on accreditation basis for all the four facilities.
 - e. KFDA (Korea) approval was obtained for Bachupally and Kandivalasa facilities.
 - f. TGA (Australia) and EUGMP (E.U.) approval was obtained for Bachupally facility.
 - g. COFEPRIS (Mexico) approval was obtained for Kazipally Facility.
 - h. Future Prospects - Your Company have long term tie ups with leading Generic Firms like Ranbaxy, Mylan, Lupin apart from leading Japanese Company for contract manufacturing at your state of art multipurpose Active Pharmaceutical Ingredient (API) facility near Vizag.
14. The Chairman with the consent of the Members present took the Notice of AGM together with Director's Report along with annexures thereto for the Financial Year ended on 31st March, 2015 as read.

Thereafter he requested the Chief Financial Officer to read the Auditor's Report, Secretarial Auditor's Report and Financial Statements for the Financial Year ended on 31st March, 2015.

Mr. N. Rajendra Prasad thanked the Chairman and stated the following facts:

15. He informed the shareholders that the Auditor's Report on the Financial Statements for the Financial Year ended on 31st March, 2015 did not contain any qualifications, observations or comments or other remarks on the financial transactions or matters which have any adverse effect on the functioning of the company.
16. He stated that in terms of Section 145 of the Companies Act, 2013 only the qualifications, observations or comments on financial transactions or matters, which have any adverse effect on the functioning of the company mentioned in the Auditor's Report shall be read before the company in general meeting and shall be open to inspection by any member of the company. Since there was no such qualification, observations or comments or other remarks, with the permission of the Members present, he took the Auditor's Report and Financial Statements for the Financial Year ended on 31st March, 2015 as read.
17. He further informed the shareholders that Mr. C. Sudhir Babu of M/s. CSB Associates had conduct Secretarial Audit for the Financial Year 2014-15 and submitted his Report to the Board on dated 8th August, 2015 which contains one observation on payment made to related party for office or place of profit. The Board had given explanation to the members on that observation under Related Party Transactions head of Director's Report, thereafter with the permission of the Members present; he took the Secretarial Auditor's Report and reply thereon for the Financial Year ended on 31st March, 2015 as read.

The Chairman then took up the agenda items of the meeting.

Based on the Consolidate Scrutinizer's Report Dated 29th September, 2015 for Remote e-voting and poll on all the eight items set out in the AGM Notice, the results are summarized as under:



SMS Pharmaceuticals Limited – 27 th AGM held on 29 th September, 2015					
Combined Result [Remote e-voting and poll]					
Item No. of the Notice and Type of Resolution	Description	Particulars of Business	Voted in favour of the resolution	Voted against the resolution	Invalid Votes
			%	%	%
ORDINARY BUSINESS:					
1 - Ordinary Resolution	Adoption of Financial Statements for the year ended 31 st March, 2015	E-Voting	99.997	0.003	Nil
		Poll	100	Nil	Nil
The resolution was proposed by Ms. Aarthi Khandelwal and seconded by Mr. Navathu Yadagiri.					
2 - Ordinary Resolution	Confirmation and declaration of dividend for the FY 2014-15.	E-Voting	99.997	0.003	Nil
		Poll	100	Nil	Nil
The resolution was proposed by Mr. Kishore Kumar Ramwani and seconded by Mr. Manohar Rao Mandala.					
3 - Ordinary Resolution	Re-appointment of Sri Ramesh Babu Potluri (DIN: 0016631) as director.	E-Voting	99.996	0.004	Nil
		Poll	100	Nil	Nil
The resolution was proposed by Mr. Narasimha Rao Katta and seconded by Mr. Govind Tawry.					
4 - Ordinary Resolution	Appointment of M/s. Rambabu & Co. (Firm Registration No. 002976S), Chartered Accountants as Statutory Auditors of the Company.	E-Voting	99.997	0.003	Nil
		Poll	100	Nil	Nil
The resolution was proposed by Ms. M Sandhya Rani and seconded by Ms. Alapati Renuka Devi.					
SPECIAL BUSINESS:					
5 - Special Resolution	To alter/substitute the Articles of association of the Company and in this regard, adopt new set of Articles of Association of the Company.	E-Voting	99.997	0.003	Nil
		Poll	100	Nil	Nil
The resolution was proposed by Ms. Aarthi Khandelwal and seconded by Mr. Navathu Yadagiri.					
6 - Ordinary Resolution	To approve the remuneration of the Cost Auditors for the Financial year ending 31 st March, 2016.	E-Voting	99.997	0.003	Nil
		Poll	100	Nil	Nil
The resolution was proposed by Mr. Kishore Kumar Ramwani and seconded by Mr. Manohar Rao Mandala.					
7 - Ordinary Resolution	To approve the Related Party Contracts/ Arrangements/ Transaction of the Company.	E-Voting	99.803	0.197	Nil
		Poll	100	Nil	Nil
The resolution was proposed by Mr. Narasimha Rao Katta and seconded by Mr. Govind Tawry.					
8 - Ordinary Resolution	To approve the enhancement in prescribed limit of remuneration payable to related parties appointment to an office or place of profit.	E-Voting	99.833	0.167	Nil
		Poll	100	Nil	Nil
The resolution was proposed by Ms. M Sandhya Rani and seconded by Ms. Alapati Renuka Devi.					

18. After the above resolutions were moved, the Chairman requested the shareholders to seek any clarification or ask questions. The following members namely, Mr. Manoj Dua, Mr. Tushar B. Manudhane, Ms. Veena Patel, Mr. C. Shantilal Shah, Mr. G. Yuva Kishore, Mr. P. Suresh Babu, Mr. Praful Chavda spoke on various items of the Notice and Annual Accounts for the year and sought clarifications.

19. The following were some of the suggestions/ queries from the Members:-

- Status of De-merger Plan.
- Stock-split for more liquidity and for un-locking of share value.
- USFDA, and other foreign approvals/ recognition.
- Issue of Bonus shares.
- Vizag Plant developments.



20. The Chairman thanked the Members for the kind words and appreciation and stated that the suggestions and feedback would be evaluated. The Chairman responded to the queries raised by Members present at the Meeting. After responding all the queries of the Members, the Chairman handed over the voting process to the Scrutinizer and requested the volunteers to assist the Shareholders in casting their vote.
21. He announced that, the combined results of entire voting process would be declared and later on displayed on the website of the Company and Stock Exchange.
22. The meeting was concluded at 04:00 p.m. with a vote of thanks by Sri A. P. Rao Director of the Company. The Chairman thanked all the members for attending the 27th Annual General Meeting.

For SMS PHARMACEUTICALS LIMITED



Saurav Roy

SAURAV ROY
Company Secretary