

11<sup>th</sup> July, 2016

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

National Stock Exchange of India,  
Exchange Plaza, 5<sup>th</sup> Floor, Plot no. C/1, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400 051

Dear Sir,

Scrip Code: BSE - AJANTPHARM 532331/ NSE - AJANTPHARM EQ

Re: Regulation 30 - Proceedings of Annual General Meeting

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, we enclose herewith Proceedings-cum-minutes of the 37<sup>th</sup> Annual General Meeting held on 5<sup>th</sup> July, 2016.

Kindly acknowledge receipt.

Thanking You,

Yours faithfully,  
For AJANTA PHARMA LIMITED



GAURANG SHAH  
Sr. G.M. - Legal &  
Company Secretary

Encl.: a/a



**MINUTES OF THE 37<sup>TH</sup> ANNUAL GENERAL MEETING OF SHAREHOLDERS OF AJANTA PHARMA LIMITED HELD ON TUESDAY, 5<sup>TH</sup> JULY, 2016 AT 11.00 A.M. AT PRABODHANKAR THACKERAY NATYAGRAH, SODAWALA LANE, BORIVLI (WEST), MUMBAI-400092**

**Present:**

Mr. Mannalal B. Agrawal  
Mr. Purushottam B. Agrawal  
Mr. Madhusudan B. Agrawal  
Mr. Yogesh M. Agrawal  
Mr. Rajesh M. Agrawal  
Mr. Chandrakant Khetan

Dr. Anil Kumar

Dr. Anjana Grewal  
Mr. K H Viswanathan  
Mr. Prabhakar Dalal  
Mr. Gaurang Shah  
Mr. Arvind Agrawal

Chairman & member  
Vice Chairman & member  
Vice Chairman & member  
Managing Director & member  
Joint Managing Director & member  
Independent Director & Chairman of Audit Committee  
Independent Director & Chairman of Nomination & Remuneration Committee & Stakeholders' Relationship Committee  
Independent Director  
Independent Director  
Independent Director  
Company Secretary & member  
Chief Financial Officer & member

Chief Financial Officer welcomed the members and introduced Board members on dais and requested Mr. Mannalal B. Agrawal, Chairman of the Board to take the Chair.

Chairman took the Chair and extended a hearty welcome to all the shareholders at the 37<sup>th</sup> Annual General Meeting.

With the permission of the Chairman, the Company Secretary announced that 59 other members were present in person including 18 proxies in respect of 3,68,764 equity shares representing total 0.42% of the voting power of the company. After ascertaining and satisfying that requisite quorum was present, Chairman called the meeting to order.

Company Secretary informed that all Directors including Mr. Chandrakant Khetan Chairman of Audit Committee and Dr. Anil Kumar, Chairmen of Nomination and Remuneration Committee and Stakeholders' Relationship Committee were present at the meeting. He further informed that Mr. S S. Kapoor, Mr. Nilesh Parekh and Mr. Nikhil Patel, partners of M/s. Kapoor & Parekh Associates, Statutory Auditors of the Company, were present at the meeting. Mr. Alwyn D'souza, Secretarial Auditor and Scrutinizer was also present at the meeting.



**I. ACCOUNTS & STATUTORY REGISTERS**

The Company Secretary informed that the following documents/registers were available at the meeting for inspection of members:

- (i) Notice convening 37<sup>th</sup> Annual General Meeting & documents referred therein;
- (ii) Directors' Report with Annexures thereto for year ended 31<sup>st</sup> March, 2016;
- (iii) Standalone & Consolidated Audited Accounts and Auditors' Report thereon for the year ended 31<sup>st</sup> March, 2016;
- (iv) Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2016;
- (v) Proxy Register for the 37<sup>th</sup> Annual General Meeting;
- (vi) Register of Directors' and Key Managerial Personnel and their shareholdings;
- (vii) Register of Contracts or arrangements; and
- (viii) Auditors' Certificate in respect of Employees' Stock Option Plan of Company.

Chairman then briefly addressed members and authorized Managing Director to conduct further proceedings of the meeting.

**II. AUDITORS' REPORT**

Company Secretary stated that in terms of Section 145 of the Companies Act, 2013, only the qualifications, observations or comments mentioned in the Auditors' Report, which had any adverse effect on the functioning of the Company, were required to be read at the general meeting. Since there were no such qualifications, observations or comments, in these reports, they were not required to be read. The same were then taken as read by the members.

**III. NOTICE, DIRECTORS' REPORT & FINANCIAL STATEMENTS**

With the consent of members, notice convening the Meeting, Directors' report and financial statement were taken as read.

**IV. PRESENTATION BY THE MANAGING DIRECTOR**

Managing Director welcomed the shareholders at the 37<sup>th</sup> Annual General Meeting and took the members through presentation, mainly covering following aspects:

- India business
- Emerging market business
- Regulated market business
- Research & Development
- Manufacturing facilities
- Human resources
- Financial performance



- Corporate Social Responsibility initiatives

He mentioned that company's India branded generic business focused on specialty segments viz., cardiology, ophthalmology, dermatology and pain management divided into 14 divisions with more than 3000 medical representatives. The Company had so far launched in aggregate 190 plus products with 70% being first to market. Out of 19 new products in FY 2016, 8 were first to market. He gave therapeutic segment wise break-up of revenue.

He further mentioned that the company's growth in last 10 years can be gauged from the fact that its overall ranking in India pharma segment has jumped from 88<sup>th</sup> in 2005 to 33<sup>rd</sup> in 2016. In the respective therapeutic segments also, the Company is marching ahead of competition and has jumped rankings significantly. The company grew faster than the Indian Pharmaceutical market (IPM). While the IPM grew in the range of 10%-15% from 2012 to 2016, company grew in the range of more than 20%. Branded generics business was performing consistently well with sales increasing to Rs. 492 crs. in FY2016 from Rs. 49crs. in FY2007. He also briefed members of some of the reputed brands of Company.

As regards global presence of the company, he informed that the Company was present in more than 30 countries across CIS, South East Asia, Africa and USA. Philippines and Franco Africa were major growth drivers, clocking phenomenal growth year after year. As per IMS data, growth of the company in Philippines was 30% ranking 22<sup>nd</sup>, while growth in Franco Africa was 16%, ranking 5<sup>th</sup> amidst competition from major international players.

He further informed that Company had customised product portfolio for each emerging market and the same are catered through 650+ marketing representatives. Emerging markets revenue grew at a pace of 21% over previous year and the Company is gaining market share continuously. However, currency volatility and scarcity caused head winds recently. The Company has large product portfolio for Asia and African markets.

Speaking about US market, he was pleased to inform that the company had received 10 ANDA approvals and 2 tentative approvals while 14 were under approval. The company had launched 5 products with its flawless execution capabilities and they are doing well. The company had targeted to file 8-12 approvals each year.

About R & D, he stated that the Company had an experienced team of 650+ scientists which enables the Company to launch niche products to stay ahead of competition. The company had spent 6% of the revenue on R&D which was exclusive of capex. The company was planning to spend 7% of revenue in



FY2017 in line with its growth plans.

Updating the members about the manufacturing plants, he stated that the Company presently has three manufacturing facilities for formulations and one API manufacturing facility which is used for captive consumption. One of the manufacturing facility in Aurangabad, Maharashtra was USFDA and UKMHRA approved as also WHO Pre-Q approved. The new facility in Dahej, Gujarat set up recently was undertaking regulatory fling batches with commercial production expected to begin from April 2017. Construction work had already commenced at Guwahati facility and it is expected to commence commercial production by March 2017.

Appreciating the Company's Human resources, he stated that the Company was fortunate to have talented and dedicated team without which this growth and achievements wouldn't have been possible. The Human resource team comprised of more than 6000+ employees from 20 different nationalities. Around 2500 employees were added in last five years. Company is taking various measures viz. giving recognitions, undertaking training & development programmes and conducting team & sports events, to keep the team motivated and charged.

He mentioned that the Company's strategy of Clear vision and Clear Execution through Markets, Innovation, Capacity and People had yielded robust results in as much as the net profit had risen consistently giving handsome returns on invested capital. Consolidated revenue of Rs. 1,728 Cr. and profit after tax of Rs. 401 Cr. for the financial year 2015-16, has raised the bar for coming years. Cumulative Average Growth Rate of sales for last 5 years had been 26%, whereas for profit it was 51%. EBITDA margin and net margins at 34% and 23% respectively were among the highest in the industry. The return on net worth of 40% and Return on Capital Employed of 42% were in itself indicative of the excellent performance being achieved by the company year after year.

He then apprised members of recent awards and accolades received by the Company and management team in recognition of Company's stupendous growth and market standing.

He further stated that the company strongly believed in inclusive growth and work towards it relentlessly. Contributing back to society was not only a responsibility but a commitment. In the FY2016 its CSR team had successfully organized more than 49,000 free cataract surgeries providing clear vision to many. Company had also contributed towards renovation of school and other educational institutions in remote villages with special emphasis on women skill development. It also extended aid to deserving patients and subsidised



food facilities to patients relatives, assisted in upgradation of charitable hospital facilities, etc. Company organised Samuhik Vivah Sohala in different parts of draught affected Vidarbha region of Maharashtra. Under Swatch Bharat Abhiyaan, company's Paithan plant near Aurangabad extended its cleanliness drive to cover an area of 25kms from its location.

Concluding his speech, he assured that company valued excellence, integrity and empathy. Company's aim was to live upto high standards, sustain industry leading performance and find solutions that exceed expectations. He emphasized that the Company would continue to harness potential across global market and generate sustainable value for its stakeholders and looked forward for continued support and trust from members for Company's quest to provide quality health care worldwide.

He once again thanked the shareholders for their valuable presence and felt privileged to be amongst them.

He then took up for approval of members, first item in the notice of Annual General Meeting viz. adoption of Financial Statements. He further stated that the objective of resolution no. 1 was to approve the standalone and consolidated financial statements along with Director's & Auditor's report for the financial year ended 31<sup>st</sup> March, 2016. The approved accounts would be filed with the Registrar of Companies. He then requested the Company Secretary to invite the comments from the shareholders.

Company Secretary invited individual shareholders as per the list for their comments. There were about 8 shareholders who expressed their views and asked questions. The shareholders applauded the excellent performance of the Company as well as presentation given by the Managing Director. Various queries raised by the Shareholders with regard to growth for current year, impact on company profitability due to new drug policy, capex plan, API strategy, plans for launching new products during FY2016-17, USA operations etc., were replied to the satisfaction of the shareholders by the Managing Director.

Thereafter the following resolutions were proposed and seconded by the shareholders:

**Item No. 1 of the Notice - Adoption of Accounts as Ordinary Resolution**

Proposed by: Mr. Prakash Vijayakar  
Seconded by: Mr. Prakash Mapara



**"RESOLVED THAT** Audited Standalone and Consolidated Financial Statements of the Company for the year ended 31st March, 2016 together with the reports of the Directors and Auditors thereon be and are hereby received, approved and adopted."

Resolution was passed with requisite majority through e-voting and ballot voting as detailed hereunder.

**Item No. 2 of the Notice - Confirmation of payment of Interim Dividend as Ordinary Resolution**

Managing Director stated that the objective of the said resolution was to confirm interim dividend paid to shareholders. The Directors had recommended interim dividend as final dividend and no additional dividend was recommended. He stated that payment was made to the shareholders @ Rs. 8/- per share based on the number of shares held by the shareholder as on the record date. The total dividend outgo excluding tax on the same was Rs. 70.40 cr.

Proposed by: Mr. Bharat Shah  
Seconded by: Mrs. Ashalata Maheshwari

**"RESOLVED THAT** interim dividend of Rs. 8/- per share declared by Board of Directors on 9th March 2016 on 8,80,01,250 Equity shares of the Company of Rs. 2/- each fully paid, absorbing Rs. 70.40 crs. (excluding dividend distribution tax) out of the profits of the Company for the year ended 31st March 2016, be and is hereby approved."

Resolution was passed with requisite majority through e-voting and ballot voting as detailed hereunder.

Agenda Item No. 3 & 4 were skipped as the Chairman, Vice-Chairmen, Managing Director and Joint Managing Directors were interested in the resolution. It was informed that the said items will be taken up at the end.

**Item No. 5 of the Notice - To appoint Auditors and fix their remuneration as Ordinary Resolution**

Managing Director stated that the objective of the aforesaid resolution was to approve the appointment of Statutory Auditors of the Company for the financial year 2016-17. M/s. Kapoor & Parekh Associates would hold office up to the date of next AGM.

Proposed by: Mrs. Celestine Mascarenhas  
Seconded by: Mr. Ashok Bhatt



**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended (including statutory modifications(s) or re-enactments thereof for the time being in force, M/s. Kapoor & Parekh Associates, Chartered Accountants (Registration No. ICAI FRN 104803W) be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as agreed upon between the Board of Directors and the Auditors.”

Resolution was passed with requisite majority through e-voting and ballot voting as detailed hereunder.

**Item No. 6 of the Notice - Ratification of appointment of Cost Auditors as Ordinary Resolution**

Managing Director stated that the objective of the resolution was to ratify and confirm the appointment of Cost Auditors of the company for FY 2016-17. Once the said appointment was made, the Cost Auditor would conduct the cost audit of the company's records and submit the said report to the Central Government

Proposed by: Mr. Kirti Shah  
Seconded by: Mr. Rajendra Joshi

**“RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs.3 lacs plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the financial year ending 31st March 2017, as approved by the Board of Directors of the Company, to be paid to M/s. Sevekari Khare & Associates for the audit of Cost records of the Company's manufacturing plants situated at Paithan, Chikalthana, Chitegaon & products manufactured in Active Pharmaceutical Ingredient plant at Waluj, all located in Aurangabad, Maharashtra, be and is hereby ratified and confirmed.”

Resolution was passed with requisite majority through e-voting and ballot voting as detailed hereunder.

Thereafter, Managing Director requested Mr. Chandrakant M. Khetan to take the chair.



**Item No. 3 of the Notice - Appointment of Mr. Mannalal Agrawal as Ordinary Resolution**

Mr. Khetan took up item no. 3 and stated that as per the Companies Act; one third of the Directors (excluding Independent Directors) of the Company had to retire by rotation every year. Accordingly, Mr. Mannalal B. Agrawal retired by rotation and objective of the resolution was to re-appoint him being eligible.

Proposed by: Mr. B B. Nankani  
Seconded by: Mrs. Shenoy

**“RESOLVED THAT** pursuant to provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Mannalal B. Agrawal, who retired by rotation and being eligible offered himself for re-appointment, be and is hereby appointed as the Director of the Company.”

Resolution was passed with requisite majority through e-voting and ballot voting as detailed hereunder.

**Item No. 4 of the Notice - Appointment of Mr. Purushottam B. Agrawal as Ordinary Resolution**

He then stated that Mr. Purushottam B. Agrawal was also liable to retire by rotation as per the provisions of the Companies Act and objective of the resolution was to re-appoint him being eligible.

Proposed by: Mrs. Manjula Joshi  
Seconded by: Mr. Pravin Sampat

**“RESOLVED THAT** pursuant to provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Purushottam B. Agrawal, who retired by rotation and being eligible offered himself for re-appointment, be and is hereby appointed as the Director of the Company.”

Resolution was passed with requisite majority through e-voting and ballot voting as detailed hereunder.

Mr. Chandrakant M. Khetan then vacated the Chair and Managing Director resumed the proceedings.

He then stated that pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the company had provided e-voting facility in respect of business to be transacted at the Annual General Meeting,



to the members of the company as on the cut-off date of 28th June, 2016. E-voting commenced at 9.00 a.m. on 2nd July, 2016 and ended at 5.00 p.m. on 4th July, 2016. Mr. Alwyn Dsouza, Practicing Company Secretary was appointed as Scrutinizer by the Board for scrutinizing the e-voting process.

The facility for voting through ballot paper had been made available at the AGM and the members who did not cast their vote by e-voting can now exercise their right through postal ballot on all the resolutions set out in items 1 to 6 of the Notice of the 37th Annual General Meeting.

Mr. Yogesh M. Agrawal then stated that the facility for voting through ballot paper was now open and Mr. Alwyn D'souza was appointed as scrutiner for the ballot voting and after ballot voting was done he would first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting. Results of the voting on each resolution shall be determined by adding votes of the poll with the results of e-voting. Accordingly, on receipt of Scrutinizer's report, the results of the voting would be announced within 3 days of the conclusion of the Annual General Meeting and would be uploaded on Company's website. The results would also be intimated to the Stock Exchanges.

He further stated that the meeting would be concluded when the last vote was cast.

Thereafter, blank polling papers were distributed by the Registrar & Share Transfer Agent, Link Intime India Private Limited.

Mr. Alwyn Dsouza, Scrutinizer appointed for the ballot voting, conducted the voting, which included showing of empty Polling Box to members, locking and sealing of empty polling box in the presence of members and proxies. After ensuring that all the members and proxies participating in the ballot had cast their votes, the scrutiner closed the voting and took the custody of ballot box.

The Meeting was then concluded at 12.45 p.m. with a vote of thanks to the Chair.

The consolidated results of the e-voting and poll were declared by the company on 5th July, 2016 to the Stock exchanges and on company's website, the details of the results declaration as under:



| Particulars                                                                        | Votes cast           | Number of members voted | Number of votes cast by them | %      | Remarks                        |
|------------------------------------------------------------------------------------|----------------------|-------------------------|------------------------------|--------|--------------------------------|
| 1.Adoption of Financial Statements for the year ended 31 <sup>st</sup> March, 2016 | Votes cast in favour | 166                     | 7,29,16,161                  | 100    | Approved by requisite majority |
|                                                                                    | Votes cast against   | Nil                     | Nil                          | Nil    |                                |
|                                                                                    | Invalid votes        | 1                       | 815                          | N.A.   |                                |
| 2. Confirmation of Interim Dividend for the year 2016                              | Votes cast in favour | 166                     | 7,29,16,161                  | 100    | Approved by requisite majority |
|                                                                                    | Votes cast against   | Nil                     | Nil                          | Nil    |                                |
|                                                                                    | Invalid votes        | 1                       | 815                          | N.A.   |                                |
| 3. Re-appointment of Mr. Mannalal B. Agrawal, who retires by rotation              | Votes cast in favour | 157                     | 7,28,62,073                  | 99.93  | Approved by requisite majority |
|                                                                                    | Votes cast against   | 9                       | 54,088                       | 0.07   |                                |
|                                                                                    | Invalid votes        | 1                       | 815                          | N.A.   |                                |
| 4. Re-appointment of Mr. Purushottam B. Agrawal, who retires by rotation           | Votes cast in favour | 100                     | 6,73,97,584                  | 92.61  | Approved by requisite majority |
|                                                                                    | Votes cast against   | 64                      | 53,77,413                    | 7.39   |                                |
|                                                                                    | Invalid votes        | 1                       | 815                          | N.A.   |                                |
| 5. Appointment of M/s Kapoor & Parekh as Statutory Auditors                        | Votes cast in favour | 163                     | 7,29,15,718                  | 99.99  | Approved by requisite majority |
|                                                                                    | Votes cast against   | 3                       | 443                          | 0.0006 |                                |
|                                                                                    | Invalid votes        | 1                       | 815                          | N.A.   |                                |
| Special Business                                                                   |                      |                         |                              |        |                                |
| 6. Ordinary Resolution ratifying the remuneration of Cost Auditors                 | Votes cast in favour | 162                     | 7,29,15,935                  | 99.97  | Approved by requisite majority |
|                                                                                    | Votes cast against   | 3                       | 211                          | 0.0003 |                                |
|                                                                                    | Invalid votes        | 1                       | 815                          | N.A.   |                                |

All the above resolutions put to vote were passed with requisite majority.

Place: Mumbai

**CERTIFIED TRUE COPY**

**For AJANTA PHARMA LTD.**

  
**GAURANG SHAH**  
Sr. General Manager - Legal &  
Company Secretary



**CHAIRMAN**