



MINUTES OF THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF VIVIMED LABS LIMITED HELD ON SATURDAY, 18TH SEPTEMBER, 2010 AT 11.30 A.M. AT 78/A, KOLHAR INDUSTRIAL AREA, BIDAR - 585403

PRESENT

1.	Dr. V. Manohar Rao	:	Chairman
2.	Mr. Subhash Varalwar	:	Vice Chairman
3.	Mr. P.V. Rathnam	:	Director
4.	Dr. M. Bhagvanth Rao	:	Director
5.	Dr. R.K. Dhar	:	Director
6.	Mr. S. Raghunandan	:	Director
7.	Mr. Fahim Aslam Khan	:	Company Secretary

MEMBERS

29 members were present in person/proxy.

Dr. V. Manohar Rao, took the Chair, and thereafter chairman's speech was read.

With the permission of the members, the notice convening the meeting, Directors Report, Annual Accounts and Report of the Auditors was taken as read.

After ascertaining that the requisite quorum for the meeting was present, the Chairman called the meeting to order.

1. ADOPTION OF ANNUAL ACCOUNTS:

Mr. Vimal proposed and Mrs. Jayshree P seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT, audited Balance Sheet as at 31.03.2010 and the Profit and Loss Account for the year ended on that date together with the Report of Auditor and Director's Report be and are hereby received, considered and adopted."

On being put to vote on show of hands the resolution was carried unanimously.

2. DECLARATION OF DIVIDEND:

Mr. V. Ravi Kiran proposed and Mr. Indrajeet Chavda seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT, dividend for the financial year ended on 31st March, 2010 on 9,964,904 equity shares of Rs. 10/- @ Rs. 1.50 per share i.e. 15% per equity share as recommended by the Board of Directors be and is hereby declared and that the same shall be paid to those equity shareholders whose name appear in the Register of Members on the date of Book Closure i.e. 14.09.2010."

On being put to vote on show of hands the resolution was carried unanimously.





3. RE-APPOINTMENT OF Dr. M. BHAGVANTH RAO AS DIRECTOR OF THE COMPANY RETIRING BY ROTATION:

Mr. Vimal proposed and Mr. Indrajeet Chavda seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT, Dr. M. Bhagvanth Rao who was appointed as a Director of the Company at the Annual General Meeting of the Company held on 27th September, 2008 retiring by rotation being eligible for reappointment, be and is hereby appointed as Director of the Company."

On being put to vote on show of hands the resolution was carried unanimously.

4. APPOINTMENT OF AUDITORS:

Mr. Vimal proposed and Mr. V. Ravi Kiran seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT, M/s P. MURALI & Co., Chartered Accountants, Hyderabad, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on such remuneration as may be fixed by the Board of Directors."

On being put to vote on show of hands the resolution was carried unanimously.

5. APPOINTMENT OF MR. NIXON PATEL AS DIRECTOR OF THE COMPANY:

Mrs. Jaysharee P proposed and Mr. K. Srinivasulu seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Nixon Patel ,who was appointed as an Additional Director of our Company with effect from 28th June, 2010 and who holds office upto the date of this Annual General Meeting pursuant to the provisions of Section 260 of the Companies Act, 1956 is eligible for appointment and our Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956 from a member of the Company proposing his candidature for the office of Director of our Company, and who has consented, if appointed , to act as a Director be and is hereby appointed as Director of our Company, who shall be liable to retire by rotation."

On being put to vote on show of hands the resolution was carried unanimously.

6. APPOINTMENT OF MR. SANTOSH VARALWAR AS MANAGING DIRECTOR AND CEO OF THE COMPANY:

Mr. V. Ravi Kiran proposed and Mr. K. Srinivasulu seconded the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any , of the Companies Act 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) , the relevant provisions of Articles of Association of the Company, consent of members of our Company be and is hereby accorded to re-appoint Mr. Santosh





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Varalwar, who shall not be liable to retire by rotation, as Managing Director and CEO of our Company, for a period of Five Years with effect from 14th August, 2010 on such terms and conditions as are agreed to by the Board of Directors of our Company (Board of Directors shall be deemed to include the Remuneration Committee, constituted by the Board) but subject to restrictions, if any, contained in the Companies Act, 1956 and Schedule XIII of the said Act, as amended up to date or otherwise as may be permissible by law."

"FURTHER RESOLVED THAT the total remuneration and perquisites payable to Mr. Santosh Varalwar, shall be restricted to 2% of net profit of our Company and where in any financial year comprised by the period of appointment, our Company has no profits or its profits are inadequate, the aforesaid remuneration and perquisites shall be paid to the Managing Director in accordance with the applicable provisions of Companies Act, 1956 and subject to approval of the Central Government, if any required."

"FURTHER RESOLVED THAT the Board of Directors of our Company be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the above resolution."

On being put to vote on show of hands the resolution was carried unanimously.

7. APPOINTMENT OF DR. V. MANOHAR RAO AS CHAIRMAN AND WHOLE TIME DIRECTOR OF THE COMPANY:

Mr. K. Srinivasulu proposed and Mr. Suryan Laxman seconded the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of Articles of Association of the Company, consent of members of our Company be and is hereby accorded to re-appoint Dr. V. Manohar Rao, who shall not be liable to retire by rotation, as Chairman and Whole Time Director of our Company, for a period of Five Years with effect from 14th August, 2010 on such terms and conditions as are agreed to by the 'Board of Directors' of our Company (Board of Directors shall be deemed to include the Remuneration Committee, constituted by the Board) but subject to restrictions, if any, contained in the Companies Act, 1956 and Schedule XIII of the said Act, as amended up to date or otherwise as may be permissible by law."

"FURTHER RESOLVED THAT the total remuneration and perquisites payable to Dr. V. Manohar Rao, shall be restricted to 2% of net profit of our Company and where in any financial year comprised by the period of appointment, our Company has no profits or its profits are inadequate, the aforesaid remuneration and perquisites shall be paid to the Chairman and Whole Time Director in accordance with the applicable provisions of Companies Act, 1956 and subject to approval of the Central Government, if any required."

"FURTHER RESOLVED THAT the Board of Directors of our Company be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the above resolution."





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On being put to vote on show of hands the resolution was carried unanimously.

8. APPOINTMENT OF MR. SUBHASH VARALWAR AS VICE CHAIRMAN AND WHOLE TIME DIRECTOR OF THE COMPANY:

Mr. Suryan Laxman proposed and Mr. V. Ravi Kiran seconded the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of Articles of Association of the Company, consent of members of our Company be and is hereby accorded to re-appoint Mr. Subhash Varalwar, who shall not be liable to retire by rotation, as Vice Chairman and Whole Time Director of our Company, for a period of Five Years with effect from 14th August, 2010 on such terms and conditions as are agreed to by the Board of Directors of our Company ('Board of Directors' shall be deemed to include the Remuneration Committee, constituted by the Board) but subject to restrictions, if any, contained in the Companies Act, 1956 and Schedule XIII of the said Act, as amended up to date or otherwise as may be permissible by law."

"FURTHER RESOLVED THAT the total remuneration and perquisites payable to Mr. Subhash Varalwar, shall be restricted to 2% of net profit of our Company and where in any financial year comprised by the period of appointment, our Company has no profits or its profits are inadequate, the aforesaid remuneration and perquisites shall be paid to the Vice Chairman and Whole Time Director in accordance with the applicable provisions of Companies Act, 1956 and subject to approval of the Central Government, if any required."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the above resolution."

On being put to vote on show of hands the resolution was carried unanimously.

9. APPOINTMENT OF MR. SANDEEP VARALWAR AS WHOLE TIME DIRECTOR OF THE COMPANY:

Mr. Santosh Kulkarni proposed and Mr. Suryan Laxman seconded the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (Including any statutory modification(s) or re enactment thereof, for the time being in force), the relevant provisions of Articles of Association of the Company, consent of our Company be and is hereby accorded to re- appoint Mr. Sandeep Varalwar, who shall not be liable to retire by rotation, as Whole Time Director of our Company, for a period of Five Years with effect from 14th August, 2010 on such terms and conditions as are agreed to by the Board of Directors of our Company ('Board of Directors' shall be deemed to include the Remuneration Committee, constituted by the Board) but subject to restrictions, if any, contained in the Companies Act, 1956 and Schedule XIII of the said Act, as amended up to date or otherwise as may be permissible by law."





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"FURTHER RESOLVED THAT the total remuneration and perquisites payable to Mr. Sandeep Varalwar shall be restricted to 2% of net profit of our Company and where in any financial year comprised by the period of appointment, our Company has no profits or its profits are inadequate, the aforesaid remuneration and perquisites shall be paid to the Whole Time Director in accordance with the applicable provisions of the Companies Act, 1956 and subject to approval of the Central Government, if any required."

"FURTHER RESOLVED THAT the Board of Directors of our Company be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the above resolution."

On being put to vote on show of hands the resolution was carried unanimously.

10. APPOINTMENT OF DR. R.K. DHAR AS WHOLE TIME DIRECTOR OF THE COMPANY:

Mr. Santosh Kulkarni proposed and Mr. Suryan Laxman seconded the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 198, 269,309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re enactment thereof, for the time being in force), the relevant provisions of Articles of Association of the Company, consent of our Company be and is hereby accorded to re-appoint Dr. R.K. Dhar, who shall not be liable to retire by rotation, as Whole Time Director of our Company, for a period of Five Years with effect from 14th August, 2010 on such terms and conditions as are agreed to by the Board of Directors of our Company ('Board of Directors' shall be deemed to include the Remuneration Committee, constituted by the Board) but subject to restrictions, if any, contained in the Companies Act, 1956 and Schedule XIII of the said Act, as amended up to date or otherwise as may be permissible by law."

"FURTHER RESOLVED THAT the total remuneration and perquisites payable to Dr.R.K. Dhar shall be restricted to 1% of net profit of our Company and where in any financial year comprised by the period of appointment, our Company has no profits or its profits are inadequate, the aforesaid remuneration and perquisites shall be paid to the Whole Time Director in accordance with the applicable provisions of the Companies Act, 1956 and subject to approval of the Central Government, if any required."

"FURTHER RESOLVED THAT the Board of Directors of our Company be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the above resolution."

On being put to vote on show of hands the resolution was carried unanimously.

11. APPOINTMENT OF MR. S. RAGHUNANDAN AS WHOLE TIME DIRECTOR OF THE COMPANY:

Mr. Suryan Laxman proposed and Mr. Santosh Kulkarni seconded the following resolution as a Special Resolution:





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"RESOLVED THAT, pursuant to the provisions of Section 198, 269,309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re enactment thereof, for the time being in force), the relevant provisions of Articles of Association of the Company, consent of our Company be and is hereby accorded to re-appoint Mr. S. Raghunandan, who shall not be liable to retire by rotation, as Whole Time Director of our Company, for a period of Five Years with effect from 14th August, 2010 on such terms and conditions as are agreed to by the Board of Directors of our Company ('Board of Directors' shall be deemed to include the Remuneration Committee, constituted by the Board) but subject to restrictions, if any, contained in the Companies Act, 1956 and Schedule XIII of the said Act, as amended up to date or otherwise as may be permissible by law."

"FURTHER RESOLVED THAT the total remuneration and perquisites payable to Mr. S. Raghunandan shall be restricted to 1% of net profit of our Company and where in any financial year comprised by the period of appointment, our Company has no profits or its profits are inadequate, the aforesaid remuneration and perquisites shall be paid to the Whole Time Director in accordance with the applicable provisions of the Companies Act, 1956 and subject to approval of the Central Government, if any required."

"FURTHER RESOLVED THAT the Board of Directors of our Company be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the above resolution."

On being put to vote on show of hands the resolution was carried unanimously.

12. TO ISSUE EQUITY SHARES TO THE EMPLOYEES OF THE COMPANY UNDER THE EMPLOYEES STOCK OPTION SCHEME OF THE COMPANY:

Mrs. Jayshree P. proposed and Mr. Santosh Kulkarni seconded the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("the ESOP Guidelines") including any statutory modification(s) or re-enactment of the Act or the ESOP Guidelines for the time being in force, the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed or other relevant authority, from time to time, to the extent applicable and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of our Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Company be and is hereby accorded to the Board to implement the proposed Employees Stock Option Scheme 2010 (ESOS 2010) whose main features are provided in the explanatory statement and to create, offer, issue and allot in one or more tranches, under the said proposed ESOS 2010, at any time during the currency of the proposed ESOS 2010 to or for the benefit of employees, who are in





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permanent employment, including Directors of our Company whether working in or outside India not exceeding 4,00,000 equity shares arising on exercise of options issued under the said proposed ESOS 2010 and/or equity linked instruments including options and/or any other instrument or securities which could give rise to equity shares (hereinafter collectively referred to as "Securities") of the Company. Each option is exercisable into one equity share of our Company at such exercise price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Guidelines or other applicable provisions of law as may be prevailing at that time."

"RESOLVED FURTHER THAT the said Securities may be granted/allotted directly to such employees/directors of our Company in accordance with the ESOS 2010 framed and tabled before the Board in any permissible manner."

"RESOLVED FURTHER THAT the issue of Securities to any non-resident employee(s), non-resident Director(s) shall be subject to such approvals, permissions or consents under the Foreign Exchange Management Act or any other relevant rules and regulations as may be necessary from Reserve Bank of India or any other relevant authority in this regard."

"RESOLVED FURTHER THAT the new equity shares to be issued and allotted by our Company in the manner aforesaid shall rank pari passu in all respects with the existing equity shares of our Company."

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the ESOP Guidelines."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted upon exercise under the ESOS 2010, on the stock exchanges where the Company's shares are listed as per the terms and conditions of the listing agreement entered into with the stock exchanges and other applicable guidelines, rules and regulations."

"RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue or allotment or listing of the Securities under the ESOS 2010, the Board/Compensation Committee be and is hereby authorized on behalf of our Company to evolve, decide upon and bring in to effect and make any modifications, changes, variations, alterations or revisions in the said ESOS 2010 or to suspend, withdraw or revive the ESOS 2010 from time to time as per the discretion of the Board and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the shareholders of our Company".

On being put to vote on show of hands the resolution was carried unanimously.

13. TO ISSUE EQUITY SHARES TO THE EMPLOYEES OF THE SUBSIDIARIES OF THE COMPANY UNDER THE EMPLOYEES STOCK OPTION SCHEME OF THE COMPANY





Mrs. Jayshree P. proposed and Mr. Santosh Kulkarni seconded the following resolution as a Special Resolution: **Vivimed**

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("the ESOP Guidelines") including any statutory modification(s) or re-enactment of the Act or the ESOP Guidelines for the time being in force, the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed or other relevant authority, from time to time, to the extent applicable and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of our Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Company be and is hereby accorded to the Board to implement the proposed Employees Stock Option Scheme 2010 (ESOS 2010) whose main features are provided in the explanatory statement and to create, offer, issue and allot in one or more tranches, under the said proposed ESOS 2010, at any time during the currency of the proposed ESOS 2010 to or for the benefit of employees of the subsidiaries of our Company in or Outside India, who are in permanent employment, including Directors of the subsidiaries of our Company whether working in or outside India not exceeding 1,00,000 equity shares arising on exercise of options issued under the said proposed ESOS 2010 and/or equity linked instruments including options and/or any other instrument or securities which could give rise to equity shares (hereinafter collectively referred to as "Securities") of our Company. Each option is exercisable into one equity share of our Company at such exercise price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Guidelines or other applicable provisions of law as may be prevailing at that time."

"RESOLVED FURTHER THAT the said Securities may be granted/allotted directly to such employees/directors of the subsidiaries of our Company in accordance with the ESOS 2010 framed as tabled before the Board in any permissible manner."

"RESOLVED FURTHER THAT the issue of Securities to any non-resident employee(s), non-resident Director(s) shall be subject to such approvals, permissions or consents under the Foreign Exchange Management Act or any other relevant rules and regulations as may be necessary from Reserve Bank of India or any other relevant authority in this regard."

"RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the existing equity shares of our Company."

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the ESOP Guidelines."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted upon exercise under the ESOS 2010, on the stock exchanges where the Company's shares are listed as per the





terms and conditions of the listing agreement with the stock exchanges and other applicable guidelines, rules and regulations." **Vivimed**

"RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue or allotment or listing of the Securities under the ESOS 2010, the Board be and is hereby authorized on behalf of our Company to evolve, decide upon and bring in to effect and make any modifications, changes, variations, alterations or revisions in the said ESOS 2010 or to suspend, withdraw or revive the ESOS 2010 from time to time as per the discretion of the Board and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the shareholders of the Company."

On being put to vote on show of hands the resolution was carried unanimously.

14. TO AMEND ARTICLE 101 OF THE ARTICLES OF ASSOCIATION SO AS TO INCREASE THE MAXIMUM NUMBER OF DIRECTORS TO 18:

Mrs. Jayshree P. proposed and Mr. Santosh Kulkarni seconded the following resolution as a Special Resolution:

"RESOLVED THAT subject to approval of the Central Government under Section 259, the maximum number of directors fixed by the Articles of Association of the Company be and is hereby increased from 12 to 18."

"RESOLVED FURTHER THAT Articles of Association be and are hereby altered pursuant to Section 31 of the Companies Act, 1956, by substituting the figure and word 18 (Eighteen) for the figure and words 12 (Twelve) in Article No. 101 thereof."

On being put to vote on show of hands the resolution was carried unanimously.

15. VOTE OF THANKS:

As there was no other business to be transacted the meeting concluded with a vote of thanks to the Chair.

Place: Bidar
Date: 18.09.2010

Sd/-
CHAIRMAN

// CERTIFIED TRUE COPY //

For VIVIMED LABS LIMITED


FAHIM ASLAM KHAN
COMPANY SECRETARY

