

ELDER PHARMACEUTICALS LIMITED

MINUTES OF THE 31st ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY HELD ON TUESDAY THE 24TH DAY OF MARCH 2015 AT GMS BANQUET HALL, SITLADEVI COMPLEX, 1ST FLOOR, D.N.NAGAR, OPP. INDIAN OIL NAGAR, LINK ROAD, ANDHERI (W), MUMBAI – 400 053 AT 10.30 A.M.

The following were present at the meeting:

Mr. Alok Jagdish Saxena	-	Managing Director & Chief Executive Officer and Shareholder
Dr. J. S. Juneja	-	Independent Director
Dr. Sailendra Narain	-	Independent Director
Dr. Anuj Saxena	-	Chief Operating Officer (COO)
Mr. Vijendra Jain	-	Company Secretary
Mr. S.S. Khandelwal	-	Statutory Auditor

and 83 other members present in person and 01 proxy / representative whose names have been recorded in the Attendance Register, attended the meeting.

The Company Secretary welcomed the Directors and shareholders present at the meeting and informed that the Company had received proxies and representations in respect of 25 Shares and that the same were open for inspection of the members. Further, he informed that the Register of Directors' Shareholding maintained under the Companies Act, 2013 was laid on the table and was open for inspection of the shareholders during the continuance of the meeting. He then informed the meeting that pursuant to Clause 92 of the Articles of Association of the Company. Mr. Alok Jagdish Saxena is proposed to be appointed as the Chairman of the meeting and I request you to vote Mr. Alok Jagdish Saxena as the Chairman of the meeting. The same was seconded by Mr. Bharat Shah and Mrs. Shobhana Mehta. By the general consensus of the members present at the meeting Mr. Alok Jagdish Saxena was unanimously elected to be the Chairman and further he extended a hearty welcome to all the shareholders at the 31st Annual General Meeting. Further, he introduced the present members on dais.

Mr. Alok Jagdish Saxena thereafter as the quorum of 30 members were present in person called the meeting to order. By the general consensus of the member's present, notice convening the meeting, the Annual Accounts for the period ended 30th June 2014 and the Directors' Report were taken as read. Thereafter Chairman with the consent of shareholders requested to Mr. Vijendra Jain, Company Secretary to read first and last line of the Auditors' Report. Further Mr. Vijendra Jain informed and clarified to all shareholders that:

1. Name of Mr. Alok Saxena, Mr. Yusuf Karim Khan, Mr. Suresh Pai and Mr. Vijendra Jain mentioned in the printed Annual Report as Key managerial Persons of the Company. Whereas financial statements contains signatures of Mr. Alok Saxena-Managing Director and CEO, Dr. J. S. Juneja-An Independent Director and Mr. Vijendra Jain-Company Secretary.
2. Schedule 29 of Notes annexed to and forming part of financial statements of standalone accounts as well as consolidated accounts, the word mentioned is "Loss on sale of Advances" which should be read as "Written off of Trade Advances and Other Advances
3. Certificate on Corporate Governance as printed in the Annual Report mentions at line 1/2 of first para as for the period ended 30th June 2013, which should be read as 30th June 2014

The Chairman was pleased to welcome the shareholders at the 31st Annual General Meeting. He stated that the amount received from M/s. Torrent Pharmaceuticals Ltd., against sale of brand was used for the repayment of Term Loan to Bank and paid other outstanding statutory dues.



he stated that the repayment schedule for the matured fixed deposits is being charted out. He assured that the company will be revived and trying to re-build its businesses in global market also as the Company is holding assets and other brands with itself.

Further, Chairman requested to Company Secretary to give detailed information about procedure for voting at the meeting to all shareholders and Mr. Vijendra Jain, Company Secretary of the Company informed about the procedure of the E- voting and Ballot Voting as follows:

The Company with the help of NSDL i.e. National Securities Depositories Ltd. had provided e-voting facility to its members to cast their votes electronically in compliance with the provisions of section 108 of the Companies Act, 2013 and rules framed there under. The e-voting window was open for 1 day i.e. 18th March, 2015.

We are thankful to all the members who have availed this facility and would appreciate better participation in future.

In view of the e-voting facility provided by the Company, the voting by show of hands will not be allowed which is in accordance with the provisions of the said Act.

For those members who have not casted their votes electronically, we have distributed ballot papers at the counter of the hall. Kindly fill in your details and indicate your assent or dissent, as the case may be, and drop the duly signed ballot paper in the Ballot Box placed in the hall.

M/s. D K Meena & Associates, Practicing Company Secretaries have been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner and their team is available here.

The voting results hereof shall be announced within two days of the conclusion of the AGM. The results declared along with the Scrutinizer's report, will also be posted on the Company's website.

Further, Chairman asked if any member had any queries and that he would be glad to answer them.

Mr. Bharat Shah; Mr. Bipin Bakshi; Mr. Babulal Parikh Mahendra Kapadia; Mrs. Shobhana Mehta; Mr. Prakash; Mr. Beruz Framroz; Mr. Ramani; Mrs. Smita Shah Mr. Prakash Zaveri; Mr. Dinesh Bhatia and Mr. Ravindra Patange raised certain queries and made certain comments and suggestions as under:-

Mr. Bharat Shah said he received the annual report in time like in the past so many years and praised Secretarial team of the Company for the same. He wanted to know the export turnover of the Company, when company will declare dividend, who are main competitors of the Company? As regards the unpaid dividend amount lying with the Company he wanted to know whether the shareholders to whom it pertained were informed about the same before transferring the amounts to the IEPF. He wanted plant visit to be arranged. **Mr. Bipin Bakshi** talked about certain suggestions and criticisms as Directors DIN number should be given in Annual report as per new companies Act, 2013 and one woman director has to be appointed as per SEBI guidelines. He wanted to visit plant of the Company. Further he wanted to know the use of borrowed money by the Company during the year. He needed to know the reason for resignation of various members of the Board during the current financial year. He wanted to know the use of 2% net profits of the Company for CSR activity as per new Company Act, 2013. Before ending his speech he wished well for the Company. **Mr. Babulal Parikh and Mahendra Kapadia** started by paying homage to the late Chairman Mr. Jagdish Saxena. He said that the Company has earned less profits and that was a cause for anxiety. He acknowledged that the annual report was received in time. He wanted to know the exact amount of unpaid matured fixed Deposits and when company going to repay this unpaid amount to FD holders. **Mrs. Shobhana Mehta** informed the meeting that the annual report was received in time and was very informative. She wanted to know the reasons as to why the sales and income are come down as compare to last year. When company will appoint one woman director as per SEBI guidelines and...



present strength of the Company with future plans of the Company. She expressed faith in the Managing Director and CEO, Mr. Alok Saxena and was confident that his team will do well and wished him success. She said she would be supporting all resolutions. Before concluding she gave best wishes to the Company. **Mr. Prakash** started saying that he deeply regretted the demise of late Mr. Jagdish Saxena. He further asked the management why company has granted loans to its wholly owned subsidiaries as the present situation of the Company is not satisfactory. Further he wanted to about dividend policy of the Company. **Mr. Beruz Framroz** observed the following from the annual report of the Company (a) that Earning per Share has reduced as compared to last year (b) He wanted to know that there are three subsidiaries of the Company abroad and whether these subsidiaries were the reasons for negative contribution to the earnings of the Company. **Mr. Ramani** said that he is a shareholder of the company since last so many years. He stated to the management to repay the outstanding matured fixed deposit money immediately to FD holders at the earliest. **Mrs. Smita Shah** offered condolences on the sad demise of Mr. Jagdish Saxena. She requested to show products of the Company on front page of the Annual Report of the Company and asked why dividend was skipped. She wanted to enroll herself for plant visit. **Mr. Prakash Zaveri** asked the Boardt what was the reason to postponement of Annual General Meeting which was to be held in December 2014 and held in March 2015. Further he asked to the management about time period for making repayment of matured fixed deposit. **Mr. Dinesh Bhatia** He referred to sale of business to Torrent Pharma for Rs.2004 and enquired how much dividend would the shareholders get out of the said consideration. He also wanted to register for plant visit. **Mr. Ravindra Patange** wanted to know what was the total debt of the Company and utilization of the proceeds received from M/s. Torrent Pharmaceuticals Ltd., from sale of brands .Further he asked about new product launches if any, as well as the way forward for the balance business of the Company after post M/s. Torrent Pharmaceuticals Ltd., deal.

The Chairman of the meeting then generally replied to the queries raised by the shareholders and requested them to meet the Company officials at the registered office of the Company for any information on specific queries.

Further, Chairman read out each of the item on the Agenda and requested to propose and second each resolution. Members will be provided sufficient time after the close of this Meeting to cast their votes.

1. ADOPTION OF ACCOUNTS:

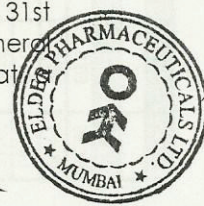
The Chairman then moved the following resolution which was proposed by Mrs. Mr.Bharat Shah as an Ordinary Resolution and seconded by Mrs. Shobhna Mehta.

"RESOLVED THAT the Balance Sheet of the Company as at 30th June 2014, and the Statement of Profit and Loss for the period ended on that date together with the notes thereon and the Reports of the Directors and Auditors thereon as placed before the meeting be and are hereby received, approved and adopted."

2. RE-APPOINTMENT OF AUDITORS:

The Chairman then moved the following resolution which was proposed by Mr. Ramani as an Ordinary Resolution and seconded by Mrs. Smita Shah.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, their corresponding rules, based on the recommendation of Audit Committee and subject to the Shareholders approval at the ensuing Annual General Meeting, M/s. S.S. Khandelwal & Co., Chartered Accountants, who have offered themselves for re-appointment and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 31st Annual General Meeting up to the conclusion of the 34th consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM) at remuneration as may be decided by the Board of Directors of the Company."



3. **MRS. URVASHI SAXENA (DIN NO. 02021303) WHO RETIRES BY ROTATION HAS RESIGNED W.E.F. 28TH NOVEMBER 2014 WITH INTENT NOT TO BE RE-APPOINTED AND COMPANY RESOLVED NOT TO FILL IN THE VACANCY.**

The Chairman then moved the following resolution which was proposed by Mr. Bharat Shah as an Ordinary Resolution and seconded by Mrs. Shobhna Mehta.

Mrs. Urvashi saxena (din no. 02021303) who retires by rotation has resigned w.e.f. 28th november 2014 with intent not to be re-appointed and company resolved not to fill in the vacancy.

4. **DR. S JAYARAM (DIN NO. 01244431) WHO RETIRES BY ROTATION HAS RESIGNED W.E.F. 01ST DECEMBER 2014 WITH INTENT NOT TO BE RE-APPOINTED AND COMPANY RESOLVED NOT TO FILL IN THE VACANCY.**

The Chairman then moved the following resolution which was proposed by Mrs. Shobhna Mehta as an Ordinary Resolution and seconded by Mr. Bharat Shah.

Dr. S jayaram (din no. 01244431) who retires by rotation has resigned w.e.f. 01st December 2014 with intent not to be re-appointed and company resolved not to fill in the vacancy.

5. **APPROVAL OF BORROWING POWERS:**

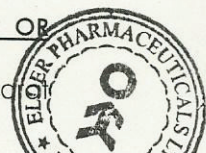
The Chairman then moved the following resolution which was proposed by Mrs. Shobhna Mehta as a Special Resolution and seconded by Mr. Bipin Bakshi.

"RESOLVED THAT in supersession of the ordinary resolution passed at the Annual General Meeting held on 28th September, 2012 under section 293(1)(d) of the Companies Act, 1956 and pursuant to the provisions of section 180(1)(c) of the Companies Act 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the Company hereby accords its consent to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, for borrowing any sum or sums of money from time to time whether in Indian rupees or foreign currency (including external commercial borrowings in foreign denominated currencies from any foreign source / countries as prescribed by guidelines, if any in this respect) from any one or more Company's bankers and /or from any one or more persons, firms, bodies corporate, financial institutions, banks or other acceptable source whether by way of advances, deposits, loans, non-convertible debentures, bonds or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, so however, that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding shall not exceed the sum of ` 2000 Crores (Rupees Two Thousand Crores only) at any one time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

6. **APPROVAL FOR CREATION OF HYPOTHECATION / MORTGAGE AND / OR CHARGE ON PROPERTIES OF THE COMPANY.**

The Chairman then moved the following resolution which was proposed by Mr. Bharat Shah as a Special Resolution and seconded by Mr. Ramani.



"RESOLVED THAT in supersession of the ordinary resolution passed at the Annual General Meeting held on 28th September, 2012 under section 293(1)(a) of the Companies Act, 1956 and pursuant to the provisions of section 180(1)(a) of the Companies Act 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company for mortgaging / charging all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves in the ordinary course of business but not exceeding ` 2000 Crores (Rupees Two Thousand Crores only) at any one time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

7. **TO APPROVE REMUNERATION TO BE PAID TO THE COST AUDITOR, T.M. RATHI FOR CONDUCTING COST AUDIT FOR THE FINANCIAL YEAR 2014-15 APPOINTED BY BOARD OF DIRECTORS.**

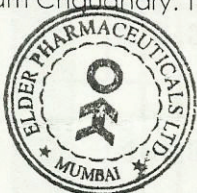
The Chairman moved the following resolution as an Ordinary Resolution which was proposed by Mr. Bharat Shah as an Ordinary Resolution and which was seconded by Mrs. Shobhana Mehta.

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to T. M. Rathi, Cost Auditor (Registration No10079) appointed by the Board to conduct Audit of the cost records of the Company relating to the Product "Pharmaceuticals"(formulation and bulk drug activities) for the Financial Year 2014-15, as set out in the statement annexed to the notice convening this meeting, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. **VOTE OF THANKS:**

Vote of thanks to the Chair was proposed by Mr. Joseph Martins and seconded by Mr. Hariram Chaudhary. The Chairman then declared the meeting to have concluded.



CHAIRMAN