



**34<sup>th</sup> Annual Report**  
2014 - 2015

**GUJARAT THEMIS  
BIOSYN LIMITED**

**BOARD OF DIRECTORS**

DR. DINESH S. PATEL *Chairman*

DR. SACHIN D. PATEL

MR. VIJAY AGARWAL

MS. DHARMISHTA N RAVAL

MR. J.H CHOI

MR. S. S. LEE

DR. VIKRAM D SANGHVI  
(w.e.f 25-03-2015)

MR. SIDDHARTH Y KUSUMGAR  
(w.e.f 28-05-2015)

MR. HINESH DOSHI  
(Alternate to Mr.J.H Choi w.e.f 17-03-2015)

**AUDITORS**

M/s. KHANDELWAL JAIN & CO.  
Chartered Accountants, Mumbai

**BANKERS**

UNION BANK OF INDIA

**REGISTERED OFFICE AND WORKS**

69/C, GIDC INDUSTRIAL ESTATE  
VAPI – 396 195, DIST. VALSAD  
GUJARAT, INDIA

**CIN** : L24230GJ1981PLC004878

**E-mail** : [gtblmumbai@gtbl.in](mailto:gtblmumbai@gtbl.in) / [accounts@gtbl.co.in](mailto:accounts@gtbl.co.in)

**Website** : [www.gtbl.in](http://www.gtbl.in)

## NOTICE TO THE MEMBERS

NOTICE is hereby given that the 34<sup>th</sup> Annual General Meeting of Gujarat Themis Biosyn Limited will be held on Monday, 21<sup>st</sup> September, 2015, at 12 Noon, at 69/C, GIDC Industrial Estate, Vapi-396 195, Dist. Valsad, Gujarat, to transact the following business :-

### Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31<sup>st</sup> March, 2015 together with Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Dinesh S Patel, (DIN: 00033273) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. S.S. Lee, (DIN: 01933988) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W ), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till conclusion of the next Annual General Meeting, at a remuneration decided by the Board of Directors of the Company.”

### Special Business

5. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 & 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enhancement thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Ms. Dharmishta N Raval (DIN: 02792246) Independent Director of the Company, who has submitted a declaration that she meets the criteria for Independence as provided in section 149(6) of the Act and who is eligible for re-appointment be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years commencing from 21<sup>st</sup> September, 2015, not liable to retire by rotation.”
6. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Dr. Vikram D. Sanghvi (DIN: 06858267), who was appointed as an Additional Director of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years commencing from 21<sup>st</sup> September, 2015, not liable to retire by rotation.”
7. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. Siddharth Yogesh Kusumgar (DIN: 01676799), who was appointed as an Additional Director of the Company and who hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years commencing from 21<sup>st</sup> September, 2015, not liable to retire by rotation.”

### Registered Office

69/C, GIDC Industrial Estate,  
Vapi- 396 195  
Dist. Valsad, Gujarat

**CIN : L24230GJ1981PLC004878**

Place : Mumbai  
Date : 28-05-2015

### By Order of the Board of Directors

Sd/-  
**Dr. Dinesh S. Patel**  
Chairman

**NOTES:**

1. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.
3. The Proxy to be effective must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for holding of the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 2015 to 21st September, 2015 (both days inclusive).
5. Members are requested to notify immediately changes in their addresses, if any, to the Company / Registrar & Share Transfer Agents quoting reference of the Registered Folio Number.
6. Members are requested to quote their Folio Numbers in their correspondence with the Company / Registrar & Share Transfer Agent.
7. Company shares are listed at BSE Limited, Mumbai. The Company has paid listing fees for the year 2015-16 to the above Stock Exchange.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime.
9. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
10. The Members, whose names appear in the Register of Members/list of Beneficial Owners as received from Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) on 14<sup>th</sup> September, 2015 are entitled to vote by Ballot Paper attending Annual General Meeting in person(s) on the resolutions set forth in this Notice.
11. Details of Directors seeking appointment / re-appointment in the 34<sup>th</sup> Annual General Meeting, in pursuance of clause 49 of the Listing Agreement.

<b>Name of Director</b>	<b>Dr. Dinesh S. Patel (DIN : 00033273)</b>	<b>Mr. S.S. Lee (DIN : 01933988)</b>	<b>Ms. Dharmishta N Raval (DIN : 02792246)</b>	<b>Dr. Vikram D Sanghvi (DIN : 06858267)</b>	<b>Mr. Siddharth Yogesh Kusumgar (DIN : 01676799)</b>
Date of Birth	02-11-1948	03-11-1961	12-01-1956	06-11-1949	07-05-1976
Date of appointment	25-05-1992	19-01-2008	30-10-2009	25-03-2015	28-05-2015
Expertise in specific functional areas	Industrialist with expertise in Medicinal & Pharmaceutical Research, Fermentation Technology and Business Management.	Product Development, Overseas Business	Eminent Corporate Lawyer with vast experience in matters related to Company law, Labour Laws, Income Tax, Excise and Sick Industries Companies Act etc.	Surgical Oncologist	Industrialist with experience in Market Development, Sales, Finance and Administration
Qualifications	M.Sc. PHD.C. Chem., FRSC (Lon).	B. Science	BSc, L.L.M	M.S, F.I.C.S	Diploma in Man Made Textiles from SASMIRA and training at Philadelphia College of Textiles in U.S.A

Name of Director	Dr. Dinesh S. Patel (DIN : 00033273)	Mr. S.S. Lee (DIN : 01933988)	Ms. Dharmishta N Raval (DIN : 02792246)	Dr. Vikram D Sanghvi (DIN : 06858267)	Mr. Siddharth Yogesh Kusumgar (DIN : 01676799)
List of companies (excluding foreign and private Ltd. companies in which outside Directorships held as on 31st March, 2015)	Themis Medicare Ltd. Artemis Biotech Ltd.	Nil	Ace Derivatives and Commodity Exchange Ltd.  Cadila Healthcare Ltd.  Nocil India Ltd.,  Themis Medicare Ltd.  NSDL e-Governance Infrastructure Ltd.  Adani Enterprises Ltd.	Nil	Nil
Chairman/ Member of the Committees of the Board of the companies on which he/she is a director as on 31st March, 2015	Member of Audit Committee of Themis Medicare Ltd.	Nil	Member of Audit, Remuneration and CSR Committee of Cadila Healthcare Ltd.  Member of CSR Committee of Themis Medicare Ltd.  Member of Remuneration and Investment Committees of NSDL e-Governance Infrastructure Ltd.	Nil	Nil

**12. Information and other instructions relating to e-voting are as under:**

- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- (ii) The Board of Directors of the Company has appointed Mr. Shyam Sundar Purohit (Membership No.FCA 135746 and CP No. 138905), Patel Purohit & Associates, Practicing Chartered Accountants, Vapi, as a Scrutinizer to scrutinise the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose
- (iii) The voting period begins on 17th September, 2015 (at 9.00 am) and ends on 20th September, 2015 (till 5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iv) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (v) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (vi) Click on Shareholders.
- (vii) Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (viii) Next enter the Image Verification as displayed and Click on Login.
- (ix) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (x) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is ABHIJITH with sequence number 1 then enter AB00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).</li> </ul>

- (xi) After entering these details appropriately, click on "SUBMIT" tab.
- (xii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiv) Click on the EVSN for the relevant GUJARAT THEMIS BIOSYN LTD. on which you choose to vote.
- (xv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xviii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xix) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xx) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xxi) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) The Ballot Form will be provided for the benefit of shareholders, who do not have access to E-voting facility.
- (B) Pursuant to Clause 35B of the Listing Agreement, members who do not have access to E-voting facility, may exercise their right to vote on business to be transacted at the Annual General Meeting of the Company by submitting the Ballot Form.
- (C) At the end of the discussion on the resolutions on which voting is to be held, the members who are present at the meeting but have not cast their votes by availing the e-voting facility will be allowed voting with the assistance of Scrutinizer by way of ballot form.
- (D) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (E) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.gtbl.in](http://www.gtbl.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the BSE Limited, where the shares of the Company are listed.

**EXPLANATORY STATEMENT TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING**

**ITEM NO: 4**

Ms.Dharmishta N Raval (DIN: 02792246) is an Independent Director of the Company from 30th October, 2009. She is the member of Audit Committee & Nomination & Remuneration Committee of the Board of Directors of the Company.

Ms. Dharmishta N Raval, an eminent corporate lawyer and has a vast experience in matters related to Company law, Labour Laws, Income Tax, Excise and Sick Industries Companies Act etc. The Board of the Company has benefited from her expertise during her association with the Company.

Ms. Dharmishta N Raval retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. However, as per requirements of provisions of the Companies Act, 2013 and rules made there under, the Independent Directors are not liable to retire by rotation and are required to be appointed by Shareholders. The Board recommends to re-appoint her as an Independent Director of the Company for a term of five consecutive years from the conclusion of this Annual General Meeting dated 21<sup>st</sup> September, 2015.

Except for Ms. Dharmishta N Raval no other director is concerned or interested in this resolution.

**ITEM NO: 5**

Dr. Vikram D Sanghvi (DIN : 06858267) was appointed as Additional Director on 25<sup>th</sup> March, 2015 in the category of Independent Director under the provisions of Section 149, 150 and 152 of the Companies Act, 2013. Dr. Vikram D Sanghvi is a Surgical Oncologist, who was Professor and Chief of Surgical Oncology at Tata Memorial Hospital. As an Additional Director his tenure ends on the ensuing Annual General Meeting. Being eligible, Dr. Vikram D Sanghvi offers himself for appointment as a Independent Director of the Company.

The Board of Directors has received a notice under Section 160 of the Companies Act, 2013 from one of the shareholders along with requisite deposit proposing the candidature Dr. Vikram D Sanghvi as an Independent Director under the provisions of the Companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Dr. Vikram D Sanghvi as Independent Director of the Company for a term of 5 consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. He is not liable to retire by rotation.

The Board recommends passing of resolution by members appointing Dr.Vikram D Sanghvi as Independent Director of the Company.

**ITEM NO: 6**

Mr. Siddharth Yogesh Kusumgar (DIN : 01676799) was appointed as an Additional Director on 28<sup>th</sup> May, 2015 in the category of Independent Director under the provisions of Section 149, 150 and 152 of the Companies Act, 2013. He was also appointed as a member of the Audit Committee by the Board. Mr. Siddharth Yogesh Kusumgar has an academic background in Textiles with Diploma in Man made Textiles from SASMIRA and training at Philadelphia College of Textiles in U.S.A. as an Additional Director his tenure ends on the ensuing Annual General Meeting. Being eligible, Mr. Siddharth Yogesh Kusumgar offers himself for appointment as an Independent Director of the Company.

The Board of Directors has received a notice under Section 160 of the Companies Act, 2013 from one of the shareholders along with requisite deposit proposing the candidature Mr. Siddharth Yogesh Kusumgar as an Independent Director under the provisions of the Companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mr. Siddharth Yogesh Kusumgar as an Independent Director of the Company for a term of five consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. He is not liable to retire by rotation.

The Board recommends passing of resolution by members appointing Mr. Siddharth Yogesh Kusumgar (DIN : 01676799) as an Independent Director of the Company.

**Registered Office**

69/C, GIDC Industrial Estate,  
Vapi- 396 195  
Dist. Valsad, Gujarat

**CIN : L24230GJ1981PLC004878**

Place : Mumbai  
Date : 28-05-2015

**By Order of the Board of Directors**

Sd/-  
**Dr. Dinesh S. Patel**  
Chairman



**DIRECTORS' REPORT**

The Members,

Gujarat Themis Medicare Limited

Your Directors have pleasure in presenting herewith the 34<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31<sup>st</sup> March, 2015.

**FINANCIAL RESULTS:**

The Company's performance during the year ended 31<sup>st</sup> March, 2015 as compared to the previous financial year, is summarized below:

(Rs. in Lakhs)

<b>PARTICULARS</b>	<b>Year ended 31.03.2015</b>	<b>Year ended 31.03.2014</b>
Revenue from Operation	<b>3144.02</b>	<b>3023.03</b>
Operating Profit / (Loss)	<b>629.14</b>	<b>652.27</b>
Other Income	<b>8.88</b>	<b>16.01</b>
Finance Cost	<b>(38.72)</b>	<b>(71.48)</b>
Profit / (Loss) before depreciation, prior period adjustments & tax	<b>599.29</b>	<b>596.80</b>
Depreciation and amortization expenses	<b>(137.54)</b>	<b>(146.25)</b>
Prior period adjustment	<b>(2.35)</b>	<b>2.04</b>
Profit after depreciation, exceptional item and prior period adjustments	<b>459.41</b>	<b>452.59</b>
Net Profit after tax	<b>459.41</b>	<b>452.59</b>
Impact on depreciation pursuant to transitional provision in Schedule II	<b>(3.95)</b>	<b>-</b>
Surplus/(Deficit) brought forward	<b>(1492.51)</b>	<b>(1945.11)</b>
Surplus / (Deficit) carried forward to Balance Sheet	<b>(1037.05)</b>	<b>(1492.51)</b>

**OPERATIONS:**

Your Company's performance during the year was marginally better than the previous year, as the Company is doing Job Work for other Pharma Company with fixed contracted price. The production capacity was utilized to the maximum level during the both years. Your Company has generated cash profit during the year under review as well as in the previous year.

Your Company's major operations were from Job Work. During the period conversion charges recorded at Rs.3144.02 Lacs (previous year Rs.3023.03 Lacs). The operating Profit for the year is Rs.629.14 Lacs as compared to operating Profit of Rs. 652.27 Lacs for the previous year. The Net Profit recorded by the Company for the year is Rs.459.41 Lacs as compared to net profit of Rs. 452.59 Lacs in the previous year.

The Company proposes to carry the profit after tax of Rs. 459.41 Lacs for adjustment brought forward loses.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and as on the date of the report which affect the Balance Sheet.

**BIFR**

Your Company was referred to BIFR under Sick Industrial Companies (Special Provisions) Act, 1985 on 2<sup>nd</sup> June, 2008 and Registered under Case No. 67/2007. The Scheme of Rehabilitation was approved by BIFR on 12<sup>th</sup> January, 2012.

During the year, one of the promoters Pharmaceutical Business Group (India) Ltd. has offloaded 1423000 equity shares (9.79%) of Rs.5/- each fully paid up to public on 7<sup>th</sup> August, 2014 by way of offer for sale through Stock Exchange Mechanism. As a result, the Company has achieved minimum public shareholding of 25% in compliance with BIFR and SEBI orders.

Your Company has complied with all the requirements as per BIFR order and the performance of the Company is in line with the Scheme approved by the BIFR order dated 12<sup>th</sup> January, 2012.

Barring unforeseen circumstances, your Company expects positive net worth of the Company during the Financial year 2015-16 much before the period envisaged for positive net worth under Scheme approved by the BIFR.

**SUBSIDIARIES**

The Company does not have any subsidiary.

**ASSOCIATES**

The Company has two Associate Companies namely Themis Medicare Ltd., & Pharmaceutical Business Group (India) Ltd. The details of Associate Companies are given in **Annexure I**.

**DIVIDEND:**

In view of carry forward losses, your Directors do not recommend any dividend for the year under consideration.

**TRANSFER TO RESERVES:**

Due to Carry forward losses, your Board has not recommended transfer of any amount of profit to reserves during the year under review.

**REVISION OF FINANCIAL STATEMENT:**

There was no revision of the financial statements for the year under review.

**FIXED DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 (the Act) and the Companies (Acceptance of Deposits) Rules, 2014.

**DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**STATEMENT ON DECLARATION UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013:**

The Board has received declaration from the Independent Directors under section 149(6) of the Companies Act, 2013 that they are not otherwise disqualified to be Independent Directors. The Board further States that all the Independent Directors are persons of integrity and possesses relevant expertise and experience to discharge their duties and roles as Independent Directors of the Company.

**STATEMENT UNDER SECTION 178**

Your Company had Constituted Nomination and Remuneration Committee as well as Stakeholder Relation Committee as contemplated under section 178(1) of the Companies Act, 2013. The Nomination and Remuneration Committee consider that the Qualifications, Experience and positive attributes of the Directors on the Board of the Company are sufficient enough to discharge their duties as such.

During the financial year 2014-15, the Company has neither paid sitting fees nor paid any remuneration & commission to Board Members.

**BOARD'S EXPLANATION ON AUDITORS' REPORTS:**

**I. Explanation On Statutory Auditors' Report**

Observations of Statutory Auditors on Accounts for the year ended 31st March 2015: There are following qualifications, reservations or adverse remark or disclaimer made by the Statutory Auditors in respect of financial statement as on and for the year ended 31st March, 2015.

Following are the explanations for the Statutory Auditor's remarks in the Audit report.

**Point No.1 Regarding preparation of financial statement on going concern basis**

The Company has made profit in the current and previous financial years. In the opinion of the Board there is no doubt about the Company's ability to continue as a going concern, hence these accounts are prepared on a going concern basis.

**Point No.2 Regarding confirmation of balances**

The Company does not foresee any major impact on the accounts of the Company due to non receipt of balance confirmation from the parties as stated in the auditor's report.

**II. Explanation On Secretarial Auditors' Report**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. The Secretarial Audit Report for the financial year 2014-15 is given in **Annexure II**.

In respect of the observations made in the Secretarial Audit Report. Following are the explanations and comments offered by the Board.

**Point No.1 Regarding non filing of certain forms with Registrar of Companies in respect of appointment of CS/CEO and Resignation of CEO.**

The non filings of the certain forms were mainly due to ambiguity and uncertainty of the applicability of the same for the relevant period. However, the Company would ensure in future that all the provisions are complied with the fullest extent.

**Point No.2 Regarding delay in appointing CFO & Independent Director.**

The Company was searching-out the right candidates for the above and has already made such appointments after locating the right candidates.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by company are given in the notes to the financial statements.

**PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES**

The details of transactions/contracts/arrangements entered by the Company with related parties as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in annual report.

All Related Party Transactions that were entered into during the financial year were at arm's length and were in the ordinary course of business. All Related Party Transactions were placed before the Audit Committee and the Board of Directors for their approval. The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in the Listing Agreement.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Company in the ordinary course of its business, enters into transactions for purchase and sale of goods, materials & services, other obligations from 'Related Parties' within the meaning Section 2(76) of the Act and Clause 49(VII) of the Listing Agreement.

The current and the future transactions are/will not be deemed to be 'material' in nature as defined in the Act & Clause 49(VII) of the Listing Agreement as they do not exceed 10 per cent of the annual turnover of the Company based on future business projections.

Thus, in terms of Clause 49(VII)(E) of the Listing Agreement, these transactions do not require approval of the members by way of a Special Resolution. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board has been adopted by the Company and uploaded on the Company's website at the link: [http://www.gtbl.in/investors/policy on Related Party Transactions](http://www.gtbl.in/investors/policy%20on%20Related%20Party%20Transactions). The details of the transactions with related parties are provided in the accompanying financial statements.

The disclosure of particulars of contracts/arrangements entered into by the company with related parties for the financial year 2014-15 is given as **Annexure III** in Form No. AOC 2.

**DISCLOSURE OF INTERNAL FINANCIAL CONTROLS**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

During the financial year 2014-15 no orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**DISCLOSURE UNDER SECTION 43(A)(II) OF THE COMPANIES ACT, 2013:**

The Company has not issued any shares with differential rights and hence no information is provided as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

**DISCLOSURE UNDER SECTION 54(1)(D) OF THE COMPANIES ACT, 2013**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**DISCLOSURE UNDER SECTION 62(1)(B) OF THE COMPANIES ACT, 2013:**

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information is provided as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

**DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

## MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

### BOARD OF DIRECTORS

- a) In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Dr. Dinesh S Patel (DIN: 00033273) & Mr. S.S. Lee (DIN: 01933988) Directors of the Company will retire by rotation at the forthcoming Annual General Meeting who being eligible, offers themselves for re-appointment. The Board recommends to the members the re-appointment of Dr. Dinesh S Patel and Mr. S.S. Lee as a Director liable to retirement by rotation.
- b) Ms. Dharmishta N Raval (DIN: 02792246) is a Independent Director of the Company from 30<sup>th</sup> October, 2009, whose tenure of office was liable to be determined by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, as per requirements of provisions of the Companies Act, 2013 and rules made there under, the Independent Directors are not liable to retire by rotation and are required to be appointed by Shareholders. Therefore it is proposed to appoint Ms. Dharmishta N Raval as an Independent Director for a term of five consecutive years from the conclusion of this AGM dated 21<sup>st</sup> September, 2015. The Board recommends to the members appointment of Ms. Dharmishta N Raval as Independent Director.
- c) Dr. Vikram D. Sanghvi (DIN 06858267) and Mr. Siddharth Yogesh Kusumgar (DIN 01676799) were appointed as additional Directors (being Non-Executive Independent Directors) of the Company on 25<sup>th</sup> March, 2015 & 28<sup>th</sup> May, 2015 respectively to hold office upto the date of ensuing Annual General Meeting. The Company has received notices from shareholders along with requisite deposits proposing the candidature of Dr. Vikram D Sanghvi and Mr. Siddharth Yogesh Kusumgar for appointment as Independent Directors at the ensuing Annual General Meeting.
- d) Mr. Hinesh Doshi (DIN: 00322805) was appointed as Alternate Director to Mr. J.H Choi from 25<sup>th</sup> March, 2015. Prior to this, Mr. Hinesh Doshi was Alternate Director to Mr. S.S. Lee.

### KEY MANAGERIAL PERSONNEL

1. Mr. Bhudebendranath Tapas Guhathakurata was appointed as Chief Executive Officer of the Company on 07<sup>th</sup> August, 2014.
2. Mr. Bharat A Desai was appointed as Chief Financial Officer of the Company on 17<sup>th</sup> March, 2015
3. Mr. Vikas Tarekar was appointed as Company Secretary on 02<sup>nd</sup> July, 2014

## DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

### BOARD MEETINGS:

The Board of Directors met Six times during the financial year ended 31st March 2015 in accordance with the provisions of the Companies Act, 2013 and rules made there under.

The Meetings of the Board of Directors are held at regular intervals of not more than four months in Mumbai or at other places in India as per the convenience of the Directors. These are generally scheduled well in advance. The Board meets at least once a Quarter to review the Performance and Financial Results of the Company. All the major decisions are taken at the Board meeting wherein directors are provided with all material information. The Senior Executives of the Company are invited to attend the Board meeting and provide clarifications as and when required.

### DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2015, the Board of Directors hereby confirms that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures according to the accounting standards;
- ii) such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for that year;
- iii) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts of the Company have been prepared on a going concern basis;
- v) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The Nomination and Remuneration Committee consists of Mr. Vijay Agarwal Chairman, Ms. Dharmishta N. Raval and Dr. Sachin D. Patel as the Members of the Committee.

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the policy framed for appointment and payment of remuneration to the Directors of the Company are of Minimum Qualification, Positive Attributes, Independence & Experience.

**AUDIT COMMITTEE:**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of four directors and majority of the committee members are Independent directors.

- |    |                               |   |          |
|----|-------------------------------|---|----------|
| 1. | Mr. Vijay Agarwal             | - | Chairman |
| 2. | Ms. Dharmishta N Raval        | - | Member   |
| 3. | Mr. Siddharth Yogesh Kusumgar | - | Member   |
| 4. | Dr. Sachin D Patel            | - | Member   |

The scope and terms of reference of the Audit Committee is in accordance with the Act and the Listing Agreement entered into with the Stock Exchange.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the year under review, pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholder's Relationship Committee, comprising of Dr. Sachin D. Patel, Dr. Dinesh S. Patel and Mr. Vijay Agarwal.

Dr. Sachin D. Patel has been appointed as Chairman of the Stakeholders' Relationship Committee. The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee.

**VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:**

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The said Policy is available on the website of the Company [www.gtbl.in](http://www.gtbl.in)

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

**RISK MANAGEMENT POLICY:**

We have an integrated approach to managing risks inherent in various aspect of our business.

**CORPORATE SOCIAL RESPONSIBILITY POLICY:**

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has not constituted the Corporate Social Responsibility (CSR) Committee as the Company is not crossing thresh hold limit for CSR spending.

**ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:**

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated. A statement indicating the manner for evaluation of performance of the Board and its committee, individual Directors is attached with the Board Report as **Annexure IV** and forms part of this Report.

## **DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

The Company has not paid any remuneration to the Directors during the financial year 2014-15 and hence disclosure under this section is not applicable.

However, in respect of Key Managerial Personnel the disclosure is attached as **Annexure V**.

## **PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES:**

The Company does not have any holding / subsidiary company nor any remuneration / commission paid to the Directors.

## **APPOINTMENT OF AUDITORS:**

### **STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Khandelwal Jain & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office upto the conclusion of the ensuing Annual General Meeting. The consent of the Auditors along with certificate under Section 139 of the Act has been obtained from the Auditors to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company. The Board recommends the appointment of Khandelwal Jain & Co., Chartered Accountants as the Statutory Auditors of the Company.

Necessary resolution for reappointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

### **COST AUDITORS**

As the Company is carrying on Job Work activity, as per the opinion taken on the provisions of Section 148 of the Companies Act, 2013, Cost Audit does not apply to the Company.

## **OTHER DISCLOSURES**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

### **a. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March 2015 made under the provisions of Section 92(3) of the Act is attached as **Annexure VI** which forms part of this Report.

### **b. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure VII** which forms part of this Report.

### **c. CORPORATE GOVERNANCE**

Report on Corporate Governance and Certificate of Auditors of your Company regarding compliance of the Conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, are enclosed as **Annexure VIII** and form part of this report.

### **d. Prevention of Sexual Harassment:**

During the financial year ended 31<sup>st</sup> March, 2015 your Company has not received any complaint related to sexual harassment.

## **MANAGEMENT DISCUSSION & ANALYSIS:**

### **Operational Overview:**

Gujarat Themis constantly reviews its product market portfolio with the view to sustain its growth. The Company has driven fiscal growth by focusing on the following areas.

- Development of innovative – first-of-a-kind products to establish itself in India and Globally.
- Establish sound long-term partnerships with Indian and International companies to expand business
- Development of a stronger manufacturing infrastructure.
- Creation of a superior Management Information System.
- Up-gradation, Expansion, Modernization of existing manufacturing facilities.
- Obtaining of international approvals for its plants.

- Establishment of Marketing Divisions as per therapeutic segments.
- During the year under review, relations with labour remained as it were last year.

**ACKNOWLEDGMENT**

Your Directors have pleasure to place on record their sincere appreciation for the continued co-operation and support extended to the Company by Union Bank of India, all the Employees, Yuhan Corporation, Indian promoters, Dept. of Chemical & Petrochemical and various other Government authorities.

**For and on behalf of the Board of Directors**

**Sd/-**

**Dr. Dinesh S Patel**  
**Chairman**

**Place : Mumbai**  
**Date : 28 May, 2015**

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**ANNEXURE - I****ASSOCIATES COMPANIES**

(Information in respect of each Associate Companies to be presented with amounts in Rs)

**Statement Pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Company**

<b>Name of associate</b>	<b>Themis Medicare Limited (CIN: L24110GJ1969PLC001590)</b>	<b>Pharmaceutical Business Group India Limited (CIN: U24239MH1991PLC059995)</b>
1. Latest audited Balance Sheet Date	31.03.2015	31.03.2015
2. Shares of the Company held by the Associate on the year end	Equity Shares	Equity Shares
3. No. of Shares held in the Company	3369605	3582000
4. Amount of Investment in the Capital of GTBL (Rs.)	16848025	17910000
5. Extend of Holding% in the Capital of GTBL	23.19%	24.65%
6. Description of how there is significant influence	Since there is 23.19% investment in the Company and also representing on the Board	Since there is 24.65% investment in the Company and also representing on the Board

**ANNEXURE - II**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Gujarat Themis Biosyn Limited**  
L24230GJ1981PLC004878  
69/C, GIDC Industrial Estate,  
Vapi – 396 195, Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gujarat Themis Biosyn Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the audit period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (**Not applicable to the Company during the audit period**).



6. Pharmacy Act, 1948.
7. Drugs and Cosmetics Act, 1940.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable to the Company during the audit period).**
- (ii) The Listing Agreement entered into by the Company with The Bombay Stock Exchange Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (a) *The Company has not filed Form MR-1 with the Registrar of Companies on appointment of Company Secretary and Chief Executive Officer.*
- (b) *The Company has appointed CFO beyond prescribed time specified under Section 203 of the Companies Act, 2013.*
- (c) *The Company has not filed Board Resolution in Form MGT-14 with the Registrar of Companies for appointment of CS/CEO and Resignation of CEO.*
- (d) *The strength of Independent Directors is not as per requirement of Clause 49(II)(A) of the Listing Agreement.*

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non Executive Directors *except Independent Directors*. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for Board Meeting held on 17/03/2015 and 25/03/2015 which were called at shorter notice to transact urgent business and in which Independent Directors were remained present and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are moderate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, the Company has taken following specific actions/decisions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above:

- (i) During the year, SEBI vide its letter No. CFD/PC/AT/MPS/9668/14 dated 1<sup>st</sup> April, 2014 read with Order No. WTM/PS/90/CFD/MAR/2014 dated 28<sup>th</sup> March, 2014, grant extension of 270 days time allowed by BIFR to Company to comply with the minimum public shareholding requirement as stipulated in Rule 19A of the Securities Contract (Regulation) Rules, 1957 on or before 19<sup>th</sup> August, 2014 i.e. the date when the 270 day period expires reckon from 20<sup>th</sup> November, 2013.
- (ii) In view of orders passed by BIFR and SEBI regarding extension of 270 days time to comply with minimum Public Shareholding of 25% in the Company, one of the promoters, Pharmaceutical Business Group (India) Ltd. has made Offer for Sale (OFS) on 7<sup>th</sup> August, 2014, of 14.23 Lakh (9.79%) Equity Shares of the Company through Stock Exchange Mechanism on the Separate window provided by the BSE Limited. Post offer Shareholding of Pharmaceutical Business Group (India) Ltd. has reduced to 35.82 Lakh (24.65%) Equity Shares of the Company.

Date: 28/05/2015  
Place: Surat

Sd/-  
**MANISH R. PATEL**  
Company Secretary  
ACS No: 19885  
COP No. : 9360

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

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**Annexure A of Secretarial Audit Report**

To,  
The Members,  
**Gujarat Themis Biosyn Limited**  
L24230GJ1981PLC004878  
69/C, GIDC Industrial Estate,  
Vapi – 396 195, Gujarat

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 28/05/2015  
Place: Surat

Sd/-  
**MANISH R. PATEL**  
Company Secretary  
ACS No: 19885  
COP No. : 9360

**ANNEXURE III**
**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis :- NA**
**2. Details of material contracts or arrangement or transactions at arm's length basis**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board
1.	Themis Medicare Ltd.	Purchase of Stores & Spares	On Continuous basis	1,97,000/-	6 <sup>th</sup> August, 2014
	(Associate Company)	LC devolvement charges (prior period adjustment) Upto 14 <sup>th</sup> March, 2014	On Continuous basis	2,45,022/-	4 <sup>th</sup> November, 2014
		Advance received from customer refunded	On Continuous basis	3,85,00,000/-	6 <sup>th</sup> February, 2015
		Expenses incurred	On Continuous basis	1,82,360/-	28 <sup>th</sup> May, 2015
2.	Mr. Rajneesh Anand	(i) President & CEO (ii) Consultant	Employment/ Consultant	Rs. 2,854,905	6 <sup>th</sup> August, 2014
3.	Mr. Vikas Tarekar	Company Secretary	Employment w.e.f. 2 <sup>nd</sup> July, 2014	Rs. 239,073	6 <sup>th</sup> August, 2014
4.	Mr. Tapas Guha	CEO	Employment w.e.f. 7 <sup>th</sup> August, 2014	Rs. 513,829	6 <sup>th</sup> August, 2014
5.	Mr. Bharat Desai	CFO	Employment w.e.f. 17 <sup>th</sup> March, 2015	Rs. 19,818	17 <sup>th</sup> March, 2015

**No advances paid/received in any of the above mentioned transactions**

**ANNEXURE - IV**
**STATEMENT ON MANNER OF EVALUATION OF BOARD OF DIRECTORS, COMMITTEE AND INDIVIDUAL DIRECTORS:**

At the meeting of the Board of Directors held on 28<sup>th</sup> May, 2015 the performance evaluation of Independent Directors was carried out excluding the independent Director being evaluated. The Board was overall of the opinion that the Independent Directors have contributed through the process of Board and Committee meeting of which they are members in effective manner as per as their expertise of their field and needs of the organization. The suggestions and contributions of the independent director in the working of the Board/Committee was satisfactory and the value addition made by such independent director individually and as a team is commendable.

Independent Directors have three key roles - Governance, Control and Guidance. Some of the performance indicators based on which independent Directors are evaluated include :

- Ability to contribute to and monitor our Corporate Governance practices.
- Active participation in long term strategic planning.
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities, these include participation in Board and committee meetings.

## ANNEXURE V

## DISCLOSURE OF DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT &amp; REMUNERATION) RULES, 2014

- 1) The percentage increase in remuneration of Chief Financial Officer, Chief Executive Officer and Company Secretary of the Company for the financial year 2014-15:

Name	% Increase in the remuneration
Mr. Tapas Bhudebendranath Guhathakurata (CEO) W.e.f 07.08.2014	18.79%
Mr. Rajneesh Anand (CEO) Upto 06.08.2014	NA
Mr. Vikas P. Tarekar (Company Secretary) w.e.f 02.07.2014	NA
Mr. Bharat Amratlal Desai (CFO) w.e.f 17.03.2015	NA

- 2) The percentage increase in the median remuneration of employees in the financial year : 41.47 %
- 3) The number of permanent employees on the rolls of the Company: 115
- 4) Explanation on the relationship between average increase in remuneration and the Company's performance:
- For Directors : The Company has not paid any remuneration to the Directors during the financial year 2014-15.
  - For Employees: Average increase in the remuneration of employees compare to last year is 25.74%.
- 5) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:  
Normal increase in the remuneration of CEO in line with Company's remuneration policy.
- 6) Variations in the market capitalization of the Company: The Market Capitalisation as on March 31, 2015 Was Rs. 5503.47 Lakhs (Rs. 1418.00 Lakhs as on March 31, 2014).
- 7) Price Earning Ratio: Price Earning Ratio of the Company was 12.15 as on March 31, 2015 and was 3.09 as on March 31, 2014.
- 8) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer :
- The Company came out with initial public offer (IPO) in 46<sup>th</sup> July, 1984 at price of Rs. 10 Per share (Face value Rs 10). However in the year 2012 the Company has decrease the denomination of the Shares from Rs. 10.00 to Rs. 5.00. The market price of the share as on March 31<sup>st</sup>, 2015 was Rs. 37.90 on BSE Ltd. The variation in price is 658 %. This is excluding the dividend accrued thereon.
- 9) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 30.64 %, whereas there was no increase in the managerial remuneration for the same financial year.
- 10) The key parameters for variable component of remuneration availed by the directors are as Follows : There is no variable remuneration availed by Directors except for sitting fees paid to Non-Executive Directors.
- 11) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NA
- 12) It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Remuneration Policy of the Company.

**ANNEXURE- VI**
**EXTRACT OF ANNUAL RETURN**
**As on financial year ended on 31<sup>st</sup> March 2015**
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**
**1. REGISTRATION AND OTHER DETAILS:**

CIN	:	L24230GJ1981PLC004878
Registration Date	:	11/12/1981
Name of the Company	:	GUJARAT THEMIS BIOSYN LTD
Category / Sub-Category of the Company	:	Company Limited by shares/Indian Non-Government Company
Address of the Registered office and contact details	:	Plot No 69-C, GIDC Industrial Estate, Vapi, Dist- Valsad, Gujarat - 396195 <ul style="list-style-type: none"> <li>• Contact Details: Tel: 91-0260-2430027; Fax: 91-0260-2400639</li> <li>• Email : <a href="mailto:gtblmumbai@gtbl.in">gtblmumbai@gtbl.in</a> / <a href="mailto:accounts@gtbl.co.in">accounts@gtbl.co.in</a></li> <li>• Website : <a href="http://www.gtbl.in">www.gtbl.in</a></li> </ul>
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	<b>Link Intime India Pvt. Ltd,</b> C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai - 400078. Tel : +91 22 25963838 Fax : +91 22 2594 6969 E-mail : <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Web site : <a href="http://www.linkintime.com">www.linkintime.com</a>

**2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of pharmaceuticals & medicinal chemical	2100	100%

**3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name, CIN & address of the Company	Subsidiary / Associate Company	% of shares held	Applicable section
1	Pharmaceutical Business Group (India) Ltd. CIN: U24239MH1991PLC059995	Associate	24.65	Section 2 (6)
2	Themis Medicare Limited CIN: L24110GJ1969PLC001590	Associate	23.19	Section 2 (6)
3	Yuhan Corporation, South Korea	Joint Venturer	26.50	N.A

**4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**
**i. CATEGORY-WISE SHARE HOLDING:**

	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	%	Demat	Physical	Total	%	
(A)	<b>Shareholding of Promoter and Promoter Group</b>									
1	<b>Indian</b>									
(a)	Individuals/ Hindu Undivided Family / Directors & relatives	77089	17051	94140	0.65	94139	1	94140	0.65	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	8374605	-	8374605	57.64	6951605	-	6951605	47.85	(9.79)
	<b>Sub Total(A)(1)</b>	<b>8451694</b>	<b>17051</b>	<b>8468745</b>	<b>58.29</b>	<b>7045744</b>	<b>1</b>	<b>7045745</b>	<b>48.50</b>	<b>(9.79)</b>

	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	%	Demat	Physical	Total	%	
<b>2</b>	<b>Foreign</b>									
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b	Bodies Corporate	-	3850000	3850000	26.50	3850000	-	3850000	26.50	-
	<b>Sub Total(A)(2)</b>	-	<b>3850000</b>	<b>3850000</b>	<b>26.50</b>	<b>3850000</b>	-	<b>3850000</b>	<b>26.50</b>	-
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>8451694</b>	<b>3867051</b>	<b>12318745</b>	<b>84.79</b>	<b>10895744</b>	<b>1</b>	<b>10895745</b>	<b>74.99</b>	<b>(9.79)</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds/ UTI	-	2800	2800	0.02	0	2800	2800	0.02	-
(b)	Financial Institutions / Banks	-	2100	2100	0.01	0	2100	2100	0.01	-
	<b>Sub-Total (B)(1)</b>	-	<b>4900</b>	<b>4900</b>	<b>0.03</b>	-	<b>4900</b>	<b>4900</b>	<b>0.03</b>	-
<b>B 2</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	184794	12550	197344	1.36	228345	12500	240845	1.66	0.30
(b)	<b>Individuals</b>									
(i)	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	1173247	303907	1477154	10.17	1703823	298757	2002580	13.78	3.62
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	414754	-	414754	2.85	1178425	-	1178425	8.11	5.26
(c)	Foreign Investors (NRI)	44988	36900	81888	0.56	63004	36900	99904	0.69	0.12
(d)	Clearing members	13767	-	13767	0.09	86103	-	86103	0.59	0.50
(e)	Trust	20100	50	20150	0.14	20150	50	20200	0.14	0.00
	<b>Sub-Total (B)(2)</b>	<b>1851650</b>	<b>353407</b>	<b>2205057</b>	<b>15.18</b>	<b>3279850</b>	<b>348207</b>	<b>3628057</b>	<b>24.97</b>	<b>9.79</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1851650</b>	<b>358307</b>	<b>2209957</b>	<b>15.21</b>	<b>3279850</b>	<b>353107</b>	<b>3632957</b>	<b>25.01</b>	<b>9.79</b>
	<b>TOTAL (A)+(B)</b>	<b>10303344</b>	<b>4225358</b>	<b>14528702</b>	<b>100</b>	<b>14175594</b>	<b>353108</b>	<b>14528702</b>	<b>100</b>	-
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>									
(a)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(b)	Public	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (C)</b>	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>10303344</b>	<b>4225358</b>	<b>14528702</b>	<b>100</b>	<b>14175594</b>	<b>353108</b>	<b>14528702</b>	<b>100</b>	-

## ii) SHAREHOLDING OF PROMOTERS:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	PHARMACEUTICAL BUSINESS GROUP (I) LTD.	5005000	34.45	-	3582000	24.65	-	(9.79)
2	YUHAN CORPORATION	3850000	26.50	-	3850000	26.50	-	-
3	THEMIS MEDICARE LTD.	3369605	23.19	-	3369605	23.19	-	-
4	DINESH SHANTILAL PATEL - (Director)	4701	0.03	-	4701	0.03	-	-
5	SACHIN DINESH PATEL - (Director)	7100	0.05	-	7100	0.05	-	-
6	JAYSHREE DINESH PATEL - (Director's relative)	70645	0.49	-	76739	0.53	-	0.04
7	MARGI RUPEN CHOKSI - (Director's relative)	6094	0.04	-	-	-	-	(0.04)
8	REENA SACHIN PATEL - (Director's relative)	5600	0.04	-	5600	0.04	-	-
	<b>TOTAL</b>	<b>12318745</b>	<b>84.79</b>	-	<b>10895745</b>	<b>74.99</b>	-	<b>(9.79)</b>

**iii. CHANGE IN PROMOTERS' SHAREHOLDING ( PLEASE SPECIFY, IF THERE IS NO CHANGE):**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	12318745	84.79	12318745	84.79
2.	Decrease in Share holding during the year **	(1,423,000)	(9.79)	10895745	74.99
3.	<b>At the End of the year</b>	<b>10,895,745</b>	<b>74.99</b>	<b>10,895,745</b>	<b>74.99</b>

\*\* In compliance with BIFR & SEBI Order, one of the promoters Pharmaceutical Business Group (India) Ltd. has offloaded 14,23,000 Equity shares of Rs. 5/- each on 7th August, 2014 by way of an offer for sale (OFS) through Stock Exchange mechanism for increasing the Minimum Public Shareholding of 25% .

**iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

Sr. No.	For each of the Top Ten Shareholders	Shareholding at the beginning of the year		For each of the Top Ten Shareholders	Shareholding at the end of the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1	DIPAK KANAYALAL SHAH	200000	1.38	MANOJ AGARWAL	204800	1.41
2	SNEHALATHA SINGHI	92735	0.64	DIPAK KANAYALAL SHAH	200000	1.38
3	EDELWEISS FINANCIAL ADVISORS LTD	34441	0.24	VINOD HARDATTARAI BIYANI	73238	0.50
4	GANPAT SINGHVI	27501	0.19	NARESH O JAIN	65400	0.45
5	SHIW NARAYAN MALL	27115	0.19	SNEHALATHA SINGHI	52735	0.36
6	CHANDA DHIRAJ GALA	25246	0.17	NIDHI BIYANI	50000	0.34
7	RISHABH PRAKASH SHAH	25000	0.17	DR RAMESH CHIMANLAL SHAH	50000	0.34
8	THAKAR SINGH	23314	0.16	RAUNAK ROONGTA	49673	0.34
9	JAGDISHBHAI MAFATBHAI PATEL,	21344	0.15	RASHMI AGARWAL	45200	0.31
10	ARTEK SURFIN CHEMICALS LTD	20830	0.14	MANOJ C RATHOD	36619	0.25

Note : The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated

**v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>DR. DINESH SHANTILAL PATEL</b> (Promoter Director)				
	At the beginning of the year	4701	0.03	4701	0.03
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	4701	0.03	4701	0.03
2	<b>DR. SACHIN D PATEL</b> (Promoter Director)				
	At the beginning of the year	7100	0.05	7100	0.05
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	7100	0.05	7100	0.05

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3	<b>MR. TAPAS B GUHA</b>				
	(Chief Executive Officer) w.e.f. 07-08-2014				
	At the beginning of the year	50	-	50	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	50	-	50	-
4	<b>MR. BHARAT A DESAI</b>				
	(Chief Financial Officer) w.e.f. 17-03-2015				
	At the beginning of the year	100	-	100	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	100	-	100	-
5	<b>Mr. VIKAS TAREKAR</b>				
	(Company Secretary) w.e.f. 02-07-2014				
	At the beginning of the year	-	-	10	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	10	-

vi **INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	33085006	35000000	-	68085006
ii) Interest due but not paid	253798	-	-	253798
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>33338804</b>	<b>35000000</b>		<b>68338804</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	-7382179	-	-	-7382179
<b>Net Change</b>	<b>-7382179</b>	<b>-</b>	<b>-</b>	<b>-7382179</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	25765006	35000000	-	60765006
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	191619	-	-	191619
<b>Total (i + ii + iii)</b>	<b>25956625</b>	<b>35000000</b>	<b>-</b>	<b>60956625</b>



**5. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Mr. Rajneesh Anand	Mr. Tapas B Guha	Mr. Bharat Desai	Mr. Vikas Tarekar
		President & CEO (upto 6-8-2014)	CEO (w.e.f. 7-8-2014)	CFO (w.e.f. 17-3-2015)	C.S (w.e.f. 2-7-2014)
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	942324	511891	17978.50	245373
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify(Provident Fund)	-	19024	1189	16142
5	Others,	-	-	-	-
	<b>Total</b>	942324	530915	19167.50	261515

**Note :** Full year remuneration is given. However, appointed from the date mentioned except for Mr. Vikas Tarekar, Company Secretary.

**I. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL**

**For and on behalf of the Board of Directors**

**Place : Mumbai**  
**Date : 28/05/2015**

**Sd/-**  
**Dr. Dinesh S Patel**  
**Chairman**

ANNEXURE VII

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) Conservation of energy:

Steps taken or impact on conservation of energy	The operations of the Company are not energy intensive. However, adequate measures have been taken to conserve and reduce the energy consumption
Steps taken by the company for utilizing alternate sources of energy	Efforts for utilization of alternate sources of energy are being made on continuous basis
Capital investment on energy conservation equipments	NA

(B) Technology absorption:

Efforts made towards technology absorption	New technology absorption efforts are being made on continuous basis
Benefits derived like product improvement, cost reduction, product development or import substitution	- Reduction of operation cost. - Improvement in product quality
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
• Details of technology imported	N.A.
• Year of import	N.A.
• Whether the technology has been fully absorbed	N.A.
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
Expenditure incurred on Research and Development	Nil

(C) Foreign exchange earnings and Outgo:

	<b>1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 [Current F.Y.]</b>	<b>1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014 [Previous F.Y.]</b>
	<b>Amount in (Rs. Lakhs)</b>	<b>Amount in (Rs. Lakhs)</b>
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	Nil	326100

**ANNEXURE VIII**  
**REPORT ON CORPORATE GOVERNANCE**

The Members,

The Directors of the Company are pleased to present report on Corporate Governance for the financial year ended 31st March, 2015.

**PHILOSOPHY ON CODE OF GOVERNANCE**

The Company has maintained high level of commitment towards effective Corporate Governance. The Company has over the years, apart from following the statutory requirements on Corporate Governance has initiated systems on transparency, disclosure, control, accountability, establishing trust with all stakeholders including the investors, employees, suppliers, customers and the medical profession at large. The Company is regularly guided by the professionals on the Board as well as the representatives of the foreign collaborators in evolving the culture to comply with the Code of Governance. The innovative ideas on transparency and Internal Control are being implemented with the Board approvals.

**BOARD OF DIRECTORS**

**(A) Composition of the Board**

The Board Directors to maintain the independence of the Board. The Company's Board comprises of Directors in accordance with the provision of the listing agreement on Corporate Governance. The Non-Executive Directors brings an external and wider perspective confirming therewith in depth business deliberations and decisions advantage. The Board represents an optimum mix of professionals, and experts.

The present strength of the Board is Eight Non-executive Directors comprising of Four Indian Independent Professional Directors, Two Directors represent Foreign Collaborators/Promoters, 2 Indian Promoter Directors. Mr. Hinesh Doshi was appointed as alternate director to Mr. J.H Choi wef. 28<sup>th</sup> March, 2015. He was earlier as Alternate Director to Mr. S.S. Lee.

Composition of Board, Directorships and attendance of each Director at the Board of Directors Meetings and at the last AGM, is as follows:

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM Attended	Number of Directorship in other Companies	Number of Committee positions held in other Companies	
						Chairman	Member
Dr. Dinesh S. Patel	Chairman	Non Executive & Promoter	6	Yes	2	-	1
Dr. Sachin Dinesh Patel	Director	Non Executive & Promoter	6	Yes	2	-	1
Mr. A. B Shah (Nominee of GILC) Upto 6-8-2014	Director	Non Executive & Independent	1	No	-	-	-
Mr. Vijay Agarwal	Director	Non Executive & Independent	6	Yes	10	1	7
Ms. Dharmishta N Raval	Director	Non Executive & Independent	4	No	6	-	2
Dr. Vikaram D. Sanghvi (w.e.f. 25-3-2015)	Additional Director	Non Executive & Independent	1	No	-	-	-
Mr. S.S. Lee	Director	Non Executive Representative of Yuhan Corpn.	#	No	-	-	-
Mr. J. H. Choi	Director	Non Executive Representative of Yuhan Corpn.	#	No	-	-	-
Mr. Hinesh Doshi (#)	Alternate Director	Non Executive Director	6	No	1	-	-

Mr. Siddharth Y Kusumgar was appointed as an Additional Director in Independent category on 28<sup>th</sup> May, 2015

(#) Mr. Hinesh Doshi was Alternate Director to Mr. S.S. Lee upto 17<sup>th</sup> March, 2015. From 25<sup>th</sup> March, 2015 he was appointed as Alternate Director to Mr. J.H.Choi.

Notes :

1. No. of Directorship in other Companies is excluding Foreign and Private Limited Companies.
2. No. of Committee positions (Chairmanship/Membership) held in other Companies is excluding Foreign, Private Ltd., and Section 8 Companies. Further, only two Committees i.e. Audit Committee and Shareholders Relationship Committee were Considered (Clause 49 (IC) of Listing Agreement).

<ul style="list-style-type: none"> <li>• <b>Dates of Board Meetings held during the F.Y. 2014-15</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Risk Management</b></li> </ul> <p>Risk Management is a process with methods and tools for managing risks. Business risks are generally discussed in Board Meeting and risk mitigation strategies are implemented in the Company.</p>
<ul style="list-style-type: none"> <li>• <b>Board Meetings were held during the year on following dates:</b></li> </ul> <ol style="list-style-type: none"> <li>1. 14<sup>th</sup> May, 2014</li> <li>2. 6<sup>th</sup> August, 2014</li> <li>3. 4<sup>th</sup> November, 2014</li> <li>4. 6<sup>th</sup> February, 2015</li> <li>5. 17<sup>th</sup> March, 2015</li> <li>6. 25<sup>th</sup> March, 2015</li> </ol>	<ul style="list-style-type: none"> <li>• <b>Management Discussion and Analysis Report (MD &amp; A)</b></li> </ul> <p>The MD&amp; A report forms part of the Annual Report and provided elsewhere in this report</p>

• **AUDIT COMMITTEE :**

➤ **Composition:**

The terms of reference and powers of committee are in compliance with the provisions of clause 49 of the listing agreement on Corporate Governance and Section 177 of the Companies Act, 2013.

The Audit committee consists of Mr. Vijay Agarwal – Chairman, Dr. Sachin D Patel, Ms. Dharmishta N Raval and Mr. Siddharth Y. Kusumgar are the Members.

➤ **Meetings:**

The Committee met four times during the Financial Year 2014-15. The dates of Audit Committee meetings held during Financial Year 2014-15 are 14<sup>th</sup> May, 2014, 6<sup>th</sup> August, 2014, 4<sup>th</sup> November, 2014 & 6<sup>th</sup> February, 2015.

Audit Committee attendance during the year is as under:

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	4
Ms. Dharmishta N Raval	Member	3
Dr. Sachin D Patel	Member	4

**Mr. Siddharth Y Kusumgar was appointed as Member of Audit Committee on 28/05/2015.**

→ **Attendees:**

The Statutory & Internal Auditors were invited to attend the meetings.

Mr. Vikas Tarekar, Company Secretary acts as Secretary to the Audit Committee.

→ **The terms of reference of the Audit committee:**

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of Audited/Unaudited financial statements and Auditor's report/Limited Review Report thereon;
- Omnibus approval / ratification of transactions of the Company with related parties;

- Scrutiny of inter-corporate loans and investments; Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;

- **NOMINATION & REMUNERATION COMMITTEE:**

- **Composition:**

Nomination & Remuneration Committee was constituted by the Board with Two Independent Directors & One Non-Executive Director.

The Company Secretary acts as the Secretary of the Committee.

- **Meetings:**

During the period under consideration, 3 (Three) Meetings of the Nomination & Remuneration Committee of the Company were held as follows:

- 14<sup>th</sup> May, 2014
- 6<sup>th</sup> August, 2014
- 17<sup>th</sup> March, 2015

- Nomination & Remuneration Committee attendance during the year are as under:

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	3
Ms. Dharmishta N. Rawal	Member	3
Dr. Sachin D. Patel	Member	3

- **Remuneration to Directors**

None of the Directors draw any remuneration from the Company.

The Company has neither paid sitting fees nor any remuneration to Board Members for the financial year 2014-15.

Further the Company has not paid any commission to any Board Members.

- **STAKEHOLDERS RELATIONSHIP COMMITTEE**

- **Composition:**

The Company has Investor Grievance Committee which is renamed and reconstituted as Stakeholders' Relationship Committee. The Stakeholders Relationship Committee was formed by the Board of Directors of the Company and had delegated the authority to approve transfer of shares and to attend to the other share transactions including transmission, transposition, split, consolidation and issue of duplicate share certificate so as to expedite the process relating thereto. The members of Shareholders Relationship Committee are Dr. Sachin Dinesh Patel – Chairman, Mr. Vijay Agarwal & Dr. Dinesh S Patel as the Members of the Committee.

- **Meetings:**

The Committee met 5 times during the Financial Year 2014-15. For some periods there were no share transfers, therefore the share transfer committee meetings were not held.

- ➔ **Stakeholders Relationship Committee attendance during the year are as under:**

Sr. No.	Name	Status	No. of Meetings Attended
1.	Dr. Sachin Dinesh Patel	Chairman	5
2.	Mr. Vijay Agarwal	Member	1
3.	Dr. Dinesh S Patel	Member	5

→ Shareholdings of Directors in the Company as on 31st March, 2015

Sr. No.	Name of Director	No. of Equity shares of Rs.5/- each held	% holding
1.	Mr. Vijay Agarwal	Nil	Nil
2.	Ms. Dharmishta N Raval	Nil	Nil
3.	Dr. Vikram Sanghvi	Nil	Nil
4.	Mr. Jae Hyok Choi	Nil	Nil
5.	Mr. Si Sung Lee	Nil	Nil
6.	Dr. Dinesh S. Patel	4701	0.032
7.	Dr. Sachin D. Patel	7100	0.049
8.	Mr. Hinesh R. Doshi (Alternate Director to Mr. J.H Choi)	Nil	Nil
9.	Mr. Siddharth Kusumgar (w.e.f 28-05-2015)	Nil	Nil

- **Familiarization Programme for Independent Directors**

All directors inducted to the board are introduced to our Company culture through appropriate orientation sessions. Presentation made by other directors and senior management to provide an overview of our operations, and to familiarize the new Independent directors with our operations. They are also introduced to our organization structure, our services, group structure and constitution, board procedures, matters reserved for the Boards, and our major risks and risk management strategy. They seek to enable the Independent Directors to understand the business and strategy, and leverage their expertise and experience to the maximum benefit of the Company. Details of programs conducted by the Company for the financial year 2014-2015 are available on the Company's website : [www.gtbl.in](http://www.gtbl.in)

- **Code of Conduct :**

Whilst the Gujarat Themis Biosyn Ltd. Code of Conduct is applicable to the all Directors and employees of the Company, the Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, both of which are available on the Company's website.

All the Board members and Senior Management of the Company as on 31st March, 2015 have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Managing Director, forms part of this report.

- **Separate Meeting of Independent Directors:**

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made there under, the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. All independent directors of the Company shall strive to be present at such meeting. The meeting shall review the performance of non-independent directors and the Board as a whole, review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors, assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board has a separate meeting of independent directors to get updated on all business-related issues and new initiatives. At such meeting, the directors share points of view and leadership thoughts on relevant issues.

During the financial year 2014-2015, one meeting of Independent directors of the Company was held.

- **Materially significant related party transactions:**

The related party transactions in case of our Company are not materially significant which requires Members approval. However, the management, Audit Committee and the Board ensures such transactions are at arms length. The policy on related party transactions as approved by the Board is uploaded on the Company's website.

- **GENERAL BODY MEETINGS**

- **Annual General Meetings**

Last three Annual General Meetings of the Shareholders of the Company were held as under:

Year	Venue	Date	Time
2011-12	69/C, GIDC Indl. Estate, Vapi 396 195, Dist. Valsad, Gujarat.	28-09-2012	11.00 A. M.
2012-13	69/C, GIDC Indl. Estate, Vapi 396 195, Dist. Valsad, Gujarat.	27-09-2013	11.00 A. M.
2013-14	69/C, GIDC Indl. Estate, Vapi 396 195, Dist. Valsad, Gujarat.	29-09-2014	12.00 Noon

- **CEO/CFO Certification:**

The Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board as required.

- **Compliance Officer**

**Mr. Jayapal K.**

69/C, GIDC Industrial Estate,  
Vapi – 396 195, Dist. Valsad,  
Gujarat, India

- **Means of Communication**

The Company publishes the quarterly and half yearly financial results in the daily news papers (English & Gujarati editions) as required by the provisions of the listing agreement. Presently the Company does not have practice of mailing half-yearly results to the shareholders. The Management discussions and Analysis Report forms part of Annual Report.

- **General Shareholders Information**

**A) Annual General Meeting**

Date and time : 21<sup>st</sup> September, 2015 at 12.00 Noon

Venue : 69/C, GIDC Indl. Estate, Vapi 396 195, Dist. Valsad, Gujarat.

**B) Tentative Financial Calendar (Subject to change) for the financial Year 2015-16**

1st Quarterly Results : By 14th August, 2015

Half Yearly Results : By 14th November, 2015

3rd Quarterly Results : By 14th February, 2015

Annual Results : By 30th May, 2016

**C) Dates of Book Closure**

15<sup>th</sup> September, 2015 to 21<sup>st</sup> September, 2015 (both days inclusive).

**D) Dividend Payment Date**

The Company has not declared any dividend.

**E) Listing on Stock Exchanges**

The Company's Equity Shares are listed on BSE Limited. The Company has paid listing fee for the year 2015-16. (Website: [www.bseindia.com](http://www.bseindia.com))

**F) Stock Code**

Mumbai Stock Exchange : 506879

DEMAT ISIN No. for CDSL & NSDL : INE942C01029

**G) Fixed / Public Deposit:** Your Company has not accepted any public deposits during the year

**H) Stock Price Data and Stock Performance**

Month	BSE Sensex		Share Price	
	High	Low	High (Rs.)	Low (Rs.)
April, 2014	22939.31	22197.51	12.08	9.35
May, 2014	25375.63	22277.04	16.57	9.00
June, 2014	25725.12	24270.20	21.50	16.65
July, 2014	26300.17	24892.00	22.75	17.00
August, 2014	26674.38	25232.82	22.95	16.40
September, 2014	27354.99	26220.49	25.80	17.05
October, 2014	27894.32	25910.77	21.90	18.30
November, 2014	28822.37	27739.56	20.20	17.20
December, 2014	28809.64	26469.42	25.35	18.10
January, 2015	29844.16	26776.12	24.60	21.00
February, 2015	29560.32	28044.49	34.80	21.80
March, 2015	30024.74	27248.45	41.40	27.00

**I) Registrar and Share Transfer Agent**

M/s. Link Intime India Private Limited are the Registrar and Share Transfer Agents of the Company (R&T Agent). They deal with all matters pertaining to transfers, transmissions, subdivisions and consolidation of Company's securities and also correspondence for holdings in physical shares. It may be noted that the request for demat of shares should be made by the investors to their respective depository participants. There are no legal proceedings against the Company on any share transfer matter.

**J) Address for correspondence**

The addresses for correspondence are as under :

For Physical as well as Electronic form	: Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Marg, Bhandup (West) Mumbai 400 078 Phone : 022 – 2594 6970 Fax : 022 – 2594 6969 E-mail : rnt.helpdesk@linkintime.co.in
For any other matter and unresolved complaints	: 69/C GIDC Industrial Estate, Vapi – 396 195, Dist. Valsad, Gujarat Phone : 0260 - 2430027 Fax : 0260 - 2400639 E-mail : gtblmumbai@gtbl.in / accounts@gtbl.co.in Website : www.gtbl.in

Shareholders holding their shares in Electronic mode should address all their correspondence to their respective Depository Participants.

**K) Share Transfer System**

The Company's Registrar, M/s. Link Intime India Pvt. Ltd. has adequate infrastructure to process the share transfers. The Applications for transfer of shares received by the Company in physical form are processed and registered within 30 days of receipt of the documents valid in all respects. After such processing, the option of simultaneous dematerialisation of the shares is provided to the shareholders. Shares under objection are returned within a week's time. The share transfer committee meets on a need basis to consider the transfer application and other proposals relating to transmission, transposition, split, consolidation and issue of fresh share certificate. In case if there are no transfers in particular period, share transfer committee meetings were not held. In compliance with listing agreement, every six months, a practicing Company Secretary audit the system of transfer and a certificate to that effect is issued.



**L) Dematerialisation of Shares**

The equity shares of the Company are under compulsory dematerialized (demat) mode and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March 2015, a total of 14175594 Equity Shares of the Company forming 97.57% of the total paid up share capital stands dematerialized. All requests for dematerialization of shares are processed within the stipulated time. The identification allotted to the Company's equity shares is INE942C01029.

**M) Shareholding pattern**

Distribution of shareholding as on 31st March, 2015 was as under:

Range	No of shareholders	% of Total shareholders	No of shares held	% of shareholding
1 to 500	5545	86.93	709571	4.88
501 to 1000	437	6.85	384142	2.64
1001 to 2000	172	2.70	279911	1.93
2001 to 3000	67	1.05	176323	1.21
3001 to 4000	36	0.56	131766	0.91
4001 to 5000	28	0.44	133715	0.92
5001 to 10000	45	0.71	319072	2.20
10001 & above	49	0.77	12394202	85.31
<b>TOTAL</b>	<b>6379</b>	<b>100</b>	<b>14528702</b>	<b>100</b>

The categories of shareholding as on 31st March, 2015 was as under:

Category	No of shares held	% of shareholding
Promoters	10801605	74.35
Directors & Relatives	94140	0.64
Institutional Investors	4900	0.03
Other Bodies Corporate	240845	1.66
Indian Public	3181005	21.9
Trusts	20200	0.14
NRI	99904	0.69
Clearing members	86103	0.59
<b>TOTAL</b>	<b>14528702</b>	<b>100</b>

**N) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity.**

There are no outstanding GDRs / ADRs / Warrant or other instruments.

**O) Details of Public funds obtained in the last three years :**

No capital has been raised from Public during the last three years.

**P) Plant Locations**

Company's Plant is located at 69/C, GIDC Industrial Estate, Vapi – 396 195, Dist. Valsad, Gujarat.

**COMPLIANCE**

The Company has complied with mandatory requirements of Corporate Governance code as contained in clause 49 of the listing agreement. The Board would review the implementation of non-mandatory requirements of Corporate Governance code in due course of time. The certificate regarding compliance of corporate governance code for the financial year 2014-15 is annexed to this report.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Date : 28/05/2015

Sd/-  
Dr. Sachin D Patel  
Director

Sd/-  
Dr. Dinesh S Patel  
Chairman

**DECLARATION**

I, Tapas B. Guha, Chief Executive Officer of Gujarat Themis Biosyn Ltd., hereby declare that all the members of the Board of Directors and the Senior management personnel have affirmed compliance with the code of conduct, applicable to them as laid down by the Board of Directors in terms of clause 49(II)(E)(2) of the listing agreement entered in to with Stock Exchange for the year ended 31st March, 2015.

**For GUJARAT THEMIS BIOSYN LTD.**

**Sd/-**  
**Tapas B. Guha**  
Chief Executive Officer

Place : Vapi  
Date : 28-05-2015

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**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,  
Gujarat Themis Biosyn Limited

I have examined the compliance of conditions of Corporate Governance by Gujarat Themis Biosyn Limited for the year ended on 31st March, 2015 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementations thereof adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of information and explanations provided to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned listing agreement except the following:

- *The strength of Independent Directors is not as per requirement of Clause 49(II)(A) of the Listing Agreement.*

Based on verification of the records of the Company and as certified by the Company's Registrar and Share Transfer Agent, I state that no investor grievances are pending against the Company for more than 30 days as on 31st March, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Sd/-**  
**SANDHYA BORASE**  
**Practicing Company Secretary**  
ACS 8353  
C P 4563

Place : Mumbai  
Date : 22<sup>nd</sup> May, 2015

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF GUJARAT THEMIS BIOSYN LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **GUJARAT THEMIS BIOSYN LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

#### Basis for Qualified Opinion

- Financial Statements have been prepared on going concern basis in spite of Company has accumulated losses of Rs. 10,37,05,584/- and negative net worth of Rs. 78,53,651/- as at March 31, 2015. The Company also has working capital deficiency. The company is also a sick company within the meaning of Section 3 (1) (o) of the Sick Industrial Companies (Special Provisions) Act 1985 and the Company has been registered with the BIFR. Further the Rehabilitation Scheme had been sanctioned by the Board for Industrial and Financial Reconstruction (BIFR) in the hearing held January 12, 2012. These factors raise doubts about, the Company's ability to continue as a going concern which is dependent upon infusion of long terms funds for its future operations. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of assets carrying amounts or the amount and classification of liabilities that might result, should the Company be unable to continue as a going concern. (Refer note no. 30). Consequential impact thereof on the financial statements is not ascertainable.*
- The outstanding balances as at March 31, 2015 in respect of certain balances, of trade receivables, deposits, loans & advances, liability for expenses, trade payables and creditors for capital expenditure are subject to confirmation from respective parties and consequential reconciliation and adjustment arising there from, if any (Refer note no. 29). Consequential impact thereof on the financial statements is not ascertainable.*

## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph above; consequential cumulative effect thereof is not ascertainable*, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements;
    - ii. According to the information & explanations given to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 34 to the financial statements;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – Refer Note 35 to the financial statements.

For **KHANDELWAL JAIN & CO.**  
**Chartered Accountants,**  
**Firm Registration No. 105049W**

**Sd/-**  
**(NARENDRA JAIN)**  
**PARTNER**  
**Membership No. 048725**

Place: Mumbai  
Date: May 28, 2015

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of Independent Auditors' Report to the members of **GUJARAT THEMIS BIOSYN LIMITED** ("the Company") for the year ended March 31, 2015. We report that:

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The Company has physically verified the fixed assets in accordance with a programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification;
- ii) a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable;
- b) According to the information and explanations given to us, the procedures followed for physical verification of the inventory are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;
- c) According to the records produced before us for our verification, there were no material discrepancies noticed on physical verification of stocks referred to in Para ii (a) above as compared to the book records and the same have been properly dealt with in the books of account of the Company;
- iii) According to the information & explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of clause 3(iii) of Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regards to purchase of inventory and fixed assets and for the sale of goods and for rendering of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system;
- (v) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.
- (vi) We are informed that no cost records are required to be maintained by the Company under Section 148(1) of the Companies Act, 2013.
- vii) a) *Undisputed Statutory Dues including Gujarat Value Added Tax (GVAT), Tax Deducted at Source (TDS), Notified Area Tax, Drainage cess charges, Employees' State Insurance (ESIC), ESIC dues in respect of contractors, Service Tax, Duty of excise, Provident Fund have generally been regularly deposited with the appropriate authorities however delay have been observed in some cases. According to the information and explanations given to us, there were no undisputed statutory dues which have remained outstanding as at March 31, 2015 for the period of more than six months from the date they became payable.*
- b) According to the information and explanation given to us, there are no dues of sales tax, service tax, income tax, duty of excise, duty of customs, wealth tax, value added tax, excise duty and cess, which have not been deposited on account of any dispute, except the following:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Demand u/s 143 (3)	10,79,703/-	A.Y. 2001-2002	Hon. High Court, Gujarat
Income Tax Act, 1961	Demand u/s 156	48,88,257/-	A.Y. 1996-1997	Income Tax Appellate Tribunal, Ahmedabad
Income Tax Act, 1961	Demand u/s 156	32,34,870/-	A.Y. 2011-2012	Commissioner of Income-tax (Appeals), Valsad

- c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) *The accumulated losses of the company are more than fifty percent of its net worth. The company has, without considering the effect of the matter described in the Basis for Qualified Opinion paragraph, has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.*

- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders except for delays in repayment of principal and payment of interest relating to Indian Rupee Term Loan and cash credit, the detail of which are given as under:

Period Of Default	Indian Rupee Term Loan		Cash Credit	Remarks
	Principal	Interest	Interest	
Upto 30 days	36,60,000	14,26,978	2,09,325	In respect of Indian Rupee Term Loan, Principal and Interest amount of Rs. 6,10,000/- and Rs. 1,91,619/- respectively is outstanding as on March 31, 2015.
31 to 60 days	42,50,000	17,32,936	-	
61 to 90 days	20,000	-	-	

- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) In our opinion, the term loans raised during the year have been applied for the purpose for which they were raised.
- (xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on the Company or by the Company has been noticed or reported during the course of our audit.

For **KHANDELWAL JAIN & CO.**  
**Chartered Accountants,**  
**Firm Registration No. 105049W**

**Sd/-**  
**(NARENDRA JAIN)**  
**PARTNER**  
**Membership No. 048725**

Place: Mumbai  
 Date: May 28, 2015

**BALANCE SHEET AS AT 31ST MARCH, 2015**

	Note No.	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	72,639,510	72,639,510
Reserves and Surplus	3	(80,493,161)	(126,039,145)
<b>TOTAL</b>		<b>(7,853,651)</b>	<b>(53,399,635)</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	52,835,006	60,161,568
Deferred Tax Liabilities (Net)	5	-	-
Long-Term Provisions	6	4,074,157	3,326,150
Other long term liabilities		-	-
<b>TOTAL</b>		<b>56,909,163</b>	<b>63,487,718</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	7	190	19,997,029
Trade Payables	8	56,460,640	51,290,138
Other Current Liabilities	8	41,253,923	78,628,511
Short-Term Provisions	6	354,728	384,976
<b>TOTAL</b>		<b>98,069,481</b>	<b>150,300,654</b>
<b>GRAND TOTAL</b>		<b>147,124,994</b>	<b>160,388,736</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	97,136,265	110,518,609
Intangible Assets		-	-
Capital Work-In-Progress		276,109	1,293,611
Intangible Assets Under Development		-	-
Non-Current Investments	10	56,000	56,000
Long-Term Loans And Advances	11	13,009,425	13,057,190
Trade Receivables	12	-	-
Other Non-Current Assets	13	1,896,654	2,021,518
<b>TOTAL</b>		<b>112,374,453</b>	<b>126,946,928</b>
<b>Current Assets</b>			
Current investments	10	-	-
Inventories	14	3,323,643	4,543,609
Trade Receivables	12	23,714,701	12,398,127
Cash and Bank Balances	15	2,293,438	8,957,637
Short-Term Loans And Advances	11	5,414,503	7,161,013
Other Current Assets	13	4,255	381,422
<b>TOTAL</b>		<b>34,750,541</b>	<b>33,441,809</b>
<b>GRAND TOTAL</b>		<b>147,124,994</b>	<b>160,388,736</b>
<b>Summary of significant accounting policies</b>	1		

The accompanying notes are an integral part of the financials statements.

**As per our report of even date annexed  
For KHANDELWAL JAIN & CO.  
Chartered Accountants**

Sd/-  
**Narendra Jain**  
Partner  
Membership No.048725

Place : Mumbai  
Date : May 28, 2015

**For and on behalf of the Board of Directors**

Sd/-  
**Dr. Dinesh S. Patel**  
Chairman

Sd/-  
**Dr. Sachin D. Patel**  
Director

Sd/-  
**Vikas P. Tarekar**  
Company Secretary

Sd/-  
**Bharat A. Desai**  
Chief Financial Officer

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note No.	For the year ended 31st March, 2015 Rs.	For the year ended 31st March, 2014 Rs.
<b>INCOME</b>			
Revenue from operations (gross)	16	314,401,940	302,303,355
Less : Excise Duty		-	-
Revenue from operations (net)		314,401,940	302,303,355
Other income	17	888,325	1,601,603
<b>Total Income</b>		<b>315,290,265</b>	<b>303,904,958</b>
<b>EXPENDITURE</b>			
Material Consumed / Sold	18	2,898,712	2,887,719
Purchase of traded goods		-	-
(Increase) / Decrease in inventories of finished goods, WIP and Traded goods	19	-	-
Employee benefit expenses	20	40,020,194	38,550,445
Other expenses	21	208,568,649	195,638,316
Finance costs	22	3,872,030	7,148,251
Depreciation and amortization expenses	9	13,754,043	14,624,525
<b>Total Expenses</b>		<b>269,113,628</b>	<b>258,849,256</b>
<b>Profit / (Loss) before exceptional item and prior period adjustments and tax</b>		<b>46,176,637</b>	<b>45,055,702</b>
Prior Period Adjustments (Net)	23	235,353	(203,807)
<b>Profit / (Loss) before extraordinary items and tax</b>		<b>45,941,284</b>	<b>45,259,509</b>
Extraordinary items		-	-
<b>Profit / (Loss) before tax</b>		<b>45,941,284</b>	<b>45,259,509</b>
<b>Tax Expenses</b>			
Income Tax		-	-
<b>Total Tax Expenses</b>		<b>-</b>	<b>-</b>
<b>Profit / (Loss) for the Year</b>		<b>45,941,284</b>	<b>45,259,509</b>
<b>Earnings per equity share (Nominal Value of Rs. 5 per share)</b>			
Basic (Rs.)	24	3.16	3.12
Diluted (Rs.)		3.16	3.12
<b>Summary of significant accounting policies</b>	<b>1</b>		

The accompanying notes are an integral part of the financials statements.

As per our report of even date annexed  
For KHANDELWAL JAIN & CO.  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
Narendra Jain  
Partner  
Membership No.048725

Sd/-  
Dr. Dinesh S. Patel  
Chairman

Sd/-  
Vikas P. Tarekar  
Company Secretary

Place : Mumbai  
Date : May 28, 2015

Sd/-  
Dr. Sachin D. Patel  
Director

Sd/-  
Bharat A. Desai  
Chief Financial Officer



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

	2014-15 Rs.	2013-14 Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / ( Loss) before tax</b>	<b>45,941,284</b>	45,259,509
Adjustment for :		
Depreciation and amortization expense	<b>13,754,043</b>	14,624,525
Prior Period Adjustments (Net)	<b>235,353</b>	(203,807)
Excess provision / Sundry Credit Balance written back	<b>(73,702)</b>	(59,424)
Sundry Debit Balance written off	<b>46,645</b>	-
Sundry credit balance written back	<b>(61,688)</b>	(6,456)
Excess Provision for doubtful receivables written back	-	(829)
Finance Cost	<b>3,872,030</b>	7,148,251
(Profit) / Loss on sale of fixed assets	<b>2,931,558</b>	-
Interest received	<b>(448,359)</b>	(776,753)
<b>Operating Profit before working capital adjustments</b>	<b>66,197,164</b>	65,985,016
Adjustment for :		
Trade and Other receivables	<b>(6,984,117)</b>	19,336,315
Inventories	<b>1,219,966</b>	(2,241,653)
Trade Payables & Other Current Liabilities	<b>(31,181,899)</b>	(39,392,586)
<b>Cash generated from operations for the year</b>	<b>29,251,114</b>	43,687,092
Prior Period Adjustments (Net)	<b>(235,353)</b>	203,807
<b>Cash generated from operations</b>	<b>29,015,761</b>	43,890,899
Direct Taxes Refund (Net of Paid)	<b>(1,901,827)</b>	(930,934)
<b>NET CASH FROM / ( USED IN ) OPERATING ACTIVITIES (A)</b>	<b>27,113,934</b>	42,959,965
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (including Capital Work in Progress & Capital Advances)	<b>(3,971,560)</b>	(2,124,116)
Sale Proceeds of Fixed Assets	<b>556,855</b>	-
Investment in Bank Deposits	<b>(75,302)</b>	(1,979,406)
Interest received	<b>602,813</b>	758,230
<b>NET CASH FROM / ( USED IN ) INVESTING ACTIVITIES (B)</b>	<b>(2,887,194)</b>	(3,345,292)
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds / (Repayment) from / of Secured Borrowings (Net)	<b>(27,316,839)</b>	(23,429,533)
Proceeds / (Repayment) from / of Unsecured Borrowings (Net)	-	(2,600,000)
Finance Cost Paid	<b>(3,996,979)</b>	(7,300,677)
<b>NET CASH FROM / ( USED IN ) FINANCING ACTIVITIES (C)</b>	<b>(31,313,817)</b>	(33,330,210)
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A + B + C)</b>	<b>(7,087,077)</b>	6,284,463
Cash and Cash equivalents at the beginning of the year	<b>7,505,516</b>	1,221,053
Cash and Cash equivalents at the end of the year	<b>418,438</b>	7,505,516
<b>Net increase / (decrease) in Cash and Cash Equivalent</b>	<b>(7,087,077)</b>	6,284,463

**NOTES :**

- Above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Previous year's figures have been regrouped / rearranged / recasted, wherever necessary.

**As per our report of even date annexed**  
**For KHANDELWAL JAIN & CO.**  
**Chartered Accountants**

Sd/-  
**Narendra Jain**  
Partner  
Membership No.048725

**Place : Mumbai**  
**Date : May 28, 2015**

**For and on behalf of the Board of Directors**

Sd/-  
**Dr. Dinesh S. Patel**  
Chairman

Sd/-  
**Dr. Sachin D. Patel**  
Director

Sd/-  
**Vikas P. Tarekar**  
Company Secretary

Sd/-  
**Bharat A. Desai**  
Chief Financial Officer

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**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**
**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) Basis of preparation**

The Financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) under historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

**b) Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the financial statements and the reported accounts of revenues and expenses for the years presented. Although these estimates are based upon management's knowledge of current event and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

**c) Revenue Recognition**

- i) The Company recognizes revenue from sales as when the transfer of ownership of the goods to the buyer takes place and revenue from Job work on completion of the assigned job.
- ii) The revenue in respect of job work completed as at the end of the reporting period for which no bills have been raised is classified as Unbilled Revenue.
- iii) Revenue is being recognised when there is reasonable certainty of ultimate realization.
- iv) Income on investments is accounted for on accrual basis.

**d) Fixed Assets and Depreciation****A Fixed Assets**

- i) Fixed Assets are stated at Cost of acquisition, net of Modvat, including any cost attributable for bringing the asset to its working condition for its intended use, less accumulated depreciation. Cost of specific borrowing is capitalised and included in the cost to Fixed Assets.
- ii) Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.
- iii) The carrying amount of assets are reviewed at each balance sheet date for impairment, so as to determine the provision for impairment loss, if any, required, or the reversal, if any, required of impairment loss recognized in previous period.

**B Depreciation**

- i) Leasehold Land is amortised over the remaining period of the lease.
- ii) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method except in case of Factory Buildings and Plant and Machinery where depreciation is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**e) Technical Know-how**

Technical Know how is written off over a period of its useful life.

**f) Foreign Currency Transactions**

- i) The transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction.
- ii) Monetary items denominated in foreign currency at the year end are translated at the exchange rates prevailing on the date of Balance Sheet.

iii) Any income or expense on account of exchange difference between the date of transaction and settlement or translation is recognised in the statement of profit and loss as income or expense.

**g) Investments**

Long-term investments are valued at cost. Provision for diminution in value of investment is made to recognise a decline other than temporary.

**h) Inventory Valuation**

**A Finished Goods and Work-In-Process**

- i) Finished Goods are stated at Cost or Market Value whichever is lower.
- ii) Work-in-Process is stated at their cost or market value whichever is lower.
- iii) Cost includes materials, labour, expenses directly & indirectly including depreciation attributable to production.

**B Raw Materials**

Raw materials are stated at their Historical Costs (Net of modvat) applying the First in First out (FIFO) or the net realisable value whichever is lower.

**C Stores and Spares**

Stores and spares are stated at their Historical Costs, (Net of modvat) applying the First in First out (FIFO) or the net realisable value, whichever is lower.

**D Materials In Transit**

Materials in Transit are valued at cost incurred to date.

**i) Material Events occurring after the Balance Sheet date**

Material events occurring after the date of Balance Sheet have been taken cognizance of liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty have been treated as contingent liability and are disclosed by way of notes to accounts.

**j) Employee Benefits**

**i) Defined Contribution Plan**

The Company's monthly contribution towards Provident Fund, Employee's State Insurance scheme, Labour Welfare Fund and Employee's Deposit Linked Insurance are accounted for on accrual basis.

**ii) Defined Benefit Plan**

Liabilities on account of Gratuity and Leave Salary are accounted for on the basis of Actuarial Valuation at the end of each year.

**iii) Other Short Term Employee Benefits**

Other Short Term Employee Benefits are charged to revenue in the year in which the related services are rendered.

**k) CENVAT CREDIT**

- i) CENVAT benefit availed on purchase of Fixed Assets is reduced from the carrying cost of the respective assets.
- ii) CENVAT benefit availed on purchase of materials is adjusted against the Cenvat payable on sale of material.

**l) Export Incentives**

Export Benefits (DEPB) are accounted on accrual basis.

**m) Prior Period Items**

Prior Period Expense/Income is accounted under the head Prior Period Adjustment Account. Material item if any, are disclosed separately by way of a note.

**n) Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or productions of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

**o) Earning Per Share (EPS)**

In accordance with the Accounting Standard -20 (AS-20) " Earning Per Share" as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.

- i) Basic earnings per share is computed using the weighted average number of shares outstanding during the period. The earnings considered in ascertaining the Company's earning per share comprise the net profit after tax (and includes the post tax effect of any extra ordinary items).
- ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**p) Taxes on Income**

- i) Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.
- ii) Deferred Tax Assets and liabilities are measured using the tax rates and tax laws that have been announced up to the Balance Sheet date. Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the Statement of Profit & Loss of the respective year of change.
- iii) Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**q) Provisions**

Provision is recognized when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

**2. Share Capital**

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	(Rs.)
<b>Authorised Shares</b>		
2,72,00,000 Equity Shares of Rs.5/- each (P.Y. 2,72,00,000 Equity Shares of Rs.5/- each)	<b>136,000,000</b>	136,000,000
30,000 (P.Y. 30,000) Preference Shares of Rs.100/- each	<b>3,000,000</b>	3,000,000
2,22,00,000 Unclassified share of Rs.5/- each (P.Y. 2,22,00,000 Unclassified share of Rs.5/- each)	<b>111,000,000</b>	111,000,000
	<b>250,000,000</b>	250,000,000
<b>Issued</b>		
1,45,28,702 Equity Shares of Rs.5/- each (P.Y. 14,528,702 Equity Shares of Rs.5/- each)	<b>72,643,510</b>	72,643,510
	<b>72,643,510</b>	72,643,510
<b>Subscribed and Paid up shares</b>		
1,45,28,702 Equity Shares of Rs.5/- each (P.Y. 14,528,702 Equity Shares of Rs.5/- each)	<b>72,643,510</b>	72,643,510
Less: Calls Unpaid (Other than Directors)	<b>4,000</b>	4,000
	<b>72,639,510</b>	72,639,510

**a. Reconciliation of the Share outstanding at the beginning and at the end of reporting period**

Equity Shares	31st March, 2015		31st March, 2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>At the beginning of the period</b>	<b>14,528,702</b>	<b>72,639,510</b>	14,528,702	72,639,510
Reduction during the year	-	-	-	-
Issued during the Year	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>14,528,702</b>	<b>72,639,510</b>	14,528,702	72,639,510

**b. Term / Right attached to equity Share**

The Company has only one class of equity shares having a par value of Rs.5/- per share (P.Y. Rs.5/- per share). Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

**c. Details of shareholders holding more than 5% shares in the company**

	31st March, 2015		31st March, 2014	
	No. of Shares	% holding	No. of Shares	% holding
Equity Shares of Rs.5/- (P.Y. Rs.5/-) each fully paid				
Yuhan Corporation	<b>3,850,000</b>	<b>26.50%</b>	3,850,000	26.50%
Pharmaceutical Business Group India Ltd (Refer note 37)	<b>3,582,000</b>	<b>24.65%</b>	5,005,000	34.45%
Themis Medicare Limited	<b>3,369,605</b>	<b>23.19%</b>	3,369,605	23.19%

As per records of company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**3. Reserves & Surplus**

	31st March, 2015 (Rs.)	31st March, 2014 (Rs.)
<b>Capital Reserves</b>		
Cash subsidy from Government of Gujarat	<b>1,568,913</b>	1,568,913
<b>Share Premium</b>		
<b>Balance as per last financial statements</b>	<b>21,643,510</b>	21,643,510
Add: Premium on issue of equity shares	-	-
<b>Closing balance</b>	<b>21,643,510</b>	21,643,510
<b>Surplus/(Deficit) in the statement of profit and loss</b>		
<b>Balance as per last financial statements</b>	<b>(149,251,568)</b>	(194,511,078)
Profit/(Loss) for the Year	<b>45,941,284</b>	45,259,509
Adjustment of WDV of Fixed Assets as per Schedule II (Refer note 9(b))	<b>(395,300)</b>	-
<b>Net Deficit in the statement of profit and loss</b>	<b>(103,705,584)</b>	(149,251,568)
<b>Total reserves and surplus</b>	<b>(80,493,161)</b>	(126,039,145)

4. Long Term Borrowings

	Non current		Current	
	31st March, 2015 Rs.	31st March, 2014 Rs.	31st March, 2015 Rs.	31st March, 2014 Rs.
<b>Term Loans</b>				
Indian rupee loan from bank (secured)	<b>17,835,006</b>	25,161,568	<b>7,930,000</b>	7,923,438
	<b>17,835,006</b>	25,161,568	<b>7,930,000</b>	7,923,438
<b>Other Loans and Advances (Unsecured)</b>				
Loan from Themis Medicare Limited (TML)	<b>35,000,000</b>	35,000,000	-	-
	<b>35,000,000</b>	35,000,000	-	-
<b>Total</b>	<b>52,835,006</b>	60,161,568	<b>7,930,000</b>	7,923,438
<b>The above amount includes</b>				
Secured borrowings	<b>17,835,006</b>	25,161,568	<b>7,930,000</b>	7,923,438
Unsecured borrowings	<b>35,000,000</b>	35,000,000	-	-
Amount disclosed under the head "other current liabilities" (Note 8)	-	-	<b>(7,930,000)</b>	(7,923,438)
<b>Total</b>	<b>52,835,006</b>	60,161,568	-	-

- a) Indian Rupee Loan from banks (secured) carries interest at base rate i.e. ranging from 10% p.a. to 10.25 % p.a. (previous year 10.25 % p.a.) Interest is payable at the end of each month. The original amount of loan was to be repaid in 84 monthly installments starting from October, 2007. The first 78 Installments were to be of Rs.13,33,000/- each and balance 6 installments were to be of Rs.19,29,000/- Pursuant to Scheme of Rehabilitation as approved by the Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provision) Act, 1985 on 12th January 2012, the outstanding amount of loan of Rs.5.12 crores is to be repaid in 84 equal monthly installments beginning from 1st November, 2011 i.e. Rs.6,10,000/- per month. The said loan is secured by equitable mortgage of factory premises at GIDC, Vapi & first charge on entire Plant & Machinery excluding those financed by other Financial Institution and also collateral security of Factory Premises at GIDC, Vapi, Valsad, Gujarat and Plant & Machinery. Further, personal guarantee of one of the Director and the Corporate Guarantee by Pharmaceutical Business Group (India) Ltd as on 31.03.2013 is given to the Company's Banker.
- b) Pursuant to Scheme of Rehabilitation as approved by the Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provision) Act, 1985 on 12th January 2012, Themis Medicare Limited (TML) - Promoters / Co-promoters has brought funds to meet the cost of the scheme in the form of non-interest bearing unsecured loan to the extent of Rs.3,50,00,000 irrespective of the provisions of Companies Act, 1956 or any other guidelines. Since, Themis Medicare Limited (TML) has been introduced as Promoters / Co-promoters & pursuant to rehabilitation scheme for revival of the company, these funds are of long term nature and accordingly the same are shown as non-current borrowing.
- c) (i) Amount due as on 31st March, 2015 in respect of repayment of principal amount of Indian rupee term loan from Bank is Rs.6,10,000/- which is outstanding since less than 30 days [Previous year Rs.6,03,438/- outstanding since less than 30 days].
- (ii) Amount due as on 31st March, 2015 in respect of payment of interest amount of Indian rupee term loan from Bank is Rs.1,91,619/- which is outstanding since less than 30 days [Previous year Rs.2,53,798/- outstanding since less than 30 days]. The above outstanding interest amounts are included in Interest accrued and due on borrowings under Note 8 on "Other Current Liabilities".

**5. Deferred Tax Liability (Net)**

	<b>31st March, 2015</b>	31st March, 2014
	<b>Rs.</b>	Rs.
Deferred Tax Liability		
Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return.	<b>11,733,510</b>	13,678,734
<b>Gross Deferred Tax Liability</b>	<b>11,733,510</b>	13,678,734
Deferred Tax Asset		
Provision for doubtful debts	<b>10,061,741</b>	12,310,030
Provision for Leave encashment, Gratuity, Bonus and Unpaid Liability u/s 43B	<b>1,671,769</b>	1,368,704
<b>Gross Deferred Tax Assets</b>	<b>11,733,510</b>	13,678,734
<b>Deferred Tax Liability ( Net)</b>	-	-

Note: In accordance with the Accounting Standard (AS) -22 "Accounting for Taxes on Income" as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the Company has accounted for deferred taxation. As a matter of prudence, deferred tax assets on carried forward losses, unabsorbed depreciation and other assets have been recognised only to the extent of deferred tax liability.

**6. Provisions**

	<b>Non Current</b>		<b>Current</b>	
	<b>31st March, 2015</b>	31st March, 2014	<b>31st March, 2015</b>	31st March, 2014
	<b>Rs.</b>	Rs.	<b>Rs.</b>	Rs.
<b>Provision For Employee Benefits</b>				
Provision for Gratuity	<b>2,837,364</b>	2,320,237	<b>198,389</b>	75,781
Provision For Leave Encashment	<b>1,236,793</b>	1,005,913	<b>156,339</b>	309,195
<b>Total</b>	<b>4,074,157</b>	3,326,150	<b>354,728</b>	384,976

**7. Short Term Borrowings**

	<b>31st March, 2015</b>	31st March, 2014
	<b>Rs.</b>	Rs.
Cash Credit from Bank (Secured)	<b>190</b>	19,997,029
<b>Total</b>	<b>190</b>	19,997,029
<b>The above amount Includes</b>		
Secured Borrowings	<b>190</b>	19,997,029
Unsecured Borrowings	-	-
	<b>190</b>	19,997,029

Cash Credit from Bank (Secured) are repayable on demand and carries interest at (base rate + 1% ) i.e. ranging 11% to 11.25 % p.a. (Previous year 11.25% p.a.) which is payable at the end of each month and are secured by hypothecation of book debts / receivables upto 120 days and collateral security of Factory Premises at GIDC, Vapi, Valsad, Gujarat and Plant & Machinery. Further, personal guarantee of one of the Director and the Corporate Guarantee by Pharmaceutical Business Group (India) Ltd as on 31.03.2013 is given to the Company's Banker.

**8. Other Current Liabilities**

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	(Rs.)
<b>Trade Payables (refer note below)</b>	<b>56,460,640</b>	51,290,138
	<b>56,460,640</b>	51,290,138
<b>Other Liabilities</b>		
Liability for expenses (refer note below)	<b>8,715,493</b>	8,282,089
Creditor for Capital expenditure (refer note below)	<b>421,032</b>	471,682
Current maturities of long-term borrowing	<b>7,930,000</b>	7,923,438
Interest accrued and due on borrowings	<b>191,619</b>	253,798
Interest accrued but not due on borrowings	<b>47,905</b>	110,675
Statutory Dues	<b>546,724</b>	671,338
Central Excise duty payable	-	-
Book Overdraft with bank	<b>922,997</b>	-
Advances from customers	<b>22,478,153</b>	60,915,491
	<b>41,253,923</b>	78,628,511
<b>Total</b>	<b>97,714,563</b>	129,918,649

- a) The name of the Micro, Small & Medium Enterprises suppliers defined under "The Micro Small & Medium Enterprises Development Act, 2006 could not be identified, as the necessary evidence is not in the possession of the Company.



(Amount in Rs.)

**9. FIXED ASSETS**

Depreciation	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-Apr-14	Addition During the Year	Deduction During the Year	As at 31-Mar-15	As at 1-Apr-14	For the Year	Deduction/ Adjustment	As at 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
<b>TANGIBLE ASSETS</b>										
Land *	1,117,526	-	-	1,117,526	391,805	13,628	-	405,433	712,093	725,721
Buildings	24,250,811	-	-	24,250,811	18,143,177	526,150	-	18,669,327	5,581,484	6,107,634
Staff Quarters	67,541	-	-	67,541	45,134	1,120	-	46,255	21,286	22,407
Plant & Machinery	387,206,383	3,252,685	21,836,309	368,622,759	284,742,985	12,544,608	18,583,573	278,704,020	89,918,739	102,463,398
Furniture & Fixtures	5,322,509	7,935	-	5,330,444	5,124,995	161,967	-	5,286,962	43,482	197,514
Computer	3,305,483	-	-	3,305,483	3,052,518	235,539	-	3,288,057	17,426	252,965
Erection & Office Equipment	2,827,378	12,950	46,500	2,793,828	2,355,528	379,538	14,329	2,720,737	73,091	471,850
Vehicles	1,795,394	981,842	673,043	2,104,193	1,518,274	286,792	469,537	1,335,529	768,665	277,121
<b>TOTAL (A)</b>	<b>425,893,025</b>	<b>4,255,412</b>	<b>22,555,852</b>	<b>407,592,585</b>	<b>315,374,416</b>	<b>14,149,343</b>	<b>19,067,439</b>	<b>310,456,320</b>	<b>97,136,265</b>	<b>110,518,609</b>
<b>INTANGIBLE ASSETS</b>										
<b>TOTAL (B)</b>										
<b>TOTAL (A + B)</b>	<b>425,893,025</b>	<b>4,255,412</b>	<b>22,555,852</b>	<b>407,592,585</b>	<b>315,374,416</b>	<b>14,149,343</b>	<b>19,067,439</b>	<b>310,456,320</b>	<b>97,136,265</b>	<b>110,518,609</b>
Less: Adjustment of WDV of Fixed Assets to Opening Reserve as per Schedule II [refer note(b)]										
<b>Net Depreciation charged to Statement of Profit &amp; Loss</b>										
<b>PREVIOUS YEAR</b>	424,972,281	920,745	-	425,893,025	300,749,891	14,624,525	-	315,374,416	110,518,609	-

\* Amount Amortised Against Leasehold Land

Notes :-

- (a) The company has reviewed its fixed assets for impairment loss as required by Accounting Standard 28 "Impairment of Assets". In the opinion of the management no provision for impairment loss is considered necessary.
- (b) Pursuant to guidelines under Schedule II of Companies Act 2013, the carrying amount of fixed assets as on 1st April, 2014 has been depreciated over the remaining useful life of fixed assets. As a result, depreciation for the year ended 31st March 2015 is higher and the profit before tax is lower to the extent of Rs. 1,28,720/-. Further, based on the transitional provisions provided in note 7(b) of the schedule II, fixed assets whose useful life has already been completed as on 1st April, 2014, the carrying value of those fixed assets amounting to Rs. 3,95,300/- has been debited to the opening balance of retained earnings.

**10. Investments**

	Non-Current		Current	
	31st March, 2015 Rs.	31st March, 2014 Rs.	31st March, 2015 Rs.	31st March, 2014 Rs.
National Savings Certificate	56,000	56,000	-	-
[Out of above NSC lying with Excise department Rs.50,000/- (Previous year Rs.50,000/-) and NSC Lying with District Magistrate of Rs.6,000/- (Previous Year Rs.6,000/-)]				
<b>Total</b>	<b>56,000</b>	<b>56,000</b>	<b>-</b>	<b>-</b>
Aggregate amount of Unquoted investments	56,000	56,000	-	-
Aggregate provision for diminution in value of investments	-	-	-	-

**11. Loans and Advances**

	Non-Current		Current	
	31st March, 2015 Rs.	31st March, 2014 Rs.	31st March, 2015 Rs.	31st March, 2014 Rs.
<b>Capital Advances</b>				
Secured, Considered good	-	-	-	-
Unsecured, Considered good	715,000	32,000	-	-
	<b>715,000</b>	<b>32,000</b>	<b>-</b>	<b>-</b>
<b>Advances recoverable in cash or in kind</b>				
Secured, Considered good	-	-	-	-
Unsecured, Considered good	-	-	1,818,669	1,600,477
Considered doubtful	-	-	1,993,963	2,009,199
	-	-	<b>3,812,632</b>	<b>3,609,676</b>
Provision for doubtful advances	-	-	1,993,963	2,009,199
	-	-	<b>1,818,669</b>	<b>1,600,477</b>
<b>Loans and Advances to Employees</b>				
Unsecured, Considered good	15,500	-	201,750	397,242
Considered doubtful	81,242	81,348	-	-
	<b>96,742</b>	<b>81,348</b>	<b>201,750</b>	<b>397,242</b>
Less : Provision for doubtful advances	81,242	81,348	-	-
	<b>15,500</b>	<b>-</b>	<b>201,750</b>	<b>397,242</b>
<b>Pre-paid expenses</b>	<b>70,784</b>	254,096	<b>1,164,015</b>	1,374,995
<b>Advance for Purchase of Land</b>	<b>1,810,000</b>	1,810,000	-	-
Less : Provision for doubtful advances	1,810,000	1,810,000	-	-
Cenvat Credit Availed	-	-	1,174,448	2,703,672
Deposit with Excise Authorities	-	-	885	885
Advance Income Tax ( Net of Provisions)	11,948,045	10,046,218	-	-
VAT / CST Credit Availed	-	-	1,054,736	1,083,742
Sundry Deposits	260,096	2,724,876	-	-
<b>Total</b>	<b>13,009,425</b>	<b>13,057,190</b>	<b>5,414,503</b>	<b>7,161,013</b>

	Non-Current		Current	
	31st March, 2015 Rs.	31st March, 2014 Rs.	31st March, 2015 Rs.	31st March, 2014 Rs.
<b>Loans to employee include</b>				
Dues from Directors	-	-	-	-
Dues from Officers	14,500	-	179,750	390,242
Dues from Workers	1,000	-	22,000	7,000
<b>Total</b>	<b>15,500</b>	<b>-</b>	<b>201,750</b>	<b>397,242</b>

**12. Trade Receivable**

	Non-Current		Current	
	31st March, 2015 Rs.	31st March, 2014 Rs.	31st March, 2015 Rs.	31st March, 2014 Rs.
<b>Unsecured, Considered good (unless stated otherwise)</b>				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, Considered good	-	-	-	-
Unsecured, Considered good	-	-	-	-
Considered, Doubtful	-	-	54,280,092	54,280,092
	-	-	54,280,092	54,280,092
Provision for doubtful receivables	-	-	54,280,092	54,280,092
	-	-	-	-
<b>Other Receivables</b>				
Secured, Considered good	-	-	-	-
Unsecured, Considered good	-	-	23,714,701	12,398,127
	-	-	23,714,701	12,398,127
<b>Total</b>	<b>-</b>	<b>-</b>	<b>23,714,701</b>	<b>12,398,127</b>

**13. Other Assets**

	Non-Current		Current	
	31st March, 2015 Rs.	31st March, 2014 Rs.	31st March, 2015 Rs.	31st March, 2014 Rs.
<b>Unsecured, Considered good (unless stated otherwise)</b>				
Interest accrued on deposit with DGVCL	-	-	-	361,444
Interest accrued on deposit with Excise Authorities	6,456	3,521	-	-
Interest accrued on investments	-	-	4,255	3,481
Interest accrued on Margin Money deposit	289,054	69,277	-	16,497
Non current bank balances (Note - 15)	1,601,144	1,948,721	-	-
<b>Total</b>	<b>1,896,654</b>	<b>2,021,518</b>	<b>4,255</b>	<b>381,422</b>

**14. Inventories**

(Valued at cost or market value whichever is lower, as taken, valued and certified by management)

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	(Rs.)
Raw Materials (inclusive of stock in trade)	-	2,040
Steam Coal	<b>205,791</b>	127,378
Diesel Oil	<b>208,301</b>	181,073
Furnace oil	<b>564,618</b>	1,531,610
Store and spares	<b>2,344,218</b>	2,700,982
Packing Material	<b>715</b>	526
<b>Total</b>	<b>3,323,643</b>	4,543,609

**15. Cash and bank balances**

	<b>Non-Current</b>		<b>Current</b>	
	<b>31st March, 2015</b>	31st March, 2014	<b>31st March, 2015</b>	31st March, 2014
	<b>Rs.</b>	Rs.	<b>Rs.</b>	Rs.
<b>Cash and cash equivalents</b>				
Balances with banks:				
On current accounts			<b>276,491</b>	7,267,964
Cash on hand			<b>141,947</b>	237,552
			<b>418,438</b>	7,505,516
<b>Other bank balances</b>				
Deposits with original maturity for more than 12 months (Deposit lying with UP Sales Tax,)	<b>73,721</b>	73,721	-	-
Margin money deposits with original maturity for more than 12 months (Margin money to secure Bank Guarantee)	-	1,875,000	<b>1,875,000</b>	-
Margin money deposits with original maturity for more than 12 months (Margin money to secure non-fund based Inland Letter of Credit)	<b>1,527,423</b>	-	-	-
Margin Money deposit with original maturity for more than 3 months but less than 12 months	-	-	-	1,452,122
	<b>1,601,144</b>	1,948,721	<b>1,875,000</b>	1,452,122
Amount disclosed under non-current assets (Note - 13)	<b>1,601,144</b>	1,948,721		
	-	-	<b>2,293,438</b>	8,957,637

Margin money deposits given as security / Bank Guarantee:

Margin money deposits with a carrying amount of Rs.15,27,423/- (Previous year Rs.14,52,122/-) are to secure non-fund based inland letter of credit and Margin money deposit with a carrying amount of Rs.18,75,000/- (Previous year Rs.18,75,000/-) are to secure Bank Guarantee.

**16. Revenue from operations**

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	(Rs.)
<b>Sales of products</b>		
Finished Goods	-	-
Traded Goods	-	4,200
<b>Operating Revenue</b>		
Conversion / Job Work Charges Received	<b>314,401,940</b>	302,299,155
<b>Other Operating Revenue</b>		
Scrap sales	-	-
<b>Revenue from operations (gross)</b>	<b>314,401,940</b>	302,303,355
Less : Excise Duty	-	-
<b>Revenue from operations(net)</b>	<b>314,401,940</b>	302,303,355
<b>Details of Products Sold</b>		
<b>Traded goods sold</b>		
Raw Material	-	4,200
	-	4,200
	-	4,200
<b>Operating Revenue</b>		
Conversion / Job Work Charges for following products;		
Rifamycin-S	<b>314,401,940</b>	302,299,155
	<b>314,401,940</b>	302,299,155

**17. Other Income**

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	(Rs.)
Interest income on		
Deposits including margin money	<b>308,081</b>	183,559
Deposits with DGVCL	<b>135,259</b>	400,915
Income Tax Refund	-	-
Investment	<b>5,019</b>	4,673
Security deposit	-	187,606
<b>Total (A)</b>	<b>448,359</b>	776,753
Net Gain /Loss on sale of Fixed Assets	-	-
Other Non -Operating income		
-Excess Provision Written back	<b>73,702</b>	59,424
-Excess Provision for doubtful receivables/advances written back	-	829
-Sundry credit balance written back	<b>61,688</b>	6,456
-Insurance claim received	-	152,000
-Notice Pay recovery	<b>137,177</b>	302,291
-Scrap Sale	<b>167,399</b>	303,330
-Other	-	520
<b>Total (B)</b>	<b>439,966</b>	824,850
<b>Total (A + B)</b>	<b>888,325</b>	1,601,603

**18. Cost of Raw materials and components consumed**

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	(Rs.)
Inventory at the beginning of the year	<b>2,566</b>	3,830
Add: Purchases	<b>2,896,861</b>	2,886,455
	<b>2,899,427</b>	2,890,285
Less: Inventory at the end of the year	<b>715</b>	2,566
Cost of raw material and components consumed	<b>2,898,712</b>	2,887,719

**Details of raw material and components consumed**

RIFA-S	-	-
Laboratory Consumables and Chemicals	<b>2,421,329</b>	2,392,696
CST Raw Material	<b>2,040</b>	-
Freight on Raw Materials	<b>441,110</b>	458,995
Packing Material Consumed	<b>34,233</b>	36,028
	<b>2,898,712</b>	2,887,719

**Raw Materials & Components**

Lova Boronate	-	2,040
RIFA-S	-	-
	-	2,040

**19. Increase / (Decrease) in Inventories**

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	(Rs.)
<b>Inventories at the end of the year</b>		
Work in Process	-	-
Finished Goods	-	-
	-	-
<b>Inventories at the beginning of the year</b>		
Work in Process	-	-
Finished Goods	-	-
	-	-
<b>(Increase)/Decrease in Inventories</b>	<b>-</b>	<b>-</b>

**20. Employee benefit expenses**

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	(Rs.)
Salary, Wages & Bonus	<b>36,224,943</b>	35,029,961
Company's contribution to Provident and other Funds	<b>1,599,174</b>	1,596,407
Gratuity	<b>738,758</b>	366,688
Staff Welfare Expenses	<b>1,457,319</b>	1,557,389
	<b>40,020,194</b>	38,550,445

Employee benefits expense for the year ended 31st March, 2015 includes amount of Rs.1,50,000/- (Previous year Rs.1,00,000/) towards full & final settlement to three ex-workers who had left the organization long back.

**21. Other expenses**

	<b>31st March, 2015</b>	31st March, 2014
	<b>(Rs.)</b>	<b>(Rs.)</b>
Power charges	<b>115,844,959</b>	105,271,944
Fuel charges	<b>41,098,656</b>	43,767,034
Water charges	<b>4,624,808</b>	4,073,793
Consumption of stores and spare parts	<b>17,710,462</b>	16,599,068
Insurance	<b>1,322,939</b>	1,451,892
Rates and Taxes	<b>861,477</b>	1,034,392
Donation	<b>15,000</b>	-
Legal & Professional Charges	<b>1,529,637</b>	1,875,786
<u>Repairs and Maintenance :</u>		
Building	<b>1,137,511</b>	1,654,990
Plant & Machinery	<b>3,658,380</b>	3,550,586
Others	<b>210,353</b>	55,148
Disposal Charges for removal of waste material	<b>4,884,000</b>	6,273,353
Central Effluent Treatment Charges	<b>2,938,936</b>	2,262,531
Drainage Cess Charges	<b>363,487</b>	429,703
Vehicle Expenses	<b>243,989</b>	382,140
Auditor's Remuneration (Refer details below)	<b>445,000</b>	446,685
Security Charges	<b>1,659,459</b>	1,328,566
Testing and Analytical Charges	<b>69,622</b>	149,828
Printing & Stationary Expenses	<b>324,790</b>	355,537
Travelling & Conveyance	<b>840,866</b>	140,454
Hire Charges	<b>1,491,410</b>	1,663,695
Postage & Telegram Charges	<b>187,800</b>	66,894
Telephone & Telex Charges	<b>155,320</b>	191,437
Loss on sale of fixed assets	<b>2,931,558</b>	-
Sundry balances written off	<b>46,645</b>	-
Miscellaneous Expenses	<b>3,971,585</b>	2,612,860
	<b>208,568,649</b>	195,638,316
<b>Auditor's Remuneration includes</b>		
As Auditor:		
Audit Fee	<b>250,000</b>	250,000
Tax Audit Fee	<b>75,000</b>	75,000
Limited Review	<b>105,000</b>	105,000
Other Services	<b>15,000</b>	16,685
	<b>445,000</b>	446,685

**22. Finance costs**

	<b>31st March, 2015</b> <b>(Rs.)</b>	31st March, 2014 <b>(Rs.)</b>
<b>Interest Expense</b>		
Term Loans	<b>2,890,571</b>	3,733,442
Cash Credit	<b>550,333</b>	2,367,964
Bank Charges & Other Finance Cost		
- Compensation paid to GIC towards settlement of Loan*	-	500,000
- Other Finance Cost	<b>38,314</b>	249,266
- Bank Charges	<b>392,812</b>	297,579
	<b>3,872,030</b>	7,148,251

\* During the financial year 2013-14, the Company has paid an amount of Rs. 31,00,000/- to GIC Ltd. as full and final settlement payment towards their unsecured loan of Rs.26,00,000/- & Rs.5,00,000/- paid as compensation and is shown as "Compensation paid to GIC towards settlement of Loan".

**23. Prior Period Adjustments (Net)**

	<b>31st March, 2015</b> <b>(Rs.)</b>	31st March, 2014 <b>(Rs.)</b>
<b>Income</b>		
Miscellaneous Income	-	6,490
Conversion Charges	-	281,250
Employee benefit expenses	-	41,800
<b>Total</b>	-	329,540
<b>Expenses</b>		
Refund of Electricity Charges	<b>(184,441)</b>	-
Legal and Professional Charges	-	70,363
Recruitment Expenses	-	10,450
Repairs & Maintenance Charges	<b>174,772</b>	-
Other Expenses	<b>245,022</b>	44,920
<b>Total</b>	<b>235,353</b>	125,733
<b>Net Balance</b>	<b>235,353</b>	(203,807)

**24 Earnings Per Share (EPS)**

In accordance with Accounting Standard 20 - "Earning per Share" notified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the required disclosure is given below:

<b>Particulars</b>	<b>31st March, 2015</b> <b>(Rs.)</b>	31st March, 2014 <b>(Rs.)</b>
<b>The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations :</b>		
Net profit / (loss) attributable to Shareholders (Rs.)	<b>45,941,284</b>	45,259,509
Weighted average number of equity shares issued (Nos.) for basic EPS	<b>14,528,702</b>	14,528,702
Basic earnings per share of Rs. 5/- each (Previous year Rs.5/- each) (in Rs.)	<b>3.16</b>	3.12

The Company does not have any potential dilutive equity shares. Consequently, the basic and diluted earnings per share remain the same.



**25 Disclosure under Revised Accounting Standard 15 on Employee Benefits:**

Consequent to Accounting Standard 15 “Employee Benefits” (Revised 2005) becoming effective, the Company has made the provision for Defined Contribution Plan and Defined Benefit Plan.

**A Defined Contribution Plan**

During the year, the Company has recognized Rs. 15,99,174/- (Previous Year Rs. 15,96,407/-) towards Defined Contribution Plan Obligation.

**B Defined Benefit Plan**
**a) Leave Encashment**

Liability is computed on the basis of Leave Encashment benefit payable to all eligible employees at the rate of daily salary as per current accumulation of leave days, as per the Projected Unit Credit Method.

Particulars	31st March, 2015 (Rs.)	31st March, 2014 (Rs.)
Net Periodic Cost debited to Profit & Loss Account	215,190	432,678
Liability recognised in the Balance Sheet	1,393,132	1,315,108

**b) Gratuity**

Liability is computed on the basis of Gratuity payable on death or resignation or on retirement, at attainment of superannuation age, with the qualifying salaries appropriately projected, as per the Projected Unit Credit Method. The disclosure of the same is as under.

**I. Actuarial Assumption**

Particulars	Gratuity	
	31st March, 2015	31st March, 2014
Discount Rate	7.94%	9.31%
Salary Escalation	5.00%	5.00%
Attrition Rate	2.00%	2.00%

**II. Table Showing Change in Benefit Obligation**

Particulars	Gratuity	
	31st March, 2015	31st March, 2014
Projected Benefit Obligations (PBO) at the beginning of the year	2,396,018	2,352,089
Interest Cost	223,069	194,047
Service Cost	227,205	292,302
Benefits paid	(99,023)	(322,759)
Actuarial (gain) / loss on Obligations	288,484	(119,661)
<b>Projected Benefit Obligations (PBO) at the end of the Year</b>	<b>3,035,753</b>	<b>2,396,018</b>

**III. Table of Recognition of actuarial gains/ losses**

Particulars	Gratuity	
	31st March, 2015	31st March, 2014
Actuarial (gains)/ losses on obligation for the period	288,484	(119,661)
Actuarial (gains) / losses on asset for the period	-	-
<b>Sub total</b>	<b>288,484</b>	<b>(119,661)</b>
<b>Actuarial (gains) /losses recognised in income &amp; expenses statement</b>	<b>288,484</b>	<b>(119,661)</b>

**IV. The Amounts to be recognised in Balance Sheet and Income Statement and the related analysis**

Particulars	Gratuity	
	31st March, 2015	31st March, 2014
Fair value of Plan Assets		
Present Value of Obligation	(3,053,753)	(2,396,018)
Funded Status	(3,053,753)	(2,396,018)
Unrecognised Actuarial gains (losses)	-	-
Unrecognised Transitional Liability	-	-
<b>Assets / (Liability) Recognised in Balance Sheet</b>	<b>(3,053,753)</b>	<b>(2,396,018)</b>

**V. Net Periodic Cost**

Particulars	Gratuity	
	31st March, 2015	31st March, 2014
Current Service Cost	227,205	292,302
Interest Cost	223,069	194,047
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the year	288,484	(119,661)
<b>Expenses Recognised in the Income Statement</b>	<b>738,758</b>	<b>366,688</b>

**VI. Movements in the liability recognised in the Balance Sheet**

Particulars	Gratuity	
	31st March, 2015	31st March, 2014
Opening Net Liability	2,396,018	2,352,089
Expense as above	738,758	366,688
Contributions paid	(99,023)	(322,759)
<b>Closing Net Liability</b>	<b>3,035,753</b>	<b>2,396,018</b>

**VII. Experience Adjustment**

Particulars	Gratuity	
	31st March, 2015	31st March, 2014
On Plan Liability (Gains) / Losses	3,382	83,222
On Plan Liability (Losses) / Gains	-	-
	<b>3,382</b>	<b>83,222</b>

**26 Related Party Disclosure**

Disclosure requirement as per Accounting Standard 18 (AS-18) "Related Party Disclosure" notified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.

Name of the Related Party	Nature of relationship
M/s. Pharmaceutical Business Group (India) Limited (PBG)	Investing party of which the company is an Associate
M/s. Themis Medicare Limited	Investing party of which the company is an Associate
M/s. Vividhmargi Investment Pvt. Ltd.	Holding Company of M/s. Pharmaceutical Business Group (India) Limited
M/s. Yuhan Corporation	Venturer in Joint Venture

Name of the Related Party	Nature of relationship
Mr. Rajneesh Anand	Key Management Personnel (President & CEO of the Company till 6th August, 2014 & Technical & Management Consultant w.e.f. 7th August, 2014)
Mr. Tapas Guha	Key Management Personnel (Chief Executive Officer (CEO) of the Company from 7th August, 2014)
Mr. Bharat A. Desai	Key Management Personnel (Chief Financial Officer (CFO) of the Company from 17th March, 2015)
Mr. Vikas P. Tarekar	Key Management Personnel (Company Secretary of the Company from 2nd July, 2014)

**Note: Related Party Relationships have been identified by the management and relied upon by the Auditors.**

**Details of transactions between the Company & related parties & the status of outstanding balances as on 31st March, 2015.**

Nature of Transactions	Name of Party	Associates/ Enterprises over which directors and/ or their relatives has significant influence		Key Management Personnel	
		2014-15	2013-14	2014-15	2013-14
<b>Transactions during the year</b>					
Expense Incurred on behalf of investing party	M/s. Pharmaceutical Business Group (India) Limited	-	8,900	-	-
Purchase of Stores & Spares	M/s. Themis Medicare Limited	<b>197,000</b>	-	-	-
Advance received from customer	M/s. Themis Medicare Limited	-	200,000	-	-
LC devolvement charges (prior period expenses)	M/s. Themis Medicare Limited	<b>245,022</b>	-	-	-
Advance received from customer refunded	M/s. Themis Medicare Limited	<b>38,500,000</b>	23,000,000	-	-
Expense paid / incurred on behalf of M/s. Themis Medicare Limited	M/s. Themis Medicare Limited	<b>182,360</b>	7,707,199	-	-
Remuneration (including reimbursement)	Mr. Rajneesh Anand	-	-	<b>2,854,905</b>	2,696,496
	Mr. Tapas Guha	-	-	<b>513,829</b>	-
	Mr. Bharat A. Desai	-	-	<b>19,818</b>	-
	Mr. Vikas P. Tarekar	-	-	<b>239,073</b>	-
<b>Outstanding Balances</b>					
Advance from customers	M/s. Themis Medicare Limited	<b>22,401,437</b>	60,838,775	-	-
Unsecured Loans	M/s. Themis Medicare Limited	<b>35,000,000</b>	35,000,000	-	-
Expense Incurred on behalf of investing party	M/s. Pharmaceutical Business Group (India) Limited	<b>18,500</b>	18,500	-	-
Remuneration payable	Mr. Rajneesh Anand	-	-	<b>191,157</b>	170,862
	Mr. Tapas Guha	-	-	<b>64,800</b>	-
	Mr. Bharat A. Desai	-	-	<b>18,570</b>	-
	Mr. Vikas P. Tarekar	-	-	<b>22,002</b>	-

**27 Contingent Liabilities**

	<b>31st March, 2015 (Rs.)</b>	31st March, 2014 (Rs.)
<b>Contingent liabilities not provided for in respect of:</b>		
<b>i) Income tax under dispute</b>	<b>12,463,599</b>	12,463,599
<b>ii) Fringe benefit tax under dispute</b>	<b>201,972</b>	201,972
<b>iii) Disputed Labour Dues</b>	<b>63,748,664</b>	61,028,138
<b>iv) Claim against the company not acknowledged as debts</b>	<b>5,484,301</b>	5,484,301
<b>v) Bank Guarantee given by UBI to DGVCL</b>	<b>12,500,000</b>	12,500,000

- 28** Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for Rs. 25,97,309/- (Previous year Rs.2,48,788/-).
- 29** The outstanding balance as at 31st March, 2015, in respect of certain balances of trade receivables, deposits, loans & advances, liability for expenses, trade payables and creditors for capital expenditure are subject to confirmation and adjustments necessary upon reconciliation if any, consequential impact thereof in the financial statements is not ascertainable. The Management does not expect any material variation in the financial statements.
- 30** The Company has accumulated losses of Rs.10,37,05,584/- and negative net worth of Rs.78,53,651/- as at 31st March, 2015. Further, the Company also has a working capital deficiency. The Company is also a sick Company within the meaning of Section 3 (1) (o) of the Sick Industrial Companies (Special Provisions) Act 1985, and in accordance with the provisions of section 15 (l) of the said Act. The Company has been registered with the Board for Industrial & Financial Reconstruction (BIFR). Further the Rehabilitation Scheme had been sanctioned by the Board for Industrial and Financial Reconstruction (BIFR) in the hearing held 12th January, 2012. The Company has initiated efforts including development of new products and has ventured into manufacturing of goods on own and on job work basis so as to reduce the losses. The Company has made a profit in current year and also in previous year. Accordingly, these accounts have been prepared on a going concern basis.
- 31** The Company is manufacturing Bulk Drugs on job work basis for others. Hence, there is no separate reportable segment as per Accounting Standard - 17 (AS-17) "Segment Reporting" notified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 32** In view of carry forward losses / unabsorbed depreciation of earlier years, company being a sick company and relief & concession granted by the BIFR, no provision for the Income Tax has been made on profit of the current year.
- 33** The Company's pending litigations comprise of claim against the Company and proceedings pending with Statutory and Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, whenever required and disclosed the contingent liabilities, whenever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. (Refer Note No. 27 for details on Contingent Liabilities).
- 34** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 35** For the year ended March 31, 2015, the company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.
- 36** In the opinion of the Management, Current / Non-current Assets, Long term / Short term Loans & Advances are approximately of the value stated, if realized, in the ordinary course of business. The provision for all known and determined liability is adequate and not in the excess of the amount reasonably required.
- 37** During the year, one of the promoter M/s. Pharmaceutical Business Group (India) Ltd. has off loaded 14,23,000 equity shares of Rs.5/- each on 7th August, 2014 by way of an offer for sale through the stock exchange mechanism. As a result, the Company has achieved minimum public shareholding of 25% in compliance with SEBI order dated 28th March 2014. However, Hon'ble BIFR directed the Company vide its order dated 2nd January 2014, read with order dated 20th November 2013 to comply with the minimum public shareholding by way of issue of 18,96,000 fresh equity shares of face value of Rs.5/- each through public / right issue, for which the Company has filed miscellaneous application with BIFR to modify the said orders to the effect that the direction of issue of fresh equity shares is not necessary to be implemented. BIFR approval in this regard is awaited.

**38 CIF Value of Imports:**

<b>Class of Goods</b>	<b>31st March, 2015 (Rs.)</b>	<b>31st March, 2014 (Rs.)</b>
Material	-	-
Capital Goods	-	326,100
Stores & Spares	-	-
<b>Total</b>	<b>-</b>	<b>326,100</b>

**39** Previous year figures are regrouped and reclassified where ever necessary.

**As per our report of even date annexed  
For KHANDELWAL JAIN & CO.  
Chartered Accountants**

Sd/-  
**Narendra Jain**  
Partner  
Membership No.048725

**Place : Mumbai  
Date : May 28, 2015**

**For and on behalf of the Board of Directors**

Sd/-  
**Dr. Dinesh S. Patel**  
Chairman

Sd/-  
**Dr. Sachin D. Patel**  
Director

Sd/-  
**Vikas P. Tarekar**  
Company Secretary

Sd/-  
**Bharat A. Desai**  
Chief Financial Officer

**GUJARAT THEMIS BIOSYN LIMITED**

CIN : L24230GJ1981PLC004878

Regd. Office : 69/C, GIDC Industrial Estate, Vapi – 396 195, Dist. Valsad, Gujarat, India

**FORM OF PROXY**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member / members of GUJARAT THEMIS BIOSYN LIMITED hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the **34<sup>th</sup> Annual General Meeting** of the Company scheduled to be held on Monday, the 21<sup>st</sup> September, 2015 at 12.00 Noon at 69/C GIDC Industrial Este, Vapi – 396 195, Dist. Valsad, Gujarat and at any adjournment thereof.

Ledger Folio No. / Client ID No. \_\_\_\_\_

No. of Shares \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature  
Affix revenue  
stamp of  
requisite  
form

**IMPORTANT**

1. This form duly completed and signed across the stamp as per the specimen signature registered with the Company should be deposited at the registered office of the Company not less than 48 hrs before the time fixed for the commencement of the meeting.
2. The meeting is for member of the Company only. Members are requested not to bring non members or children.
3. Copies of the Annual Report will not be distributed at the meeting. Members are requested to bring their own copies.

**GUJARAT THEMIS BIOSYN LIMITED**

CIN : L24230GJ1981PLC004878

Regd. Office : 69/C, GIDC Industrial Estate, Vapi – 396 195, Dist. Valsad, Gujarat, India

**ATTENDANCE SLIP**

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional attendance slip on request.

Name \_\_\_\_\_

Reg. Folio No. / Client ID No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

I hereby record my presence at the **34<sup>th</sup> Annual General Meeting** of the Company on Monday, the 21<sup>st</sup> September, 2015 at 12.00 Noon at 69/C GIDC Industrial Este, Vapi – 396 195, Dist. Valsad, Gujarat.

\_\_\_\_\_  
Signature of Shareholder / Proxy



