



pharmaceuticals ltd.

By Email

October 9, 2014

**Bombay Stock Exchange Limited
Floor 25, P.J. Towers
Dalal Street
Mumbai-400 001.**

Regd.&Corporate Office :
Plot No. 19-111, Road No. 71,
Opp. Bharatiya Vidya Bhavan Public School,
Jubilee Hills Hyderabad - 500 096. A.P. INDIA,
Tel : +91-40-6628 8888, Fax : +91-40-2355 1401
CIN : L24239AP1987PLC008000
Email : info@smspharma.com
www.smspharma.com

Scrip Code: 532815

Dear Sir,

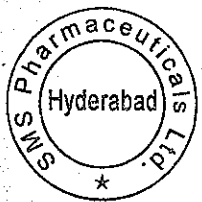
Sub: Minutes of the Annual General Meeting of the Company held on 30.09.2014.

As per Clause 31 (d) of the Listing Agreement entered with you, we are sending herewith a copy of the Minutes of the Annual General Meeting of the Company held on 30th September, 2014 for your record.

Please take the same on your records.

Thanking you,

Yours faithfully,
For SMS Pharmaceuticals Limited



TVVSN Murthy
Vice-Chairman and Joint Managing Director

Encl : a/a

C.C. National Stock Exchange of India Ltd.
Exchange Plaza, Bandra-Kurla Complex
Bandra (E)
Mumbai-400 001.

Symbol :SMSPHARMA

SMS PHARMACEUTICALS LIMITED

Minutes of the meeting of the 26th Annual General Meeting of the Company held on Tuesday the 30th day of September, 2014 at 11.00 A.M. at the Jubilee Hills International Centre (Jubilee Hills Club), Jubilee Hills, Hyderabad-500 096.

Present:

- | | | | |
|----|---------------------|----|---|
| 1. | Mr. TVVSN Murthy | .. | Vice-Chairman & Joint Managing Director |
| 2. | Mr. A.P. Rao | .. | Director |
| 3. | Mr. K.S. Rao | .. | Director and |
| 4. | Mr. P. Sarath Kumar | .. | Director |

And

196 Members present in person and 45 Members present by Proxy

In Attendance : Mr. N. Rajendra Prasad .. Chief Financial Officer
Mr. P. Prabhakara Rao .. Company Secretary
Mr. GVL Prasad .. Statutory Auditor

In the absence of Mr. Ramesh Babu Potluri, Chairman and Managing Director of the Company, Mr. TVVSN Murthy, Vice-Chairman and Joint Managing Director of the Company occupied the Chair.

After ascertaining the quorum the Chairman called the meeting to order.

The Chairman welcomed all the members present at the meeting and informed the shareholders that the statutory registers are kept open for inspection. The Chairman then delivered the Speech by mentioning about the present and future prospects of the Company in brief.

The Notice together with reports of Directors' and Auditors' for the year 2013-14 were taken as read with the permission of the members. The Chairman took up the following business as circulated to all the members.

The Chairman invited the clarifications on the audited accounts for the financial year ended 31st March, 2014. A few members enquired about the expansion of units in Andhra Pradesh after the bifurcation of the State, the Company's investment in new ventures, profitability margin and the current year expectations etc.

The Chairman and other directors present replied to all the questions raised by the Shareholders.

The Chairman informed the members that Mr. C. Sudhir Babu, Practicing Company Secretary was appointed as Scrutinizer for the e voting. He further requested him to act as scrutinizer for the poll of ballot papers exercised by the shareholders at the meeting. After the due process the

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scrutinizer submitted the combined report on voting on various resolutions proposed at the AGM.

ORDINARY BUSINESS:

1. Annual Accounts for the year 2013-14.

"RESOLVED that the Statement of Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as on that date along with the Report of Directors' and Auditors' thereon as laid down before this meeting be and are hereby adopted."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

2. Declaration of Dividend for the year 2013-14.

"RESOLVED that Dividend of Rs. 2-00 per Equity Share as recommended by the Board of Directors of the Company on the paid up share capital of Rs.10/- each for the year ended 31st March, 2014 be and is hereby approved and that the Dividend be distributed to the shareholders whose names appear in the Register of Members as on 30th September, 2014."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

3. Re-appointment of Dr. Ayman Sahli.

"RESOLVED that Dr. Ayman Sahli (DIN: 02680724), be and is hereby re-appointed as a Director of the Company. "

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

4. Re-appointment of Mr. T.V.V.S.N. Murthy.

"RESOLVED that Mr. T. V. V. S. N. Murthy (DIN: 00465198), be and is hereby re-appointed as a Director of the Company."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

5. Appointment of Statutory Auditors.

"RESOLVED that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, and pursuant to the recommendations of the Audit Committee of the Board, M/s. Rambabu & Co., (Firm Registration No. 002976S) be and are hereby re-appointed as Statutory Auditors of the Company

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for a period of One year to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2015, at such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

SPECIAL BUSINESS:

6. Appointment of Mr. A. P. Rao, as an Independent Director.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. A. P. Rao (DIN: 00027847), Director of the Company and in respect of whom the Company has received a notice in writing from a member under 160 of the Act proposing his candidature for the office of the Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years with effect from 30th September, 2014, not liable to retire by rotation."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

7. Appointment of Dr. Mihir K. Chaudhuri, as an Independent Director.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Dr. Mihir K. Chaudhuri (DIN: 00489843), Director of the Company and in respect of whom the Company has received a notice in writing from a member under 160 of the Act proposing his candidature for the office of the Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years with effect from 30th September, 2014, not liable to retire by rotation."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

8. Appointment of Mr. K.S. Rao, as an Independent Director.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. K.S. Rao (DIN: 00038416), Director of the Company and in respect of whom the Company has received a notice in writing

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from a member under 160 of the Act proposing his candidature for the office of the Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years with effect from 30th September, 2014, not liable to retire by rotation."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

9. Appointment of Mr. P. Sarath Kumar, as an Independent Director.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. P. Sarath Kumar, (DIN:01456746), who was appointed as Additional Director of the Company pursuant to provisions of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a member under 160 of the Act proposing his candidature for the office of the Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years with effect from 30th September, 2014, not liable to retire by rotation."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

10. Appointment of Dr. (Mrs.) Thummala Neelaveni, as an Independent Director.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Dr. (Mrs.) Thummala Neelaveni (DIN: 00065571), who was appointed as Additional Director of the Company pursuant to provisions of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a member under 160 of the Act proposing his candidature for the office of the Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years with effect from 30th September, 2014, not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take all such steps, acts and deeds as may be necessary, proper and expedient to give effect to all the above Resolutions and file necessary forms with Registrar of Companies."

The Chairman declared that the above Ordinary Resolutions were passed with requisite majority by way of e-voting and Ballot.

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11. Approval of Remuneration of the Cost Auditor for the financial year 2014-15.

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) of re-enactment thereof, for the time being in force) made there under, Mr. K.S.N. Sarma, the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the company for the financial year 2014-15, be paid a remuneration of Rs.75,000/- (Rs. Seventy Five Thousand Only) in addition to reimbursement out of pocket expenses."

The Chairman declared that the above Ordinary Resolution was passed with requisite majority by way of e-voting and Ballot.

12. Approval of Borrowing Powers.

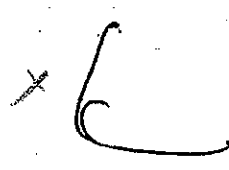
"RESOLVED THAT in supersession of the Resolutions adopted by the Company in earlier years with respect to the borrowing powers of the Board of Directors, and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") read with the Rules made hereunder, or any statutory modification thereof, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which expression shall also include a Committee thereof) of the Company to borrow any sum(s) of money or moneys from time to time notwithstanding that the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves provided that the aggregate of the monies borrowed by the Board and outstanding at any time does not exceed Rs.750 crores other aggregate of paid-up share capital of the Company and its free reserves, whichever is higher.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

The Chairman declared that the above Special Resolution were passed with requisite majority by way of e-voting and Ballot.

13. Creation of mortgage/Charge.

"RESOLVED THAT in supersession of the Resolutions adopted by the Company in previous years with respect to creation of mortgage/charge in favour of Banks/Financial Institutions and others by the Board of Directors for the borrowings of the Company, and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act"), and the rules made thereunder or any statutory modification thereof, consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company of such mortgages, charges and hypothecations in addition to the existing mortgages, charges and hypothecation created by the Company as the Board may direct, on such assets of the Company, both present and future, in such manner as the Board may



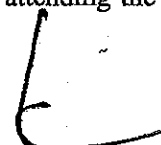
direct, together with power to take over the management/undertaking of the Company in certain events to or in favour of all or any of the financial institutions, investment institutions and their subsidiaries, Export Import Bank of India, public sector banks, private sector banks, mutual funds, any other companies or bodies corporate and any other lenders (hereinafter collectively referred to as 'the lending agencies') and/or Trustees for the holders of debentures/bonds/other instruments which may be issued on a pari-passu basis or otherwise not exceeding Rs.750 Crores or the aggregate of paid-up share capital of the Company and its free reserves, whichever is higher, which have been/are proposed to be obtained from or privately placed with the lending agencies together with interest thereon at the agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company to the Trustees under the trust deeds and/or to the lending agencies under the respective agreements/loan agreements/debenture trust deeds entered into/to be entered into by the Company in respect of the said borrowings."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the lending agencies/trustees or any of them, the documents for creating the mortgages/charges/hypothecations and to accept or make any alterations/changes/variations to or in the terms and conditions and to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary for the purpose of giving effect to this resolution."

The Chairman declared that the above Special Resolution was passed with requisite majority by way of e-voting and Ballot.

Vote of thanks:

The meeting concluded with a vote of thanks by Sri TVVSN Murthy, Vice-Chairman and Joint Managing Director of the Company. The Chairman thanked all the members for attending the 26th Annual General Meeting.

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CHAIRMAN

Dated: 30.09.2014