

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Pursuant to 240.14a-11(c) or 240.14a-12

AKORN, INC.
(Name of Registrant as Specified In Its Charter)

AKORN, INC.
(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check appropriate box):

- \$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(j)(2).
 \$500 per each party to the controversy pursuant to Exchange Act Rule 14a-6(i)(3).
 Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:1
- 4) Proposed maximum aggregate value of transaction:

1Set forth amount on which the filing fee is calculated and state how it was determined.

- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form of Schedule and the date of its filing.

- 1) Amount Previously Paid:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing Party:
- 4) Date Filed

100 Akorn Drive
Abita Springs, Louisiana 70420

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held October 28, 1995

TO THE SHAREHOLDERS OF AKORN, INC.:

The annual meeting of shareholders of Akorn, Inc. (the "Company") will be held at 2:00 p.m., local time, on Saturday, October 28, 1995 at the Wyndham Garden Midtown located at 125 10th Street, Atlanta, Georgia for the following purposes, more fully described in the accompanying proxy statement:

1. To elect a board of eight directors.
2. To transact such other business as may properly come before the meeting and any adjournments thereof.

The Board of Directors has fixed the close of business on September 15, 1995 as the record date for the determination of shareholders entitled to notice of and to vote at the annual meeting and all adjournments thereof.

Your vote is important regardless of the number of shares you own. Whether or not you plan to attend the annual meeting, please mark, date and sign the enclosed proxy card and return it promptly in the enclosed stamped envelope. Furnishing the enclosed proxy will not prevent you from voting in person at the meeting should you wish to do so.

By Order of the Board of Directors

/s/ George S. Ellis, M.D.
George S. Ellis, M.D.
Secretary

Abita Springs, Louisiana
September 15, 1995

AKORN, INC.
100 Akorn Drive
Abita Springs, Louisiana 70420

PROXY STATEMENT

Annual Meeting of Shareholders
To be Held October 28, 1995

This Proxy Statement is furnished to shareholders of Akorn, Inc. (the "Company") in connection with the solicitation of proxies on behalf of the Company's Board of Directors for use at its Annual Meeting of shareholders to be held at the date, time and place set forth in the accompanying notice and at any adjournments thereof (the "Meeting"). The date of this Proxy Statement is September 15, 1995.

On September 15, 1995, the record date for determining shareholders entitled to notice of and to vote at the Meeting, the Company had outstanding 14,904,653 shares of common stock (the Company's only class of authorized capital stock), each of which is entitled to one vote on all matters to be considered at the Meeting.

Shares represented by all properly executed proxies on the enclosed form received in time for the Meeting will be voted at the Meeting. A proxy may be revoked at any time before it is

exercised by filing with the Secretary of the Company an instrument revoking it or a duly executed proxy bearing a later date, or by attending the Meeting and voting in person. Unless revoked, the proxy will be voted as specified and, if no specifications are made, will be voted in favor of the proposed nominees as described herein.

The cost of soliciting proxies in the enclosed form will be borne by the Company. In addition to the use of the mails, proxies may be solicited by personal interview, telephone, telefax and telegraph. Banks, brokerage houses and other institutions, nominees and fiduciaries will be requested to forward solicitation materials to the beneficial owners of the shares of the common stock of the Company; upon request, the Company will reimburse such persons for reasonable out-of-pocket expenses incurred in connection therewith.

ELECTION OF DIRECTORS

The Company's by-laws provide for a Board of eight directors. Eight candidates have been nominated by the Board of Directors for election at the Meeting. The Board of Directors recommends that shareholders vote FOR the election of all eight nominees.

Proxies cannot be voted for more than eight candidates and not more than eight directors can be elected. In the absence of contrary instructions, the proxy holders will vote for the election of the eight nominees listed below. In the unanticipated event that one or more of such persons is unavailable as a candidate for director, the persons named in the accompanying proxy will vote for another candidate nominated by the Board of Directors.

The following table sets forth as of September 15, 1995 the age, principal occupation and employment, position with the Company, directorships in other public corporations, year first elected a director of the Company, and beneficial ownership of shares of Company common stock of each nominee for election as director at the coming meeting. Unless otherwise indicated, (i) each nominee has been engaged in the principal occupation or occupations shown for more than the past five years, and (ii) the shares shown as being beneficially owned are held with sole voting and investment power.

Name, Age, Principal Occupation and Directorships in Other Public Corporations	Director Since	Shares Beneficially Owned <F1>	Percent of Class
Daniel E. Bruhl, M.D., 53 Ophthalmologist; director of Surgical Care Affiliates, Inc.	1983	285,517<F2>	1.91%
J. Ed Campbell, M.D., 71 Ophthalmologist.	1975	223,691<F3>	1.50%
George S. Ellis, M.D., 72 Ophthalmologist.<F4>	1985	279,260<F5>	1.87%
Doyle S. Gaw, 64 Private investor; Chairman of the Board and Chief Executive Officer of the Company from 1989 to 1991.	1975	245,824<F6>	1.64%
John N. Kapoor, Ph.D., 52 Chairman of the Board and Chief Executive Officer of Option Care, Inc. since August, 1993; President of E. J. Financial Enterprises, Inc. since April, 1990;	1991	4,270,000<F8>	26.81%

director of Unimed, Inc. and
Lunar Corp.<F7>

Barry D. LeBlanc, 40 President of the Company since 1987 and Chief Executive Officer since December, 1991.	1987	586,563<F9>	3.83%
David H. Turner, M.D., 68 Ophthalmologist.	1975	244,650<F10>	1.64%
Lawrence A. Yannuzzi, M.D., 58 Ophthalmologist.	1983	195,883<F3>	1.31%
Directors and officers as a group (11 Persons)		6,663,701<F11>	39.50%

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- <F1> Beneficial ownership is determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934.
- <F2> Includes 64,266 shares held by Dr. Bruhl's pension and profit sharing plans and 30,000 shares issuable pursuant to options granted by the Company.
- <F3> Includes 30,000 shares issuable pursuant to options granted by the Company.
- <F4> Dr. Ellis also serves as Secretary of the Company.
- <F5> Includes 101,500 shares held by Dr. Ellis' wife and 30,000 shares issuable pursuant to options granted by the Company.
- <F6> Includes 130,000 shares issuable to Mr. Gaw pursuant to options granted by the Company.
- <F7> Dr. Kapoor also serves as Chairman of the Board of the Company, a non-officer position. E. J. Financial Enterprises, Inc. is a privately held financial services and consulting company; Option Care, Inc., a publicly held company, is a franchiser of home infusion therapy businesses; Unimed, Inc., a publicly held corporation, is a pharmaceutical distributor; and Lunar Corp., also publicly held, is a medical diagnostic equipment company. Dr. Kapoor had served as acting Chairman of the Board of Directors of the Company from April, 1993 to May, 1995; he served as Chairman of the Board of the Company from December, 1991 to January, 1993.
- <F8> Of such 4,270,000 shares, (i) 3,220,000 are owned directly by the John N. Kapoor Trust dated September 20, 1989 (the "Trust") of which Dr. Kapoor is the sole trustee and beneficiary, (ii) 1,000,000 are issuable pursuant to a warrant issued to the Trust in 1992, (iii) 30,000 are owned by a trust, the trustee of which is Dr. Kapoor's wife and the beneficiaries of which are their children, and (iv) 20,000 are issuable pursuant to options granted by the Company directly to Dr. Kapoor.
- <F9> Includes 483,052 shares issuable to Mr. LeBlanc pursuant to options granted by the Company, 5,000 shares held by Mr. LeBlanc's wife and 10,000 shares owned by Mr. LeBlanc's minor child.
- <F10> Includes 50,000 shares held by Dr. Turner's wife and 30,000 shares issuable pursuant to options granted by the Company.
- <F11> Of such 6,663,701 shares, 1,783,052 are not presently outstanding, but are issuable pursuant to option and warrant rights described in the preceding footnotes and 183,334 are issuable pursuant to options held by officers of the Company who are not also directors.

During the fiscal year ended June 30, 1995, the Board of Directors of the Company held four meetings. Each incumbent director attended at least 75% of the aggregate number of meetings held during that fiscal year of the Board of Directors and committees of which he was a member.

The Board of Directors has an Executive Committee, of which Dr. Kapoor and Mr. LeBlanc are members; an Audit Committee, of which Drs. Bruhl, Campbell and Mr. Gaw are members; and a

Compensation Committee, of which Drs. Ellis, Turner and Yannuzzi are members. The Board of Directors also has an Incentive Compensation Committee, which administers the Company's Incentive Compensation Program; this committee consists of all directors excepting Mr. LeBlanc and Dr. Kapoor. The Executive Committee has all of the powers of the Board when the Board is not in session, except the power to declare dividends, make or alter by-laws, fill vacancies on the Board or the Executive Committee, or change the membership of the Executive Committee. The Audit Committee, which met once during fiscal 1995, is responsible for (i) consulting with the independent auditors with regard to the plan of audit, (ii) reviewing the plan and the results of audits of the Company by its independent auditors and (iii) discussing audit recommendations with management and reporting the results of its reviews to the Board of Directors. The Compensation Committee met five times during fiscal 1995 to review various compensation matters with respect to executive officers and directors.

For services as Chairman of the Board and as a consultant to the Company, Dr. Kapoor receives fees of \$50,000 per year. Each other director who is not a salaried officer or consultant of the Company receives a fee for his services as a director of \$1,000 per regular meeting of the Board of Directors, \$250 per telephone meeting and \$500 per committee meeting, plus reimbursement of his expenses related to those services. In addition, the chairman of each committee (other than Dr. Kapoor) receives an annual fee of \$2,500.

All directors of the Company participate in the Company's Stock Option Plan for Directors, pursuant to which each director of the Company is granted an option to acquire 5,000 shares of Company common stock on the day after each annual meeting of shareholders at which he is elected to serve as a director. Any director appointed between annual meetings is entitled to receive a pro rata portion of an option to acquire 5,000 shares. The plan is administered by the Incentive Compensation Committee. The Committee may, in its sole discretion, grant an option to purchase up to 100,000 shares to a person who is not already a director and who becomes a director at any time; no member of the Committee is eligible to be granted such an option and any director who has been granted such an option is not permitted to serve on the Committee for one year after such grant. Options granted under the plan expire five years from the date of grant. The option exercise price is the fair market value of the shares covered by the option at the time of the grant. Options covering a total of 277,917 shares are currently outstanding and options covering 202,083 shares remain available for issuance under the plan.

Under agreements between the Company and the John N. Kapoor Trust dated September 20, 1989, the Trust is entitled to designate two individuals to be nominated and recommended by the Company's Board of Directors for election as a director. The Trust has designated only Dr. Kapoor for this purpose and is not expected to designate a second individual for nomination as a director prior to the Meeting.

During the Company's fiscal year ended June 30, 1995, one former officer of the Company (Wm. Kendall Albert) failed timely to file with the Securities and Exchange Commission one report as to the exercise of certain options for shares of Company common stock, and the sale of such shares, as required by Section 16(a) of the Securities Exchange Act of 1934.

PRINCIPAL SHAREHOLDERS

As of September 18, 1995, the following person was known by the Company to own beneficially more than 5% of its common stock (the only outstanding voting security of the Company). The information set forth below has been determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934 based upon information furnished by the persons listed.

Name	Shares Beneficially Owned	Percent of Class
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John N. Kapoor, Ph.D. 4,270,000<F1> 26.81%
 The John N. Kapoor Trust
 dated September 20, 1989

<F1> The nature of the beneficial ownership of such shares is described in note 8 to the table under Election of Directors, above. The address of Dr. Kapoor and the Trust is 225 East Deerpath, Suite 250, Lake Forest, Illinois 60045.

EXECUTIVE COMPENSATION

Summary of Executive Compensation

The following table summarizes the compensation paid by the Company for services rendered during the fiscal years ended June 30, 1993, 1994 and 1995 to each executive officer of the Company whose total annual salary and bonus for fiscal 1995 exceeded \$100,000:

Summary Compensation Table

Name and Principal Position	Year Ended June 30	Annual Compensation		Long-Term Compensation	All Other<F1> Compensation
		Salary	Bonus	Number of Options Awarded	
Barry D. LeBlanc President and Chief Executive Officer	1995	\$207,731		34,000	\$2,310
	1994	184,362	\$24,667	50,000	2,310
	1993	178,024		125,000	
Wm. Kendall Albert Vice President-Sales and Marketing<F2>	1995	\$107,115		23,000	37,667
	1994	140,874	16,444	25,000	873
	1993	133,554		25,000	
Harold O. Koch Senior Vice President<F3>	1995	\$122,247		58,000	1,530
	1994	105,602	16,444	25,000	791
	1993	99,350		40,000	
Timothy J. Toney Vice President- Manufacturing<F4>	1995	\$117,292		10,000	2,018
	1994	115,000	17,250		359
	1993	115,000	14,637	5,000	

<FN>
 <F1> Represents contributions to the Company's Savings and Retirement Plan. (See also <F2> below)
 <F2> Mr. Albert's employment by the Company ended in February 1995 at which time he received severance payments of \$36,250 which is included in other compensation.
 <F3> Mr. Koch became an executive officer of the Company in February 1993 and became Senior Vice President in January 1995.
 <F4> Mr. Toney became an executive officer of the Company in February 1993; he also serves as president of Akorn Manufacturing, Inc., the Company's manufacturing subsidiary.

</FN>

Stock Option Grants

The following table provides information concerning the grant of options to purchase Company common stock to the executive officers named in the Summary Compensation Table during the fiscal year ended June 30, 1995. All options are exercisable

at the fair market value of the shares on the date of grant. Twenty-five percent of all the options granted, except the 35,000 issued to Mr. Koch, became exercisable on the date of grant and 25% of the options become exercisable on the first, second and third anniversaries of the date of grant. Thirty-three percent of the 35,000 options issued to Mr. Koch became exercisable on the date of grant and 33% of such options become exercisable on the first and second anniversaries of the date of grant. If there is a reorganization, merger or consolidation involving the Company in which the Company is not the surviving corporation or a transfer of substantially all of the property or more than two-thirds of the stock of the Company, all options will become immediately exercisable in full.

Fiscal 1995 Option Grants

Name	No. of Options Granted	% of Total Options Granted to Employees in 1995	Exercise Price	Expiration Date
Barry D. LeBlanc	34,000	14.3	\$2.81	08/20/99
Wm. Kendall Albert	23,000	9.7	2.81	08/20/99
Harold O. Koch	23,000	9.7	2.81	08/20/99
Harold O. Koch	35,000	14.7	3.50	10/29/99
Timothy J. Toney	10,000	4.2	3.50	10/29/99

Aggregate Option Exercises in Fiscal 1995 and Option Values as of June 30, 1995

Name	No. of Shares		No. of Unexercised Options at		Value of Unexercised In-the-Money Options	
	Acquired	Value	June 30, 1995	at June 30, 1995	at June 30, 1995	at June 30, 1995
	on Exercise	Realized	Exercisable	Unexercisable	Exercisable	Unexercisable
Barry D. LeBlanc	0	\$0	481,969	50,500	\$179,743	\$ 9,375
Wm. Kendall Albert	34,917	38,084	100,000			
Timothy J. Toney	0	0	40,833	9,167	2,917	208
Harold O. Koch	0	0	91,583	56,417	9,271	5,104

Employment Agreement

In connection with the Company's acquisition of Akorn Manufacturing, Inc. (formerly Taylor Pharmacal Company) ("AMI") in January, 1992, AMI entered into an employment agreement with Timothy J. Toney, who was at that time an officer of AMI. Pursuant to the agreement, which expired on December 13, 1994, Mr. Toney was employed as president of AMI at an annual salary of \$115,000 and was entitled to an annual cash bonus equal to the lesser of (i) 15% of his annual salary or (ii) 2.55% of AMI's adjusted pre-tax earnings. Also pursuant to the agreement, Mr. Toney was eligible for benefits under the Company's incentive compensation program, health and accident insurance, vacation benefits, and other benefits available to employees of AMI. This contract was not renewed and subsequent to December 13, 1994 Mr. Toney continues to be employed as President of AMI, as well as Vice President - Manufacturing of the Company.

TRANSACTIONS WITH SHAREHOLDERS AND DIRECTORS

Under an agreement that was in effect from November 1990 through December 31, 1994, EJ Financial Enterprises, Inc., which is controlled by John N. Kapoor, provided consulting services to the Company for a monthly fee of \$4,167, plus expenses. This agreement has been renewed, with the monthly fee reduced to \$1,500, for a term expiring on December 31, 1995, unless earlier terminated by either party on 30 days' notice.

For services performed by Dr. Kapoor in connection with the Company's acquisition of Akorn Manufacturing, Inc., the John N. Kapoor Trust dated September 20, 1989 received, among other things, 125,000 shares of Company common stock which were subject to forfeiture if the market price of the Company common stock were not to reach \$5.00 by January 15, 1996. At the time of this issuance, the market price of Company common stock was \$3.50 per share. In August 1995, the Company, the Trust and Dr. Kapoor entered into an agreement under which (i) the forfeiture period was extended to January 15, 1998, (ii) forfeiture would not occur in the event that persons unaffiliated with Dr. Kapoor acquire beneficial ownership of more than 50% of the outstanding common stock of the Company, and (iii) Dr. Kapoor waived his right to receive \$40,000 otherwise payable to him by the Company for serving as Chairman of the Board in fiscal 1996.

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

A representative of Deloitte & Touche, the Company's independent accountant for the fiscal year ended June 30, 1995, is expected to attend the Meeting, will have an opportunity to make a statement if he wishes to do so, and will be available to respond to appropriate questions.

OTHER MATTERS

Quorum and Voting of Proxies

The presence, in person or by proxy, of a majority of the outstanding shares of common stock of the Company is necessary to constitute a quorum. Shareholders voting, or abstaining from voting, by proxy on any issue will be counted as present for purposes of constituting a quorum. If a quorum is present, (i) the election of the eight directors to be elected at the Meeting will be determined by plurality vote (that is, the eight nominees receiving the largest number of votes will be elected) and (ii) a majority of votes actually cast will decide any other matter properly brought before the Meeting for a vote of shareholders. Shares for which proxy authority to vote for any nominee for election as a director is withheld by the shareholder and shares that have not been voted by brokers who may hold shares on behalf of the beneficial owners ("broker non-votes") will not be counted as voted for the affected nominee. With respect to any matter other than the election of directors, shares that are not voted as a result of abstentions and broker non-votes will not be considered cast in determining whether or not a majority of votes has been cast.

Other Business

Management is unaware of any matter for action by shareholders at the Meeting other than those described in the accompanying notice. The enclosed proxy, however, will confer discretionary authority with respect to any other matter that may properly come before the Meeting or any adjournment thereof. It is the intention of the persons named in the enclosed proxy to vote in accordance with their best judgment on any such matter.

Shareholder Proposals

Any shareholder who desires to present a proposal qualified for inclusion in the Company's proxy materials for the 1996 annual meeting must forward the proposal in writing to the President of the Company at the address shown on the first page of this proxy statement in time to arrive at the Company no later than May 18, 1996.

By Order of the Board of Directors

/s/ George S. Ellis, M.D.
George S. Ellis, M.D.
Secretary

Abita Springs, Louisiana
September 15, 1995

PROXY This Proxy is Solicited on Behalf of the Board of Directors of
AKORN, INC.

The undersigned hereby constitutes and appoints John N. Kapoor, Ph.D. or Barry D. LeBlanc, or either of them, proxies for the undersigned, with full power of substitution, to represent the undersigned and to vote, as designated below, all of the shares of Common Stock of Akorn, Inc. (the "Company") that the undersigned is entitled to vote held of record by the undersigned on September 15, 1995, at the annual meeting of shareholders of the Company to be held on October 28, 1995 (the "Annual Meeting"), and at any and all adjournments thereof.

The Board of Directors recommends a vote FOR the nominees listed below.

1. Election of Directors.

FOR ___ all nominees listed below (except as WITHHOLD AUTHORITY ___ to
marked to the contrary below) vote for all nominees
listed below

INSTRUCTIONS: To withhold authority to vote for any individual nominee, strike a line through the nominee's name in the list below:

Daniel E. Bruhl, M.D. George S. Ellis, M.D. John N. Kapoor, Ph.D.
David H. Turner, M.D. J. Ed Campbell, M.D. Doyle S. Gaw
Barry D. LeBlanc Lawrence A. Yannuzzi, M.D.

2. In their discretion to vote upon such other business as may properly come before the Annual Meeting or any adjournment thereof.

(Please See Reverse Side)

This proxy when properly executed will be voted in the manner directed herein by the undersigned shareholder. If no direction is made, this proxy will be voted FOR the nominees listed over. The individuals designated above will vote in their discretion on any other matter that may properly come before the meeting.

Date: _____, 1995

Signature of Shareholder

Signature if held jointly

Please sign exactly as name appears on the certificate or certificates representing shares to be voted by this proxy, as shown on the label to the left. When signing as executor, administrator, attorney, trustee, or guardian please give full title as such. If a corporation, please sign full corporation name by president or other authorized officer. If a partnership, please sign in partnership name by authorized persons.

Please mark, sign, date and return this proxy promptly using the enclosed envelope.