QUALITY YOU CAN TRUST

Annual Report

2013 - 2014

THEMIS

MEDICARE

Vision

To become the most admired research based pharmaceutical company with leadership in market share, research and profit by:

- Inculcating a high performance culture
- Manufacturing the highest quality products
- Being preferred in - sourcing partner for global pharmaceutical companies for research based unique products

Board of Directors

Shri Hoshang Sinor
Chairman

Shri Humayun Dhanrajgir
Director

Shri Vijay Agarwal
Director

Dr. Dinesh Patel
Managing Director & CEO

Dr. Laszlo Kovacs
Representative of Foreign Collaborator

Shri Rajneesh Anand
Director

Dr. Sachin Patel
Deputy Managing Director

Mr. Lajos Kovacs
Representative of Foreign Collaborator

Mr. Hariharan Subramaniam
Additonal Director
(w.e.f 10th February, 2014)

Ms. Dharmishta Raval
Additonal Director
(w.e.f 6th August, 2014)

Executive Management Board

Dr. Dinesh S. Patel
PH.D. CChem., FRSC (Lond.)
Overall Management

Dr. Shashikant P. Kurani
M.SC., PH.D., LLM, D.P.L.P.
Regulatory & Scientific Affairs

Shri T. Damodar Reddy
Graduate in Chemical Technology
API - Business Biotech

Dr. Sachin D. Patel
PH.D. CChem., University Of Cambridge. U.K.
Research & Business Development

Shri Prakash D. Naringrekar
M.Com., ACS
Legal & Finance

Mr. Luis Dias
B.Com.
API - Business Co-ordinator

REGISTERED OFFICE
Plot No. 69A, G.I.D.C. Industrial Estate,
Vapi – 396 195 Dist. Valsad, Gujarat - 396 195.
CIN: L24110GJ969PLC001590

CORPORATE OFFICE
11/12 Udyog Nagar Industrial Estate,
S. V. Road, Goregaon (W), Mumbai - 400 104.

PLANTS
Synthetic
69 / A, GIDC Industrial Estate,
Vapi, Dist. Valsad, Gujarat - 396 195

Bio-Tech
"Artemis Biotech" (A Division of Themis Medicare)
Plot No. 1 & 5, IDA, Jeedimetla, Hyderabad - 500 055.

Formulation
Sector 6-A, Plot No. 16, 17 & 18, IIE, BHEL, Haridwar

STATUTORY AUDITORS
M. T. Ankleshwaria & Co. (Chartered Accountants)

COST AUDITORS
B. J. D. Nanabhoy & Co. (Cost Accountants)

BANKERS
Union Bank of India
Bank of Baroda

E-mail : themis@themismedicare.com
visit us at : www.themismedicare.com

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Message from

The Managing Director & CEO

Dear Stakeholder,

The financial year 2013-14, ended on a positive note registering net profit as well as cash profit from operations of the Company against cash losses incurred in the preceding two financial years. Following were the major contributories to the positive performance.

- Finished dosage business increased by 23% over previous financial year and its share in the total business operations also increased to 56% compared to previous financial year share of 48%. As you are aware, more the branded finished dosage business, brings more stability to business and Company along with the contribution to the bottom line.
- The Company is also realigning its API business (Active Pharmaceutical ingredients) basket on the basis of working capital needs. This business has high risk and low bottom line.
- New contracts entered with national and international pharma majors for supply of company's research products are expected to start yielding results in the current financial year.
- To control the high finance cost, Company has already taken measures by either repaying the debts or by realigning the rupee debt into foreign currency where interest burden is lower. However, the challenge is to withstand fluctuations in the international currency market which cannot be over looked.
- The philosophy of your Company, as guided by the Board is to get rid off and to encash non-core activity assets and plough back the money to support the business needs.
- I am confident that the above measures will further contribute in better performance and create sound foundation for the growth of the Company in the years to come.
- The support given by you all for years together, especially in the toughest years, is as usual going to be the strength of the Company to perform better and best in future.

I sincerely thank the Company's Bankers for their valuable support, the collaborators for their faith in us, colleagues on the Board, staff members at all levels and other stakeholders for their continued support to us!!

Sincerely,

DINESH S PATEL
MANAGING DIRECTOR & CEO

Notice to Members

NOTICE is hereby given that the 44th Annual General Meeting of the Members of **THEMIS MEDICARE LTD.** will be held at Plot no. 69-A, GIDC Industrial Estate, Vapi-396 195, Dist. Valsad, Gujarat on 29th September, 2014 at 10.30 a.m. to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2014 and the Statement of Profit & Loss for the year ended 31st March 2014 and the Auditors' Report and Directors' Report thereon.

2. To appoint a Director in place of Dr. Laszlo Kovacs who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

4. To appoint Mr. Hariharan Subrahmaniam (DIN NO. 00162200) as an Independent Director of the Company.

   To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution.

   Resolution:

   "RESOLVED THAT pursuant to the provisions of sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Hariharan Subrahmaniam (DIN NO. 00162200), a non-executive Additional Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director for a period of five years with effect from the ensuing Annual General Meeting ".

5. To appoint Ms. Dharmishta N. Raval (DIN NO. 02792246) as an Independent Director of the Company.

   To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution.

   Resolution:

   "RESOLVED THAT pursuant to the provisions of sections 149, 149(1), 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Ms. Dharmishta N. Raval (DIN NO. 02792246), a non-executive Additional 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 appointment, be and is hereby appointed as an Independent Director for a period of five years with effect from the ensuing Annual General Meeting ".

6. To re-appoint Mr. Hoshang N. Sinor (DIN NO. 00074905) as an Independent Director in the ensuing Annual General Meeting to hold office from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM.

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

Resolution:

"RESOLVED THAT pursuant to the provisions of sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Hoshang N. Sinor (DIN NO. 00074905), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director for a period of five years with effect from the ensuing Annual General Meeting ".

7. To re-appoint Mr. Humayun Dhanrajgir (DIN NO. 00004006) as an Independent Director in the ensuing Annual General Meeting to hold office from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM.

   To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

   Resolution:

   "RESOLVED THAT pursuant to the provisions of sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Humayun Dhanrajgir (DIN NO. 00004006), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director for a period of five years with effect from the ensuing Annual General Meeting ".

8. To re-appoint Mr. Vijay Agarwal (DIN NO. 00058548) as an Independent Director in the ensuing Annual General Meeting to hold office from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM.

   To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

   Resolution:

   "RESOLVED THAT pursuant to the provisions of sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Vijay Agarwal (DIN NO. 00058548), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director for a period of five years with effect from the ensuing Annual General Meeting ".

BY ORDER OF THE BOARD OF DIRECTORS

PRAKASH D. NARINGREKAR
CFO & COMPANY SECRETARY

MUMBAI : 11th August, 2014
Regd. Office : Plot no. 69-A, GIDC Industrial Estate,
Vapi-396 195, Dist. Valsad, (Gujarat).
CIN : L24110GJ969PLC001590

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE 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 forty eight 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 Tuesday 23rd September, 2014 to Monday 29th September, 2014 (both days inclusive).
5. Members are requested to notify immediately changes in their addresses, if any, to the Company / Registrar & Share Transfer Agent 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, and National Stock Exchange of India Limited, Mumbai. The Company has paid listing fees for the year 2014-15 to the above Stock Exchanges.
8. The eligible members of the Company (except members whose shares are forfeited) are hereby informed that unclaimed dividend for the Company's accounting year 2006-2007 will be credited to the Central Government's Investors' Education and Protection Fund at appropriate time during the calendar year 2014. Hence, no claim, if any, will be entertained for unclaimed dividend thereafter.
9. Members holding shares in physical form are requested to notify the email id and the changes in their addresses, if any, at the earliest. Members holding shares in dematerialized form are requested to notify change in their addresses to their Depository Participants.
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 22nd August, 2014 are entitled to vote by E-voting / Ballot Paper attending Annual General Meeting in person(s) on the resolutions set forth in this Notice.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- The voting period begins on Wednesday 17th September, 2014 (9:00 a.m.) and ends on Fridays 19th September, 2014 (6:00 p.m.). 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 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (i) Log on to the E-voting website www.evotingindia.com
  - (ii) Click on " Shareholders" tab.
  - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
  - (iv) 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.
  - (v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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 last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less then 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date in the Dividend Bank Details field.**

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant THEMIS MEDICARE LIMITED on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to

https://www.evotingindia.co.in and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(xviii) Mr. Jagdish Patel (Membership No.FCS 2613 and CP No. 1782), Jagdish Patel & Co. Company Secretaries, Vapi, Company Secretary in Practice, has been appointed as the Scrutinizer to scrutinize the e-voting process.

(xix) The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the E-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(xx) The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.themismedicare.com; and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

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) The voting period begins on Wednesday 17th September, 2014 (9:00 a.m.) and ends on Fridays 19th September, 2014 (6:00 p.m.). 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 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

BY ORDER OF THE BOARD OF DIRECTORS

PRAKASH D. NARINGREKAR
CFO & COMPANY SECRETARY

MUMBAI : 11th August, 2014
Regd. Office : Plot no. 69-A, GIDC Industrial Estate,
Vapi-396 195, Dist. Valsad, (Gujarat).
CIN : L24110GJ1969PLC001590

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

ITEM NO: 4

To appoint Mr. Hariharan Subramaniam (DIN NO. 00162200) as a regular Independent Director of the Company.

Mr. Hariharan Subrahmaniam was appointed as an Additional Director at the Board Meeting held on 10th February, 2014. He holds office till the date of the ensuing Annual General Meeting. Our company has received notice from a member of the Company, communicating his intention to propose Mr. Hariharan Subrahmaniam as a regular Independent Director of the Company. The notice is accompanied with a deposit of Rs. 1 Lac as per the requirements of Section 160(1) of the Companies Act, 2013.

Mr. Hariharan Subrahmaniam, an Indian Patent Attorney with over 32 years of experience and is involved in all aspects of IP law including filing, prosecution and enforcement. He was voted as No. 1 Patent Attorney by several leading law magazines and was featured in the cover story "Top 50 IP lawyers you must know in Asia and Pacific" in the March issue of Asia law magazine.

Except for Mr. Hariharan Subrahmaniam no other director is concerned or interested in this resolution.

The Board recommends the appointment of Mr. Hariharan Subrahmaniam as a regular Independent director to the members.

ITEM NO: 5

To appoint Ms. Dharmishta N. Raval (DIN NO. 02792246) as a regular Independent Directors of the Company.

Ms. Dharmishta N. Raval was appointed as an Additional Director at the Board Meeting held on 06th August, 2014. She holds office till the date of the ensuing Annual General Meeting. Our Company has received notice from a member of the Company, communicating her intention to propose Ms. Dharmishta N. Raval as a regular Independent director of the Company. The notice is accompanied with a deposit of Rs. 1 Lac as per the requirements of Section 160(1) of the Companies Act, 2013.

Ms. Dharmishta N. Raval, an eminent corporate lawyer and has a vast experience in matters related to Company Law, Labour Laws and Taxation. The Board strongly feels that her contribution in the field will be of great help to the Company in the years to come.

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

The Board recommends the appointment of Ms. Dharmishta N. Raval as a regular Independent director to the members.

ITEM NO: 6

To re-appoint Mr. Hoshang N. Sinor (DIN NO. 00074905) as an Independent Director to hold office from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM in the ensuing Annual General Meeting.

Mr. Hoshang N. Sinor was appointed on the Board as a Director on 28th July, 2003. Since then he has been contributing as an Independent Director of the Company. He was last re-appointed as an Independent Director of the Company at the Annual General Meeting held on 30th July, 2011.

The Board has proposed to re-appoint him as an Independent Directors of the Company in the ensuing Annual General Meeting for the period of five years from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM.

Mr. H. N. Sinor is also Chairman of the Company as well as member of Audit Committee. He has vide experience and expertise in the corporate arena (especially in Finance, Banking and general commercial areas). He has guided the Board and the Company with his rich experience from time to time.

Except for Mr. Hoshang N. Sinor no other director is concerned or interested in this resolution.

The Board recommends the re-appointment of Mr. Hoshang N. Sinor as a director to the members.

ITEM NO: 7

To re-appoint Mr. Humayun Dhanrajgir (DIN NO. 00004006) as an Independent Director to hold office from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM in the ensuing Annual General Meeting.

Mr. Humayun Dhanrajgir was appointed on the Board as a Director on 06th May, 2004. Since then he has been contributing as an Independent Director of the Company. He was last re-appointed as an Independent Director of the Company at the Annual General Meeting held on 30th August, 2013.

The Board has proposed to re-appoint him as an Independent Directors of the Company in the ensuing Annual General Meeting for the period of five years from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM.

Mr. Humayun Dhanrajgir has experience in Pharmaceutical business for last over 45 years, especially in Multinational Companies. He is on the Board of various Pharmaceutical Companies in India as an Independent Director. Our Company has immensely benefited from his experience in the field of Pharma business as well as corporate governance area.

Except for Mr. Humayun Dhanrajgir no other director is concerned or interested in this resolution.

The Board recommends the re-appointment of Mr. Humayun Dhanrajgir as a director to the members.

ITEM NO: 8

To re-appoint Mr. Vijay Agarwal (DIN NO. 00058548) as an Independent Director to hold office from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM in the ensuing Annual General Meeting.

Mr. Vijay Agarwal was appointed on the Board as a Director on 19th July, 2002. Since then he has been contributing as an Independent Director of the Company. He was last re-appointed as an Independent Director of the Company at the Annual General Meeting held on 30th August, 2013.

The Board has proposed to re-appoint him as an Independent Directors of the Company in the ensuing Annual General Meeting for the period of five years from the conclusion of this Annual General Meeting (AGM) till conclusion of Sixth AGM with this AGM being counted as the First AGM.

Mr. Vijay Agarwal is a veteran Chartered Accountant, practicing in the fields of taxation and finance. The Board of the Company has benefited from his expertise in the fields of finance, taxation and accountancy during his association with the Company.

Except for Mr. Vijay Agarwal no other director is concerned or interested in this resolution.

The Board recommends the re-appointment of Mr. Vijay Agarwal as a director to the members.

BY ORDER OF THE BOARD OF DIRECTORS

PRAKASH D. NARINGREKAR
CFO & COMPANY SECRETARY

MUMBAI : 11th August, 2014
Regd. Office : Plot no. 69-A, GIDC Industrial Estate,
Vapi-396 195, Dist. Valsad, (Gujarat).
CIN : L24110GJ1969PLC001590

Directors' Report

Your Directors have pleasure in presenting the 44th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2014.

This report has been prepared on the basis of the legal requirements under the Companies Act, 1956. As per General Circular No.08/2014 issued by the Ministry of Corporate Affairs (MCA) dated 04/04/2014, the provisions of the Companies Act, 2013 will become applicable for all disclosures required under the Act for the Financial Year 2014-15 and subsequent years.

FINANCIAL RESULTS

The results for the year ended 31st March, 2014 are summarized below:

(Rs. in lacs)

PARTICULARS	2013-14	2012-13
Profit/(Loss) before Depreciation and tax	712.38	(277.07)
Less: Depreciation	598.20	574.61
Profit/(Loss) before Tax	114.18	(851.68)
Less : Provision for Taxation		
Current Tax	-	-
Deferred Tax	38.93	39.06
Profit/(Loss) after Tax	153.11	(812.62)
Add/ (Less): Net Adjustments in respect of earlier years.	-	-
Excess/(short) Provision for tax in respect of earlier years	-	-
Balance brought forward from previous year	(3392.41)	(2579.79)
Amount available for appropriation	(3239.30)	(3392.41)
Less: Final Dividend	-	-
Less: Dividend Tax	-	-
Less: Transfer to General Reserve	-	-
Balance carried forward	(3239.30)	(3392.41)

REVIEW OF OPERATIONS:

Sales/ Income from operations at Rs. 16799 Lacs, increased by 15.50% as compared to the previous year's sale of Rs. 14545 Lacs. Your Company has recorded profit of Rs. 153.11 Lacs as against loss of Rs. 812.62 Lacs in the previous year.

BUSINESS ACTIVITIES

Your Company has posted higher topline (turnover) and bottomline (Net profit) during the year under consideration when compared to previous year. This was possible with increase in Formulation Business Activity and reduced dependence on API Activity. As is well known contribution from formulation business is always more than API Activity. With this shift, Company could turn the bottomline picture substantially.

CURRENT OUTLOOK

Your Company has changed its business strategy from API to Formulations. During the coming years, barring unforeseen circumstances, the outlook of Formulation business in India & overseas look promising. The Company has signed agreements for supply of its research based products with pharma majors in India & abroad. The Company expects this change in strategy to yield fruits in the coming years.

The cash losses suffered in 2012 and 2013 has made a major dent on the current business activities of the Company and severe stress is witnessed on the working capital requirements. Your Company is re-aligning its assets as well as long term loans so that interest burden is in line with industry norms.

With all the above measures, your Board expects to show better results in years to come.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Board has obtained Directors Responsibility Statement as on 31st March, 2014 u/s 217(2AA) of the Companies Act, 1956 (corresponding to Section 134(3)(c) of the Companies Act, 2013) from all the Directors. The said statements were taken on record by the Board at its meeting held on 1st April, 2014.

In view of the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors state that in preparation of the Annual Accounts for the year ended 31.03.2014 :-

Directors' Report (Contd.)

i) The applicable accounting standards have been followed by the Company.

ii) The accounting policies adopted and applied consistently, in the opinion of the Directors are reasonable and prudent and gives true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review.

iii) Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) Accounts have been prepared on a going concern basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Dr. Laszlo Kovacs, director of the Company will retire by rotation at the forthcoming Annual General Meeting who is eligible for re-appointment.

The Independent Directors of the Company viz.

1. Mr. Hariharan Subrahmaniam who was appointed as an Additional Director (being Independent Director) at the Board Meeting held on 10th February, 2014.

2. Ms. Dharmishta Raval who was appointed as an Additional Director (being a woman Director) at the Board Meeting held on 06th August, 2014.

However, as per provisions of the Companies Act, 2013, the Independent Directors are required to be appointed by shareholders for a term upto five consecutive years and they are not be liable to retire by rotation. Mr. H. Subrahmaniam and Ms. Dharmishta Raval seek appointment as regular Directors of the Company. The Company has received notices from members proposing the candidature of Mr. Hariharan Subrahmaniam and Ms. Dharmishta Raval, as regular Director together with requisite deposit under section 160(1) of the Companies Act, 2013.

Details of Directors seeking appointment/re-appointment at the 44th Annual General Meeting pursuant to Clause 49 of the Listing Agreement (Reappointment on Retiring by rotation or appointment as Regular Director).

Name of the Director	Dr. Laszlo Kovacs	Mr.Hariharan Subrahmaniam	Ms. Dharmishta N. Raval
Date of Birth	14.02.1944	02.02.1959	12.01.1956
Date of appointment	25.02.1982	10.02.2014	06.08.2014
Expertise in specific functional areas	International Commerce and Marketing	**Intellectual Property Rights** An Indian Patent Attorney with over 32 years of experience and have been involved in all aspects of IP law including filing, prosecution and enforcement. Have filed patent applications in every country of the world. He was voted as No. 1 Patent Attorney by several leading law magazines and was featured in the cover story "Top 50 IP lawyers you must know in Asia and Pacific" in the March issue of Asia law magazine.	Eminent Corporate Lawyer
Qualifications	Ph. D in Economic Science	B.SC, LLB	B.SC, LLM
List of Companies (Excluding foreign and private Ltd. Companies) in which outside Directorship held As on 31st March, 2014.	-	-	1. Gujarat Themis Biosyn Ltd. 2. Ace Derivatives and Commodities Exchange Ltd. 3. Cadila Healthcare Ltd.
Chairman / Member of the Committees of the Board of the Companies on which he is a director as on 31st March 2014.	-	-	-

Details of Independent Directors seeking re-appointment at the 44th Annual General Meeting pursuant to Clause 49 of the Listing Agreement :

Name of the Director	Mr. Hoshang Sinor	Mr. Humayun Dhanrajgir	Mr. Vijay Agarwal
Date of Birth	05.12.1944	02.12.1936	29.06.1957
Date of appointment	30.07.2011	30.08.2013	30.08.2013
Expertise in specific functional areas	Banking & Finance at Senior Management Level	Expertise in Marketing and Business Administration	Finance & Taxation
Qualifications	Ph. D in Economics Science	B. Tech (Chem Eng.) Loughborough University, U.K.M.I Chem Eng. (London), A.M.P (Harwad)	B. Com. (Hons) F.C. A
List of Companies (Excluding foreign and private Ltd. Companies) in which outside Directorship held As on 31st March, 2014.	1. 3i Infotech Limited 2. Tata Investment Corporation Limited 3. Tata Motors Finance Limited 4. ICICI Venture Funds Management Company Limited 5. Crisil Limited 6. Institution For Mutual Fund Intermediaries	1. Neuland Laboratories Ltd. 2. HDFC Asset Management Company Limited 3. Emcure Pharmaceuticals Limited 4. Sami Labs Limited 5. Cadila Healthcare Limited 6. Next Gen Publishing Limited 7. Zydus Wellness Limited	1. Sparc Samudaya Nirman Sahayak 2. Sanskar India Foundation 3. Gujarat Themis Biosyn Ltd 4. Compuage Infocom Limited 5. Tips Industries Limited
Chairman / Member of the Committees of the Board of the Companies on which he is a director as on 31st March 2014.	1. Chairman of CSR Committee of 3i Infotech Limited 2. Chairman of Asset Liability / Audit Committee & Member of Nomination Committee of Tata Investment Corporation Limited	1. Member of Audit / Remuneration/ Customer Service and Share Transfer Committee of HDFC Asset Management Company Ltd. 2. Chairman of AuditCommittee of Neuland Laboratories Ltd.	1. Member of Audit Committee of Compauge Infocom Ltd 2. Chairman of Audit Committee of Gujarat Themis Biosyn Limited 3. Member of Audit Committee of TIPS Industries Limited

Chairman / Member of the Committees of the Board of the Companies on which he is a director as on 31st March 2014.	3. Chairman of Risk/ Audit/ Asset Liability/ CSR/ Stakeholders Relationship / Nomination & Remuneration Committee of Tata Motors Finance Limited 4. Member of Audit/ Board Governance and Remuneration/ CSR Committee of ICICI Venture Funds Management Company 5. Chairman of Audit/ Nomination & remuneration Committee of Crisil Limited	3. Member of Audit andRemuneration Committee of Emcure Pharmaceuticals Ltd. 4. Chairman of Audit Committee of Next Gen Publishing Ltd. 6. Member of Audit and Remuneration committee of Cadila Healthcare Ltd. 7. Member of Audit Committee and Chairman of Remuneration Committee of Zydus Wellness Ltd.	

DIVIDEND:

Due to inadequacy of profits earned as well as carry forward of losses, your Directors do not recommend any dividend for the year under consideration.

CONVERSION OF WARRANTS:

In the Board Meeting held on 15th January, 2014, 400000 Equity shares were allotted on conversion of optionally fully convertible warrants, having a lock in period of three years with effect from 15/01/2014 to 14/01/2017 as per Regulation 78 of SEBI (ICDR) Regulations, 2009 and amendments thereof.

EMPLOYEES STOCK OPTION SCHEME:

Remuneration & Compensation Committee of the Board granted 1,33,000 Options to 34 employees and 4 Directors on 31st July 2012. The Options were granted at Rs 77.85 per option/share at the prevailing market price at the time of grant. Options will vest over a period of 3 years

So far none of the employees have exercised the stock option.

SUBSIDIARIES:

During the year under review, there were no business transactions in the Subsidiary Companies.

CONSOLIDATED ACCOUNTS:

Consolidated accounts are prepared and submitted to you consisting of your Company's 49% interest in a Joint Venture Company.

CORPORATE GOVERNANCE:

As required by Clause 49 of the Listing Agreement with Stock Exchanges, a detailed Report on Corporate Governance is annexed to this Report.

MANAGEMENT DISCUSSION & ANALYSIS:

- **Operational Overview**

  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.

FIXED DEPOSITS:

During the year your Company has not accepted/ renewed any Public Deposits in terms of section 58A of the Companies Act, 1956 and Acceptance of Deposit Rules, 1975. The Company does not have any unpaid deposits as at 31st March, 2014.

AUDITORS:

M/s. M. T. Ankleshwaria & Co., Chartered Accountants retires at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

The Members are requested to appoint the Auditors.

LABOUR:

During the year under review, relations with labour remained as it were last year.

GENERAL:

Statement giving particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under section 217(1)(e) of the Companies Act, 1956 is annexed.

PARTICULARS OF EMPLOYEES:

None of the employee was in receipt of remuneration of more the prescribed limits. Hence the information required u/s 217(2A) of the Companies Act, 1956 is not given.

AUDITORS REMARKS:

As regards remarks in the Auditors' Report, the notes wherever referred to, are self-explanatory.

ACKNOWLEDGMENTS:

Your Directors take this opportunity to thank the Company's Bankers, Medical Profession, Foreign collaborators and Trade for their continued co-operation and patronage. The Directors also wish to record their appreciation to Company's personnel at all levels for their dedication, commitment and hard work.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

H. N. SINOR
CHAIRMAN

Place: MUMBAI.
Dated: 11th August, 2014

Annexure to Director's Report

A CONSERVATION OF ENERGY

FORM - A

(See Rule 2)

		Current Year 2013-14	Previous Year 2012-13
A.	**Power and Fuel consumption**		
1	**Electricity**		
	a) Purchased Unit (KVAH)	**8514290.00**	9390378.00
	Total amount (Rs. Lacs)	**591.50**	484.77
	Rate/Unit (Rs.)	**6.95**	5.16
	b) Own generation		
	i) through diesel generator		
	Unit (KWH)	**205899.00**	936964.00
	Unit per litre of diesel	**3.07**	2.99
	Cost/ Unit (Rs.)	**18.06**	15.16
2	**Coal**		
	Qty (Tons)	**2574.00**	2221.00
	Total Cost (Lacs)	**141.00**	124.17
	Average rate	**5491.00**	5590.72
3	**Furnace oil**		
	Quantity (K. Ltrs)	**135.13**	122.82
	Total amount (Rs.in Lacs)	**69.00**	60.43
	Average rate (Rs)	**50926.51**	49200.86
4	**Steam**		
	Qty (Tons)	**4300.00**	6832.00
	Total Cost (Lacs)	**8132903.00**	12899119.00
	Average rate	**1891.00**	1888.14
5	**Other Internal Generation**	**NIL**	**NIL**

B CONSUMPTION PER UNIT OF PRODUCTION

The Company produces a wide range of bulk drugs formulations and pharmaceutical products. It is not practicable to establish product wise energy consumption since bulk of electricity is used for services like water supply cooling water airconditioning refrigeration etc. which are common to all products. The Company is therefore not in a position to give the product wise information.

Annexure II to Director's Report

FORM – B

(DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION)

RESERACH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D carried out by the Company :
   a) Development of new pharmaceutical formulations.
   b) Development, evaluation and standardization of product.
   c) Process development of new bulk drugs and intermediates.
   d) Establishing the standards, specification and analytical procedures of new products and intermediates.
2. Benefits derived as a result of the above R & D
   a) More efficient process for manufacture of some of the intermediates and formulations.
   b) Economy in product packaging.
   c) Quicker and higher economic returns.
   d) Substitution of Imported ingredient with indigenous ones.
   e) Optimum utilisation of resources
   f) Development of new products and processes for which patents applied for and received for certain products and processes.
   g) Licensing out of patented formulations to overseas multinational Companies like Schering Plough Animal Health, USA / Ceva Sante Animale, France and Dexa Medica Ltd., Indonesia.
   h) Registration of various new formulations and API in Europe.
3. Future plan of Action :

   The existing activity levels to continue with emphasis on:
   a) Development of new pharmaceutical formulations.
   b) Clinical trials of new drugs
   c) Production of bulk drugs right from basic stages.
   d) Design and Development of novel delivery systems for imported drugs.
   e) Study the bio-availability and effect of various bio-pharmaceuticals parameters on availability of drugs.
   f) Early entry in USA market.
4. Expenditure on R & D :

a)	Capital	NIL
b)	Recurring	Rs. 202.04 Lacs
c)	Total	Rs. 202.04 Lacs

TECHNOLOGY, ABSORPTION, ADAPTION AND INNOVATION:

R & D in Themis Medicare Ltd. is a committed endeavor and spans several disciplines including synthetic chemistry, fermentation technology and formulation development. The Company has in-house R & D centres equipped with latest instruments and facilities, duly recognized by the Department of Science and Technology, Government of India.

These centres are:

1) R & D Centre, Vapi
2) Artemis Research and Development Centre (Recognized by Gujarat State University)
3) R & D Centre, Hyderabad
4) R & D Centre, Haridwar

Research & Development (R&D) (Contd.)

A. Efforts in brief, made towards technology absorption, adaption and innovation :

The Research and Development Department keeps itself abreast of the technical developments and innovations relating to the Company's line of products and bring about improvement in the products of the Company for the better quality, process improvements, cost effectiveness and import substitution.

The Company is also actively associated with National Research Laboratories, such as Central Drug Research Institute, Lucknow, Council of Scientific & Industrial Research Labs, for development / upgrading process for basic drugs / drug intermediates, University Institute of Chemical Technology (UICT), C. U. Shah College of Pharmacy, Santacruz, Indian Institute of Technology (IIT), Bombay, Pharmaceutical Education Research & Development Centre (PERD), Ahmedabad,, Shree S. K. Patel College of Pharmaceutical Education and Research, Mehsana, Kherva, The Company has collaboration with an Overseas University and also exploring for technology collaboration with other Universities.

Name of Government Institutes or Colleges with whom Themis collaborates for Clinical Trial on R & D projects:

1. Tata Memorial Hospital, Mumbai
2. AIIMS, Delhi
3. Post Graduate Institute of Medical Education and Research (PGIMER)
4. Rajendra Prasad Institute of Medical Science, Ranchi
5. Guwahati Medical College, Guwahati
6. King George's Medical College, Lucknow
7. Government Medical College, Aurangabad
8. Government Medical College, Chandigarh
9. Lokmanya Tilak Municipal Medical College & General Hospital, Sion, Mumbai
10. Rajawadi General Municipal Hospital
11. Shri Venkatesh Nursing Home, Mumbai
12. Padmashree Dr. D. Y. Patil Medical College, Nerul, Navi Mumbai
13. Criticare Hospital and Research Centre
14. Safdarjung Hospital, New Delhi
15. T.N. Medical College and B.Y.L.Nair Charitable Hospital, Mumbai
16. MNJ Institute of Oncology and Regional Cancer Centre, Hyderabad
17. L.C.Manek's Nursing Home and Polyclinic, Mumbai
18. Dr. D. Y. Patil Vidyapeeth, Pune
19. Deenanath Mangeshkar Hospital and Research Centre, Pune
20. Sri Siddhartha Medical College & Research Institute, Tumkur
21. Medica Superspecialty Hospital, Kolkata

Our Hyderabad unit is striving and working on patented process which is beneficial with respect to maintenance of ecology & is environment friendly. The process will help in reducing burden of effluents.

B. Benefits derived as a result of above efforts - have been covered under R & D reports.

FOREIGN EXCHANGE EARNINGS / OUTGO:

Our Foreign Exchange earnings through exports were to the tune of Rs. 6078.92 Lacs. The Company's outgo of foreign exchange activities amounted to Rs. 1576.30 Lacs. Particulars of Foreign Exchange earnings and the utilization during the year appears in Schedule XV to the accounts.

Report on Corporate Governance

1. COMPANY'S 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 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.

2. BOARD OF DIRECTORS

- The Board of the Company has an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board. The Chairman of the Board is Non-Executive Non-Promoter Director.
- The present strength of the Board is 9 Directors comprising of 3 Indian Promoter Directors of which 1 is Managing Director & 1 is Whole Time Director. 2 Directors represent Foreign Collaborators and 4 Indian Independent Professional Directors.

  Excluding appointment of Ms. Dharmishta N. Raval w.e.f 06th August, 2014
- 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
Shri Hoshang N. Sinor	Chairman	Independent / Non-Executive	5	Yes	8	4	7
Dr. Laszlo Kovacs	Director	Representing Promoter / Non-Executive	Nil	No	1	Nil	Nil
Mr. Lajos Kovacs	Director	Representing Promoter / Non-Executive	Nil	No	1	Nil	Nil
Shri Humayun Dhanrajgir	Director	Independent / Non-Executive	5	Yes	9	2	8
Shri Vijay Agarwal	Director	Independent / Non-Executive	2	No	8	1	2
Shri Rajneesh Anand	Director	Non-Executive	5	Yes	2	Nil	Nil
Shri Hariharan Subramaniam	Director	Independent / Non-Executive	2	NA	0	0	0
Ms. Dharmishta N. Raval	Director	Independent / Non-Executive	0	NA	3	0	0
Dr. Sachin D. Patel	Deputy Managing Director	Promoter / Executive	5	Yes	2	1	4
Dr. Dinesh S. Patel	Managing Director & CEO	Promoter/ Executive	5	Yes	2	1	4

Note: 1) No of Directorship in other Companies is excluding Foreign and Private Ltd. Companies
2) No of Committee positions (Chairmanship/Membership) held in other Companies is excluding Foreign, Private Ltd and Section 25 Companies. Further only two Committees i.e., Audit Committee and Shareholders Grievance Committee are Considered (Clause 49 (IC) of Listing Agreement)

Report on Corporate Governance (Contd.)

- **Dates of Board Meetings held during the F.Y. 2013-14**

  5 Board Meetings were held during the year on following dates:

  - 15th May, 2013
  - 12th August, 2013
  - 11th November, 2013
  - 15th January, 2014
  - 10th February, 2014

- **Risk Management**

  Risk Management is a practice with processes, methods and tools for managing risks. Business risks are regularly discussed in the Board meeting and risk mitigation strategies are implemented in the Company.

- **Management Discussion and Analysis Report (MD & A)**

  The MD & A report forms part of the Directors' Report.

3. AUDIT COMMITTEE

The Company has already constituted an Audit Committee comprising of 3 Non-Executive Directors and the details of meetings attended by the Members during the year are as under:

Name	Status	No. of Meetings Attended
Shri Humayun Dhanrajgir	Chairman	4
Shri. Hoshang N. Sinor	Member	4
Shri Vijay Agarwal	Member	4
Dr. Dinesh S. Patel	Member	4

The Statutory, Internal & Cost Auditors are also invited to attend the meetings. Shri Prakash D. Naringrekar, Company Secretary acts as Secretary to the Audit Committee.

- **The terms of reference of the Audit committee are as per Companies Act 1956 and the guidelines set out in the listing agreement with the Stock Exchanges. This includes, interalia,**

  – Oversee the Company's financial reporting process and ensure its correctness, Credibility and compliance with accounting standards.

  – Review of accounting and financial policies and practices.

  – Review of the adequacy of internal control and internal audit systems with detailed review of Internal Auditors Report.

  – Review of company's financial and risk management policies and practices.

  – Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of Statutory Auditors and fixation of their remuneration.

  – Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of Internal Auditors and fixation of their remuneration.

- During the financial year 2013-14, 4 Meetings of the Audit Committee of the Company were held as follows :

  - 15th May, 2013
  - 12th August, 2013
  - 11th November, 2013
  - 10th February, 2014

4. REMUNERATION COMMITTEE

The details of the meetings attended by the Members of Remuneration Committee during the year are as under:-

Name	Status
Shri Vijay Agarwal	Member
Shri Humayun Dhanrajgir	Member
Shri H. N. Sinor	Member
Shri Prakash Naringrekar (Compliance Officer)	Secretary

During the financial year 2013-14, One Meeting of the Remuneration Committee of the Company was held.

Report on Corporate Governance (Contd.)

- **Remuneration to Non-Executive Directors**

The Non-Executive Directors do not draw any remuneration from the Company. Non-Executive Directors are entitled to sitting fees for every Board and Audit Committee meeting attended.

Non-Executive Directors are paid Rs. 20,000/- for attending each Board and Audit Committee Meetings.

The details of Remuneration and Sitting Fees paid to Executive and Non-Executive Directors for the year 2013-14 are as follows: (Rs.)

Name of Director	Salary	Perquisites	Sitting Fees	Total
Shri Hoshang N. Sinor	NIL	NIL	1,80,000 /-	1,80,000 /-
Shri Humayun Dhanrajgir	NIL	NIL	1,80,000 /-	1,80,000 /-
Mr. Rajneesh Anand	NIL	NIL	1,00,000/-	1,00,000/-
Shri Vijay Agarwal	NIL	NIL	80,000/-	80,000/-
Dr. Sachin D. Patel	48,05,077/-	NIL	NIL	48,05,077/-
Dr. Dinesh S. Patel	49,05,923/-	NIL	NIL	49,05,923/-

Note: 1) Gratuity is included in computation of remuneration paid to Executive Directors.

- **Shareholdings of Directors in the Company as on 31st March, 2014**

Name of Director	No. of Equity shares of Rs.10/- each held	% holding
Dr. Laszlo Kovacs	NIL	NIL
Mr. Lajos Kovacs	NIL	NIL
Shri Humayun Dhanrajgir	NIL	NIL
Shri Hoshang N. Sinor (2nd Holder)	2100	0.02
Shri Vijay Agarwal	NIL	NIL
Shri Rajneesh Anand	600	0.01
Dr. Sachin D. Patel	520405	6.16
Dr. Dinesh S. Patel	676707	8.01
Dinesh S. Patel (HUF)	98900	1.17
TOTAL	**12,98,712**	**15.37**

5. INVESTORS' GRIEVANCE COMMITTEE

The details of the meetings attended by the Members of Investors' Grievance Committee during the year are as under:-

Name	Status	No. of Meetings Attended
Shri Sachin D. Patel	Chairman	3
Shri Rajneesh Anand	Member	3

The Committee has met three times during the financial year on 12th August, 2013, 11th November, 2013 & 10th February, 2014.

During the financial year few Complaints were received from the Shareholders which were resolved within 30 days.

- **Compliance Officer**

The Board has designated Shri Prakash D. Naringrekar, Company Secretary, as the Compliance Officer.

Report on Corporate Governance (Contd.)

6. GENERAL BODY MEETINGS

Financial Year	AGM/EGM	Date	Time	Location
31.03.2011	41st AGM	30.07.2011	11.00 a.m.	Plot No.69/A, GIDC Ind Estate, Vapi, Dist – Valsad, Gujarat – 396195
31.03.2012	42nd AGM	03.07.2012	10.00 a.m.	- do -
31.03.2013	43rd AGM	30.08.2013	10.30 a.m.	- do -

7. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

Transactions with the related parties are disclosed in Note no. 4 to the Annual Accounts, which are duly noted by Audit Committee & approved by the Board from time to time.

There were no instances of non-compliance by the Company on any matters related to the capital markets or penalties/strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last 3 financial years.

8. CEO/CFO Certification

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

9. MEANS OF COMMUNICATION

The Quarterly, Half yearly and Annual results were published in widely circulated newspapers viz, Times of India – Surat and Economic Times - Surat. The above results are also regularly forwarded to the Bombay Stock Exchange, Mumbai and National Stock Exchange, Mumbai as per the Listing Agreement requirements with the above Stock Exchanges.

During the financial year, the Company has not made presentation to the institutional investors / analysts.

All the data related to quarterly, half yearly and Annual Financial Results, Shareholding Pattern etc. is provided on the website - www.corpfiling.co.in.

10. GENERAL SHAREHOLDERS INFORMATION

- Annual General Meeting

Date, Time &	:	29th September, 2014 at 10:30 a.m
Venue	:	Plot no. 69A, G.I.D.C. Vapi – 396 195, Dist. Valsad, Gujarat.

- Financial Calendar (Tentative) : April to March

Results for the Quarter ending (With Limited Review by the Statutory Auditors)		
First Quarter Results	:	By 14th August
Half yearly Results	:	By 14th November
Third Quarter Results	:	By 14th February
Audited Results for the year	:	By end of May

Report on Corporate Governance (Contd.)

- Dates of Book Closure / Record Date : 23rd September, 2014 to 29th September, 2014 (Both days inclusive)
- Listing on Stock Exchanges at : BSE Ltd.
  Phiroze Jeejeebhoy Towers,
  Dalal Street, Mumbai 400 001.
  National Stock Exchange of India Ltd.
  Exchange Plaza, Bandra Kurla Complex,
  Bandra (East), Mumbai – 400 051.
- Listing Fees paid for 2014-15 : The Company has paid listing fees to above Stock Exchanges.
- **Stock Code**

  Bombay Stock Exchange, Mumbai : 530199

  National Stock Exchange, Mumbai : THEMISMED

  DEMAT ISIN Number for NSDL & CDSL : INE083B01016
- Websites : www.bseindia.com
  www.nseindia.com

- **Market Price Data and Performance in comparison to BSE Sensex**

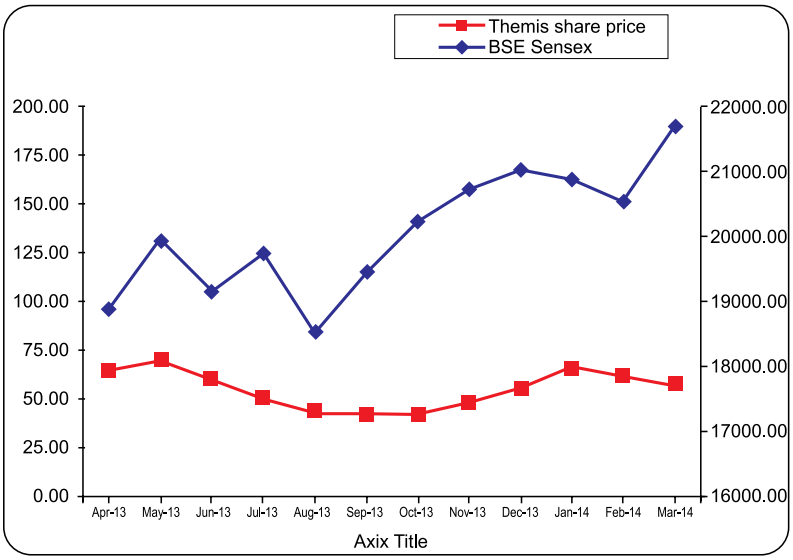
  High/low of market price of the Company's shares traded on Bombay Stock Exchange, Mumbai and National Stock Exchange, Mumbai during the financial year 2013-14 is furnished below:

STOCK PRICE & BSE SENSEX DATA							
MONTH	BSE SENSEX	THE STOCK EXCHANGE, MUMBAI			NATIONAL STOCK EXCHANGE OF INDIA LIMITED		
		HIGH PRICE	LOW PRICE	MONTHLY VOLUME (NOS.)	HIGH PRICE	LOW PRICE	MONTHLY VOLUME (NOS.)
Apr-13	18883.45	77.95	52.20	25307.00	77.70	51.70	32752.00
May-13	19947.44	74.05	65.00	11060.00	73.75	63.05	8225.00
Jun-13	19163.68	67.90	52.50	5729.00	66.00	51.00	12925.00
Jul-13	19738.94	56.00	43.50	17904.00	56.00	48.00	4057.00
Aug-13	18508.96	46.50	40.00	42264.00	-	-	-
Sep-13	19452.93	44.00	40.00	55344.00	-	-	-
Oct-13	20235.08	43.25	40.00	43002.00	-	-	-
Nov-13	20729.60	55.00	41.00	188721.00	-	-	-
Dec-13	21026.22	62.75	47.50	125316.00	-	-	-
Jan-14	20876.72	74.50	57.60	116935.00	72.95	59.10	10808.00
Feb-14	20551.82	69.95	53.25	102545.00	68.95	53.45	12723.00
Mar-14	21694.10	63.00	51.30	76734.00	61.25	51.25	11372.00

Report on Corporate Governance (Contd.)

THEMIS MEDICARE LIMITED

BSE SENSEX/SHARE PRICES GRAPH



- **Registrar & Share Transfer Agent** : Link Intime India Pvt Ltd.
  (Unit: Themis Medicare Limited)
  C-13, Pannalal Silk Mill Compound,
  L.B.S. Marg, Bhandup (West), Mumbai- 400 078
  Tel : 91-22-25963838
  Fax : 91-22- 2594 6969

- **Share Transfer System**

  All the transfers received are processed by the Registrar and Share Transfer Agent and are approved by the Share Transfer Committee, which normally meets twice in a month or more depending on the volume of transfers. Share transfers are registered and returned within maximum of 30 days from the date of lodgment if documents are complete in all respects.

- **Distribution of Equity Shareholding**

Holding of shares (In Nos.)	As on 31st March, 2014			
	No. of Shareholders	% of Shareholders	Shares	% of Shareholders
Upto - 500	3951	86.91	496350	5.87
501 - 1000	256	5.63	207669	2.46
1001 – 2000	143	3.15	220098	2.60
2001 – 3000	48	1.06	120342	1.42
3001 – 4000	25	0.55	89971	1.07
4001 – 5000	37	0.81	169451	2.00
5001 – 10000	39	0.86	266925	3.17
10001 & Above	47	1.03	6879694	81.41
TOTAL	**4546**	**100**	**8450500**	**100**

Report on Corporate Governance (Contd.)

- **Shareholding Pattern as on 31st March, 2014**

S.No	Category	No. of Shares	% of total no. of shares
1.	Promoters Holding -Indian Promoters (including relatives) -Foreign Promoters	 4754787 1300308	 56.27 15.39
2.	Mutual Funds	00	0.00
3.	Banks, Financial Institutions, Insurance Companies (Central /State Govt. Institutions / Non-Government Institutions)	1000	0.01
4.	FIIs (Foreign Mutual Funds)	NIL	NIL
5.	Bodies Corporate	248759	2.94
6.	Indian Public		
	Individuals / Undivided Family	18882	0.22
	Individual shareholders holding nominal share capital upto Rs. 1 Lakh.	1362254	16.12
	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	607689	7.19
7.	NRIs / OCBs	101375	1.20
8.	Any other		
	Clearing Member	55446	0.66
	TOTAL	**8450500**	**100.00**

- **Dematerialisation of Shares :**

  6505189 shares i.e. 76.98% of the paid-up capital has been dematerialized as on 31.03.2014.

- Outstanding GDRs / ADRs / Warrants or any convertible instruments conversion date and likely impact of equity : Not Applicable

- Plant Locations :

  Vapi Plant
  Plot no. 69A, G.I.D.C.
  Vapi – 396 195 Dist. Valsad, Gujarat.

  Hyderabad Plant
  Plot no. 1 & 5, Industrial Development Area,
  Jeedimetla, Hyderabad – 500 855.

  Haridwar Plant
  Sector 6-A, Plot no.16, 17 & 18,
  IIE, BHEL, Haridwar-249 403

- Address for Correspondence :

  Secretarial Department,
  Themis Medicare Ltd.
  11/12 Udyog Nagar,
  S.V. Road, Goregaon (West),
  Mumbai-400 104.
  Tel No: 91-22-67607080
  Fax No. 91-22-67607019

Report on Corporate Governance (Contd.)

- Contact person for Investors Complaints : Mr. Prakash D. Naringrekar
  Company Secretary
  E-mail: prakash@themismedicare.com

- Registrar & Share Transfer Agent : Link Intime India Pvt. Ltd.
  C-13, Pannalal Silk Mill Compound,
  L.B.S.Marg, Bhandup (West),
  Mumbai- 400 078.
  Tel: 91-22-25963838
  Fax: 91-22- 2594 6969
  E-mail: rnt.helpdesk@linkintime.co.in
  Web site: www.linkintime.com

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mumbai
11th August,2014

H. N. SINOR
CHAIRMAN

Auditors' Report On Corporate Governance

To,

The Members of Themis Medicare Ltd.

We have examined the compliance of conditions of Corporate Governance procedures by Themis Medicare Ltd. for the year ended March 31, 2014 with the relevant records and documents maintained by the Company, furnished to us for our examination and the report on Corporate Governance as approved by the Board of Directors, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement with the Stock Exchanges.

As required by the Guidance Note on Certification on Corporate Governance issued by the Institute of Chartered Accountants of India, we state that no investor grievance is pending for a period exceeding one month against the Company as at March 31, 2014 as per the certificate received from the Registrar and Share Transfer Agents and taken on record by the Investors' Grievance Committee of the Company.

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

For **M. T. ANKLESHWARIA & CO.**
CHARTERED ACCOUNTANTS

MADHU T. ANKLESHWARIA
PROPRIETOR
Membership No. 30128

Place: Mumbai
Date: 11th August, 2014

Independent Auditors' Report on Consolidated Financial Statements

To the Board of Directors of Themis Medicare Limited

We have audited the accompanying consolidated financial statements of Themis Medicare Limited ('the Company') , its subsidiary and joint venture, which comprise the consolidated balance sheet as at 31 March 2014, the consolidated statement of profit and loss and consolidated cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

We did not audit the financial statements of Richter Themis Medicare (India) Pvt. Ltd., Joint Venture Company. The financial statements have been audited as at 31st December, 2013 by other auditors, whose reports have been furnished to us. However, the financial statements, which are compiled by the management of the Company, for the financial year 31st March, 2014, were not audited, any adjustments to their balances, could have consequential effect on the attached consolidated financial statements. However, the size of the joint venture company is not significant in relative terms. The total assets as at 31st March, 2014 are Rs. 6,071.17 lacs and total revenues for the year then ended are Rs. 2,337.40 lacs in respect of Joint Venture Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the consolidated balance sheet, of the state of affairs of the Company as at 31 March 2014;

(ii) in the case of the consolidated statement of profit and loss account, of the profit for the year ended on that date; and

(iii) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

For M. T. ANKLESHWARIA & CO.
CHARTERED ACCOUNTANTS
REGISTRATION NO: 100501W

MADHU T. ANKLESHWARIA
PROPRIETOR
Membership No. 30128

Place: Mumbai
Date: 14 / 05 / 2014

Consolidated Balance Sheet as at 31st March 2014

(Rs. in Lacs)

	Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
(a)	Share capital	2.1	845.05	805.05
(b)	Reserves and surplus	2.2	4,773.43	4,327.13
(c)	Amount Received against Share Warrants		-	85.00
2	**Non-current liabilities**			
(a)	Long-term borrowings	2.3	7,915.49	9,179.25
(b)	Deferred tax liabilities (Net)	2.4	583.34	568.18
(c)	Other Long term liabilities	2.5	704.75	150.50
(d)	Long Term Provisions	2.6	42.00	39.45
3	**Current liabilities**			
(a)	Short-term borrowings	2.7	5,273.53	5,054.95
(b)	Trade payables	2.8	5,706.92	5,165.15
(c)	Other current liabilities	2.9	2,116.17	1,481.32
(d)	Short-term provisions	2.10	530.79	334.37
	TOTAL	:	**28,491.47**	**27,190.35**
II	**ASSETS**			
1	Non-current assets			
(a)	Fixed assets	2.11		
(i)	Tangible assets		12,102.23	12,348.97
(ii)	Intangible assets		17.01	17.48
(iii)	Capital work-in-progress		1,169.44	1,069.55
(b)	Non-current investments	2.12	359.18	359.18
(c)	Long-term loans and advances	2.13	1,250.03	978.83
(d)	Other non current assets	2.14	27.33	27.33
2	**Current assets**			
(a)	Inventories	2.15	6,623.55	5,469.62
(b)	Trade receivables	2.16	3,906.70	3,234.73
(c)	Cash and Bank balances	2.17	686.50	1,221.11
(d)	Short-term loans and advances	2.18	2,349.50	2,463.55
	TOTAL	:	**28,491.47**	**27,190.35**

Significant Accounting Policies	**1**
Notes to Financial Statements	**2-3**
Other Notes	**4**

The notes referred to above form an integral part of the financial statements.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W

MADHU T. ANKLESHWARIA
PROPRIETOR
MEMBERSHIP NO : 30128
PLACE : MUMBAI
DATE : 14 / 05 /2014

For and on behalf of the Board

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO

(Mr. H. N. SINOR)
CHAIRMAN

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO

Consolidated Statement of Profit and Loss for the year ended 31st March, 2014

(Rs. in Lacs)

	Particulars	Note No.	Year ended 31st March, 2014	Year ended 31st March, 2013
I	Revenue From Operations	3.1	19,506.60	17,351.18
II	Other income	3.2	436.76	334.17
III	**Total Revenue (I + II)**		**19,943.36**	**17,685.35**
IV	Expenses:			
	Cost of materials consumed	3.3	8,313.21	8,424.27
	Purchases of Stock-in-Trade		1,201.91	447.08
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	3.4	(891.43)	(752.23)
	Employee benefits expense	3.5	3,115.93	2,727.49
	Finance costs	3.6	1,562.92	1,527.75
	Depreciation and amortization expense	3.7	935.56	891.44
	Other expenses	3.8	5,339.50	4,824.14
	Total Expenses		**19,577.60**	**18,089.94**
V	**Profit (Loss) before tax (III- IV)**		365.76	(404.59)
VI	Tax expense:			
(1)	Current Tax		-	-
(2)	Deferred Tax	3.9	131.18	227.16
			131.18	**227.16**
VII	**Profit (Loss) for the year (V-VI)**		**234.58**	**(631.75)**
VIII	Earnings per equity share: (Face Value of Rs. 10/- each)			
(1)	Basic		2.78	(7.85)
(2)	Diluted		2.65	(7.85)

Significant Accounting Policies	**1**
Notes to Financial Statements	**2-3**
Other Notes	**4**

The notes referred to above form an integral part of the financial statements.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W

MADHU T. ANKLESHWARIA
PROPRIETOR
MEMBERSHIP NO : 30128
PLACE : MUMBAI
DATE : 14 / 05 /2014

For and on behalf of the Board

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO

(Mr. H. N. SINOR)
CHAIRMAN

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO

Consolidated Cash Flow Statement For The Year Ended 31st March 2014

(Rs. in Lacs)

		Year Ended 31st March, 2014	Year Ended 31st March, 2013
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	NET PROFIT BEFORE TAX & INTEREST & EXTRAORDINERY ITEMS	1928.67	1123.16
	ADJUSTMENTS FOR :		
	DEPRECIATION	935.56	891.44
	INTEREST / DIVIDEND	(88.87)	(118.94)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2775.36	1895.66
	ADJUSTMENTS FOR :		
	TRADE AND OTHER RECEIVABLES	(829.10)	1839.49
	INVENTORIES	(1153.93)	(746.60)
	TRADE PAYABLES	1497.51	(788.57)
		(485.52)	**304.32**
	CASH GENERATED FROM OPERATIONS	**2289.84**	**2199.98**
	INTEREST & FINANCE CHARGES	(1562.92)	(1527.75)
	DIRECT TAXES PAID	(131.18)	(227.16)
		(1694.10)	**(1754.91)**
	NET CASH FLOW FROM OPERATING ACTIVITIES	**595.74**	**445.07**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	PURCHASE OF FIXED ASSETS	(760.07)	(266.14)
	CAPITAL SUBSIDY	-	-
	PURCHASE OF INVESTMENTS	-	(308.47)
	INTEREST RECEIVED	12.77	43.13
	DIVIDEND RECEIVED	76.10	75.81
	NET CASH USED IN INVESTING ACTIVITIES	**(671.20)**	**(455.67)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	REPAYMENTS / PROCEEDS - LONG TERM BORROWINGS(NET)	(582.77)	3554.51
	INCREASE/(DECREASE) IN FINANCE LEASE LIABILITIES	12.03	(13.10)
	ISSUE OF EQUITY SHARES	40.00	-
	SECURITIES PREMIUM	300.00	-
	DIVIDEND PAID	(75.46)	(75.46)
	TAX ON DIVIDEND	(12.82)	(12.24)
	FIXED DEPOSITS	(697.30)	(824.22)
	MONEY RECD AGNST SHARE WARRANTS	(85.00)	85.00
	TERM LOAN	1329.09	173.25
	ECB LOAN	199.16	45.45
	NET CASH USED IN FINANCING ACTIVITIES	**426.91**	**2933.20**
	NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	**351.46**	**2922.60**
	CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD	(3805.42)	(6728.01)
	CASH AND CASH EQUIVALENTS AS AT THE CLOSE OF THE PERIOD	(3453.96)	(3805.42)

1 FIGURES IN BRACKETS DENOTE CASH OUTFLOW.
2 CASH & CASH EQUIVALENT IS CASH & BANK BALANCE AS PER BALANCE SHEET.
3 PREVIOUS YEAR FIGURES HAVE BEEN REARRENGED & REGROUPED WHEREVER NECESSARY.

As per our attached report of even date

For and on behalf of the Board

For M. T. ANKLESHWARIA & CO.
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO

(Mr. H. N. SINOR)
CHAIRMAN

MADHU T. ANKLESHWARIA
PROPRIETOR
MEMBERSHIP NO : 30128
PLACE : MUMBAI
DATE : 14 / 05 /2014

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO

NOTE NO. 1

Significant Accounting Policies

(i) Basis Of Preparation

a) The Consolidated Financial Statements are prepared in accordance with Accounting Standard (AS) 21 on consolidated financial statements notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).

b) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

c) The Consolidated Financial Statements have been prepared and presented in accordance with the generally accepted accounting principles in India. (Indian GAAP) under the historical cost convention on an accural basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

d) The Consoildated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

e) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - "Financial Reporting of interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006 (as amended).

f) **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

g) **Tangible fixed assets and depreciation :**

Tangible fixed assets:

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Tangible asset is derecognized on disposal or when no future economic benefits are expected from its use of disposal. Tangible fixed assets under construction are disclosed as capital work in progress. Losses arising from retirement and gains or losses arising from disposal of an tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

NOTE NO. 1

Intangible fixed assets:

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Depreciation/amortisation:

Depreciation is provided on straight line method over the estimated useful life of each asset as determined by the management. The rates of depreciation prescribed in Schedule XIV of the Companies Act, 1956 are considered at the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

In case of Richter Themis Medicare (India) Private Limited, a Joint Venture Company which is providing the depreciation at the following rates on straight line method which are higher than the rates specified in Schedule XIV of the Companies Act, 1956 based on the useful life as determined by the management:

Assets	Periods / Rate
Machinery and Equipment : On Single Shift	5.00%
Office Equipment, Furniture & Fixture	15.00%
Vehicles	20.00%
Computer	20.00%
Leasehold land	Over the lease period.
Intangible assets - Technology Transfer Fees	over the Agreement period (5 Years)

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Depreciation on assets other than Trademarks is provided at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation/amortization for the year is recognized in the statement of profit and loss.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the statement of profit and loss.

h) **Impairment of assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. The 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.

Assessment is done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exists or may have decreased.

NOTE NO. 1

i) **Borrowing costs**

Borrowing cost directly attributable to the acquisition or construction of qualifying assets are capitalized till the month in which the asset is ready to use, as part of the cost of that asset.
Other borrowing costs are recognised as an expense in the period in which these are incurred.

J) **Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

k) **Inventories**

Inventories which comprise raw materials, packing materials, work-in-progress, finished goods,stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realizable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other cost incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work-in-progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

l) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and demand deposits with banks with original maturities of three months or less.

m) **Revenue recognition**

(i) Revenue from sale of goods in the course of ordinary activities is recognized when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is exclusive of sales tax, value added taxes (VAT) and service tax, and is net of returns, trade discounts and quantity

(ii) Interest income is recognized on time proportion basis after taking into account the amount outstanding and the interest rate applicable.

(iii) Dividend income is recognized when the right to receive payment is established.

NOTE NO. 1

n) **Research and Development**

Revenue expenditure on research and development is recognized as expense in the year in which it is incurred and the expenditure on capital assets is depreciated over the useful lives of the assets.

o) **Foreign currency transactions**

(i) The Company is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

Translation

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the statement of profit and loss. Non monetary items are stated in the balance sheet using the exchange rate at the date of the transaction.

(ii) Foreign currency exposure in respect of Long Term Foreign currency Monetary items, for financing fixed assets, outstanding at the close of the financial year are revalorized at the contracted and /or appropriate exchange rates at the close of the year. The gain or loss due to decrease / increase in Rupee liability due to fluctuation in rate of exchange is recognized in the Profit and Loss Account.

(iii) Though the accounting policy detailed in (i) and (ii) above have been consistently followed in terms with the Accounting Standard 11, the policy followed in current year retrospectively w.e.f. 1st April, 2007, has been overridden by an amendment to the aforementioned accounting standard for limited period of time.

p) **Employee benefits**

In case of Defined Contribution plans the Company's contributions to these plans are charged to the statement of Profit and Loss as incurred.

The Company's provident fund, gratuity and leave wages are defined benefit plans.

The Company maintains gratuity fund with a separate trust formed by the Company, to which contributions are made on an annual basis. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation at the balance sheet date using the Projected Unit Credit Method by an independent actuary, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

q) **Income taxes**

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate

NOTE NO. 1

in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and deferred tax liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognized to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

r) **Provision and contingent liabilities**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources, when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

s) **Earning per share**

Basic earnings per share is calculated by dividing the Net Profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

NOTE NO. 2.1

Share Capital	As At 31st March, 2014		As At 31st March, 2013	
	Number	Rs. in Lacs	Number	Rs. in Lacs
Authorised				
Equity Shares of Rs. 10/- each	10,000,000	1,000.00	10,000,000	1,000.00
Issued, Subscribed & fully Paid up				
Equity Shares of Rs. 10/- each fully paid	8,450,500	845.05	8,050,500	805.05
TOTAL	**8,450,500**	**845.05**	**8,050,500**	**805.05**

Particulars	As At 31st March, 2014		As At 31st March, 2013	
	Number	Rs. in Lacs	Number	Rs. in Lacs
Shares outstanding at the beginning of the year	8,050,500	805.05	8,050,500	805.05
Issued during the year	400,000	40.00	-	-
Shares outstanding at the end of the year	8,450,500	845.05	8,050,500	805.05

Share Holding Information - Equity Shares

Name of the Shareholders	As At 31st March, 2014		As At 31st March, 2013	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Shri Dinesh S. Patel	676,707	8.01	565,707	7.03
Mrs. Jayshree D. Patel	636,414	7.53	511,134	6.35
Dr. Sachin D. Patel	520,405	6.16	415,405	5.16
Vividh Margi Investment Pvt Ltd	1,252,842	14.83	1,252,842	15.56
Vividh Distributors Pvt Ltd	616,100	7.29	616,100	7.65
Gedeon Richter Investment Management Ltd	884,308	10.46	884,308	10.98
Szepilona International Limited	416,000	4.92	416,000	5.17
	-	-	-	-

Terms / rights attached to shares

Equity Shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

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 proportion to the number of equity shares held by the shareholders.

NOTE NO. 2.2

(Rs. in Lacs)

RESERVES & SURPLUS	As At 31st March, 2014	As At 31st March, 2013
a. Capital Reserves		
Opening Balance	30.00	30.00
(+) Capital Subsidy received during the year	-	-
Closing Balance	**30.00**	**30.00**
b. General Reserve		
Opening Balance	6,966.36	6,961.45
(+) Current Year Transfer	6.29	4.91
Closing Balance	**6,972.65**	**6,966.36**
c. Securities Premium		
Opening Balance	-	-
(+) Current Year Transfer	300.00	-
Closing Balance	**300.00**	**-**
d. Surplus		
Opening balance	(2,669.23)	(1,944.87)
(+) Net Profit/(Net Loss) For the current year	234.58	(631.75)
(-) Proposed Dividends	(75.46)	(75.46)
(-) Dividend Tax thereon	(12.82)	(12.24)
(-) Transfer to Reserves	(6.29)	(4.91)
Closing Balance	**(2,529.22)**	**(2,669.23)**
TOTAL	**4,773.43**	**4,327.13**

NOTE NO. 2.3

(Rs. in Lacs)

	Long Term Borrowings	As At 31st March, 2014	As At 31st March, 2013
	Secured		
(a)	**Term Loans** from Banks	2,428.20	3,200.71
	(Secured by an equitable mortgage created by deposit of title deeds of the Company's factory land and buildings situated at Vapi, Hyderabad, Haridwar and Baroda and hypothecation of Plant & Machinery both present and future and also secured by Directors of the Company)		
	Terms of Repayment : (i) Term Loan from Bank of Baroda Rs. 260.10 lacs. Repayble in 16 quarterly installments after a holiday period of one year from first disbursement. (ii) Term Loan from Kapol Co-op. Bank Ltd. Rs. 59.08 lacs Repayble in 60 monthly installments. (iii) Term Loan from Union Bank of India Rs. 2460.70 lacs and from Bank of Baroda Rs. 455.96 lacs. Repayble in 20 quarterly installments commencing from June 2013.		
(b)	**Long term maturities of finance lease obligations** (Secured By hypothecation of vehicles acquired under hire purchase arrangement) Repayable in 36 equated Monthly Installments as per various arrangements.	18.68	6.92
	Total Secured Long Term borrowings	2,446.88	3,207.63
	Unsecured		
(a)	**Term Loans** Foreign Currency Loan Repayble in 17 quarterly Installments commencing from 1st April 2014. Repayable in 11 Equated monthly installments	1,647.80	1,819.39
(b)	**Deposits** Fixed Deposits Repayable in 1, 2, and 3 years, based on the deposit period.	357.63	1,018.14
	Total Unsecured Long Term Borrowings	2,005.43	2,837.53
	Total	4,452.31	6,045.16
	Groups Proportionate Share in Long Term Borrowings of the Joint Venture	3,463.18	3,134.09
	Total	**7,915.49**	**9,179.25**

NOTE NO. 2.4

(Rs. in Lacs)

	Deferred Tax Liability (Net)	As At 31st March, 2014	As At 31st March, 2013
(A)	**Deferred Tax Assets**		
	Provision for unencashed Leave	105.21	98.92
	Bonus	48.43	28.40
	Provision for Gratuity	19.91	7.30
	Total	**173.55**	**134.62**
(B)	Deferred Tax Liability for Depreciation	404.55	404.55
	NET	231.00	269.93
	Groups Proportionate Share in Deferred Tax Liability of the Joint Venture	352.34	298.25
	Total	**583.34**	**568.18**

NOTE NO. 2.5

	Other Long Term Liabilities	As At 31st March, 2014	As At 31st March, 2013
	Deposit from Dealers and Suppliers	242.50	150.50
	Earnest Money Deposit	320.00	-
	Advance against Sale of Land	142.25	-
	Total	**704.75**	**150.50**

NOTE NO. 2.6

	Long Term Provisions	As At 31st March, 2014	As At 31st March, 2013
	Groups Proportionate Share in Long Term provision of Joint Venture	42.00	39.45
	Total	**42.00**	**39.45**

NOTE NO. 2.7

Short Term Borrowings	As At 31st March, 2014	As At 31st March, 2013
Secured		
Loans repayble on demand		
from banks		
i) Cash Credits against hypothecation of raw materials, Stock in Process, finished goods, packing material and book debts and also guaranteed by the Directors of the Company.	2,045.62	1,727.45
ii) Bills Discounted	958.04	1,485.05
iii) Advance as Packing Credit for Export	1,116.25	866.95
iv) Buyers Credit	47.87	974.41
	4,167.78	**5,053.86**
Unsecured		
Other Loans and Advances		
Advance from Customers	105.75	1.09
Intercorporate Deposits	1,000.00	-
	1,105.75	1.09
Total	**5,273.53**	**5,054.95**

NOTE NO. 2.8

(Rs. in Lacs)

Trade Payables	As At 31st March, 2014	As At 31st March, 2013
Trade Payables	5,478.14	4,951.30
Groups Proportionate Share in Trade Payables of Joint Venture	228.78	213.85
Total	**5,706.92**	**5,165.15**

NOTE NO. 2.9

Other Current Liabilities	As At 31st March, 2014	As At 31st March, 2013
(a) Current maturities of long-term debt	1,801.95	1,278.70
(b) Current maturities of finance lease obligations	6.93	6.67
(c) Interest accrued but not due on borrowings	14.45	63.37
(d) Unclaimed dividends	4.51	5.31
(e) Duties and Taxes (incl. Excise duty, service tax, TDS)	33.84	21.43
(f) Over drawn Bank Balances as per Books of account only.	10.76	27.83
Total	**1,872.44**	**1,403.31**
Groups Proportionate Share in Other Current Liabilities of Joint Venture	243.73	78.01
Total	**2,116.17**	**1,481.32**

NOTE NO. 2.10

Short Term Provisions	As At 31st March, 2014	As At 31st March, 2013
(a) Provision for Employee Benefits		
(i) Gratuity	184.28	147.78
(ii) Leave Encashment	53.61	53.64
(b) Others		
(i) Proposed Dividend	-	-
(ii) Tax on Dividend	-	-
Total	**237.89**	**201.42**
Groups Proportionate Share in Short Term Provisions of Joint Venture	292.90	132.95
Total	**530.79**	**334.37**

NOTE NO. 2.11

(Rs. in Lacs)

	Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
		Balance as at 1 April 2013	Additions	Adjustments	Deductions	Balance as at 31 Mar 2014	Balance as at 1st April 2013	Depreciation charge for the year	Adjustments	On disposals	Balance as at 31 Mar 2014	Balance as at 31 Mar 2014	Balance as at 31st Mar 2013
a	**Tangible Assets (Not Under Lease)**												
	Land	1,022.40	-	-	-	1,022.40	-	-	-	-	-	1,022.40	1,022.40
	Buildings	2,299.33	7.19	-	2.53	2,303.99	600.53	59.25	-	2.41	657.37	1,646.62	1,698.80
	Plant and Equipment	8,100.50	201.16	-	-	8,301.66	2,936.20	460.52	-	-	3,396.72	4,904.94	5,164.30
	Furniture and Fixtures	658.15	48.25	-	-	706.40	590.23	40.42	-	-	630.65	75.75	67.92
	Vehicles	192.79	-	-	8.10	184.69	96.19	12.66	-	5.88	102.97	81.72	96.60
	Office equipment	48.70	6.46	-	-	55.16	23.71	2.27	-	-	25.98	29.18	24.99
	Electrical Installation	356.44	-	-	-	356.44	169.90	16.84	-	-	186.74	169.70	186.54
	Total (i)	12,678.31	263.06	-	10.63	12,930.74	4,416.76	591.96	-	8.29	5,000.43	7,930.31	8,261.55
	Tangible Assets (Under Lease)												
	Land	1,077.72	-	-	7.88	1,069.84	-	-	-	-	-	1,069.84	1,077.72
	Vehicles	38.99	37.19	-	-	76.18	20.50	6.24	-	-	26.74	49.44	18.49
	Total (ii)	1,116.71	37.19	-	7.88	1,146.02	20.50	6.24	-	-	26.74	1,119.28	1,096.21
	Groups Proportionate Share in Tangible Assets of Joint Venture (iii)	4,692.22	69.23	329.09	-	5,090.54	1,701.01	288.52	48.37		2,037.90	3,052.64	2,991.21
	Total (i+ii+iii)	18,487.24	369.48	329.09	18.51	19,167.30	6,138.27	886.72	48.37	8.29	7,065.07	12,102.23	12,348.97
b	**Intangible Assets**												
	Trademarks	15.95	-	-	-	15.95	-	-	-	-	-	15.95	15.95
	Groups Proportionate Share in Intangible Assets of Joint Venture	10.45	-	-	-	10.45	8.92	0.47	-	-	9.39	1.06	1.53
	Total	26.40	-	-	-	26.40	8.92	0.47	-	-	9.39	17.01	17.48
	Total	**18,513.64**	**369.48**	**329.09**	**18.51**	**19,193.70**	**6,147.19**	**887.19**	**48.37**	**8.29**	**7,074.46**	**12,119.24**	12,366.45

NOTE NO. 2.12

(Rs. in Lacs)

Non Current Investments	As At 31st March, 2014	As At 31st March, 2013
Non Current Investments At Cost		
LONG TERM INVESTMENTS-UNQUOTED		
A) TRADE : IN SHARES OF COMPANIES		
i) 16000 (Previous Year 16000) Equity Shares of The Kapol Co.op.Bank Ltd. of Rs.10 each fully paid up	1.60	1.60
ii) 600 (Previous Year 600)Equity Shares of Jeedimetla Effluent Treatment Ltd of Rs 100/- each fully paid up	0.60	0.60
iii) 3744 (Previous year 3744), Equity Shares of Rs. 100 each fully paid up of Long Island Nutritionals Pvt. Ltd.	15.60	15.60
Total	**17.80**	**17.80**
B) OTHER THAN TRADE :		
a) IN GOVT.SECURITIES		
(i) National Savings Certificates [including Rs 0.84 lacs (Previous year Rs.0.84 lacs) deposited as security with various Government and Semi-Government departments.) (NSC worth Rs. 0.10 lacs is held in the name of a Director of the Company)	1.43	1.43
(ii) 5 1/2 yrs Kisan Vikas Patra (including Rs 0.10 lacs deposited as security with Sales tax Authorities at Daman.)	0.15	0.15
b) IN BONDS		
20(Previous year 20) 20 yrs Deep Discount Bonds of Sardar Sarovar Narmada Nigam Limited of Rs.3600 eachfully paid up.	0.72	0.72
Total	**2.30**	**2.30**
LONG TERM INVESTMENTS-QUOTED		
(i) 505 (Previous Year 505) Equity shares of Union Bank of India of Rs 10 each fully paid. (Market Value Rs 0.69 lacs, previous year Rs 1.10 lacs)	0.56	0.56
(ii) 1800 (Previous Year 1800) Equity Shares of Bank of Baroda of Rs 10/- each fully paid (Market Value Rs Value Rs 12.98 lacs, previous year Rs 12.20 lacs)	1.53	1.53
(iii) 3369605 (P.Y. 3369605) shares of Rs 5/- each of Gujarat Themis Biosyn Ltd. fully paid up (Market Value Rs 328.87 lacs, previous year Rs 269.23 lacs)	336.96	336.96
Total	**339.05**	**339.05**
Groups Proportionate Share in Non Current Investments (Unquoted) of Joint Venture	0.03	0.03
Total	**359.18**	**359.18**
NOTE : AGGREGATE VALUE OF QUOTED INVESTMENTS	339.05	339.05
AGGREGATE VALUE OF UNQUOTED INVESTMENTS	20.13	20.13

NOTE NO. 2.13

(Rs. in Lacs)

Long Term Loans And Advances Unsecured Considered Good	As At 31st March, 2014		As At 31st March, 2013	
a) Capital Advances		-		-
b) Security Deposits		242.36		238.15
c) Other Loans and Advances				
Advance Tax and Tax deducted at Source	270.68		231.29	
Mat Credit Entitlement	303.08	573.76	303.08	534.37
Total		816.12		772.52
Groups Proportionate Share in Long Term Loans and Advances of Joint Venture		433.91		206.31
Total		**1,250.03**		**978.83**

NOTE NO. 2.14

Other Non Current Assets	As At 31st March, 2014	As At 31st March, 2013
Other Bank Balances :		
a) Deposit for more than 12 months maturity	27.00	27.00
b) In Deposit account towards Share Application money	0.33	0.33
Total	27.33	27.33
Groups Proportionate Share in Other Non Current Assets of Joint Venture	-	-
Total	**27.33**	**27.33**

NOTE NO. 2.15

Inventory	As At 31st March, 2014		As At 31st March, 2013	
(at cost or net realisable value, whichever is lower)				
a) Raw Materials and components	1,042.11		1,440.82	
Goods-in transit	89.24	1,131.35	-	1,440.82
b) Work-in-progress		1,672.30		1,314.30
c) Finished goods		1,370.83		1,362.13
d) Stores and spares		25.65		31.85
e) Packing Material and Power and Fuel		859.30		605.47
Total		5,059.43		4,754.57
Groups Proprotionate Share in Inventories of Joint Venture		1,564.12		715.05
Total		**6,623.55**		**5,469.62**

NOTE NO. 2.16

(Rs. in Lacs)

Trade Receivables	As At 31st March, 2014	As At 31st March, 2013
Trade receivables outstanding for a period less than six months from the date they are due for payment unsecured, considered good	2,705.36	2,154.09
Trade receivables outstanding for a period exceeding six months from the date they are due for payment unsecured, considered good	641.53	483.46
Total	3,346.89	2,637.55
Groups Proportionate Share in Trade Receivables of Joint Venture	559.81	597.18
Total Trade Receivables	**3,906.70**	**3,234.73**
Trade Receivable stated above include debts due by: Private Companies in which directors are member	936.54	729.62
Total	**936.54**	**729.62**

NOTE NO. 2.17

	Cash & Bank Balances	As At 31st March, 2014		As At 31st March, 2013	
a)	Cash and Cash Equivalents				
	(i) Cash on Hand	4.61		5.40	
	(ii) Balances with banks in current accounts	279.31		411.09	
			283.92		416.49
b)	Other Bank Balances				
	(i) Margin Money	154.97		134.02	
	(ii) Guarantees	28.33		28.28	
			183.30		162.30
	Total		467.22		578.79
	Groups Proportionate Share in Cash and Cash Equivalent of Joint Venture		219.28		642.32
	Total		**686.50**		**1,221.11**

NOTE NO. 2.18

(Rs. in Lacs)

	Short-term loans and advances, unsecured, considered good	As At 31st March, 2014	As At 31st March, 2013
a)	Advance to Suppliers	993.37	1,234.20
b)	Staff Advance and Imprest Cash	47.47	33.47
c)	Interest / Dividend Receivable	11.20	12.36
d)	Prepaid Expenses	66.04	68.66
e)	Dues from Government Authorities	346.14	180.54
f)	Balance with Central Excise	596.83	693.09
g)	Insurance claim	60.10	60.10
h)	Others	33.71	14.26
	Total	2,154.86	2,296.68
	Groups Proportionate Share in Short Term Loans and Advances of Joint Ventures	194.64	166.87
	Total	**2,349.50**	**2,463.55**

NOTE NO. 3.1

	Revenue From Operations	Year ended 31st March 2014	Year ended 31st March 2013
a)	Sale of Products	16,799.00	14,544.99
b)	Other operating revenues	484.39	432.36
	Total	17,283.39	14,977.35
	Less:		
c)	Excise Duty	114.19	151.69
	Total (I)	**17,169.20**	**14,825.66**
	Groups Proportionate Share in Revenues from Operation of Joint Venture		
a)	Sale of Products.	2,260.13	2,431.85
b)	Other operating revenues.	77.27	93.67
	Total (II)	2,337.40	2,525.52
	Total (I + II)	**19,506.60**	**17,351.18**

NOTE NO. 3.2

	Other Income	Year ended 31st March 2014	Year ended 31st March 2013
a)	Interest Income	12.78	43.13
b)	Dividend Income	76.10	75.81
c)	Other non - operating income	311.86	204.96
	Total	400.74	323.90
	Groups Proportionate Share in Other Income of Joint Ventures	36.02	10.27
	Total	**436.76**	**334.17**

NOTE NO. 3.3

(Rs. in Lacs)

	Cost Of Material Consumed	Year ended 31st March 2014	Year ended 31st March 2013
a)	Raw Materials		
	Inventory at the beginning of the year	1,440.82	1,464.26
	Add: Purchases	5,780.89	7,164.86
		7,221.71	8,629.12
	Less: Inventory at the end of the year	1,042.11	1,440.82
	Cost of raw material consumed	6,179.60	7,188.30
b)	Packing Material	983.23	624.06
	Total	7,162.83	7,812.36
	Groups Proportionate Share in Material Cost of Joint Venture	1,150.38	611.91
	Total	**8,313.21**	**8,424.27**

NOTE NO. 3.4

Details of Changes in Inventory	Year ended 31st March 2014	Year ended 31st March 2013	Increase / (Decrease)
Inventory at the end of the year :			
Work in Progress	1,672.30	1,314.30	358.00
Finished Goods	1,370.83	1,362.13	8.70
	3,043.13	2,676.43	366.70
Groups Proportionate Share in Closing Stock of Work in Progress and Finished Goods			524.73
Total			**891.43**
Inventory at the beginning of the year :			
Work in Progress	1,314.30	1,124.76	189.54
Finished Goods	1,362.13	604.05	758.08
	2,676.42	1,728.82	947.62
Groups Proportionate Share in Opening Stock of Work in Progress and Finished Goods			(195.39)
Total			**752.23**

NOTE NO. 3.5

(Rs. in Lacs)

	Employee Benefit Expenses	Year ended 31st March 2014	Year ended 31st March 2013
a)	Salaries and incentives	2,511.90	2,179.29
b)	Contributions to Provident and other fund	167.89	144.22
c)	Gratuity fund contributions	42.00	42.00
d)	Staff welfare expenses	31.27	32.54
	Total	2,753.06	2,398.05
	Groups Proportionate Share in Employee Benefit Expense of Joint Venture	362.87	329.44
	Total	**3,115.93**	**2,727.49**

	Payment to the auditors	Year ended 31st March 2014	Year ended 31st March 2013
a)	Auditor	5.94	5.94
b)	for other service	0.50	2.12
c)	for reimbursement of expenses	0.32	0.88
	Total	6.76	8.94

NOTE NO. 3.6

	Finance Cost	Year ended 31st March 2014	Year ended 31st March 2013
a)	Interest Expense	1,380.95	1,277.79
b)	Bank Charges	175.74	242.96
	Total	1,556.69	1,520.75
	Groups Proportionate Share in Finance Cost of Joint Venture	6.23	7.00
	Total	**1,562.92**	**1,527.75**

NOTE NO. 3.7

Depreciation And Amortisation Expenses	Year ended 31st March 2014	Year ended 31st March 2013
Depreciation and Amortisation Expenses	598.20	574.61
Total	598.20	574.61
Groups Proportionate Share in Depreciation and Amortisation Expenses	337.36	316.83
Total	**935.56**	**891.44**

NOTE NO. 3.8

(Rs. in Lacs)

	Other Expenses	Year ended 31st March 2014	Year ended 31st March 2013
a)	Consumption of Stores and Spares	98.30	93.30
b)	Power and Fuel	1,004.50	1,003.19
c)	Processing charges	423.81	373.28
d)	Rent	27.93	26.78
e)	Repairs to Buildings	22.47	11.28
f)	Repairs to Machinery	64.82	30.96
g)	Repairs to Others	45.56	46.89
h)	Insurance	98.66	94.51
i)	Rates and Taxes, excluding taxes on income	33.64	65.28
j)	Travelling and conveyance	772.61	658.32
k)	Freight and Forwardings charges	345.33	337.06
l)	Legal and Professional Charges	238.73	279.09
m)	Exchange Difference	104.03	109.16
n)	Commission	390.37	204.82
o)	Advertisement and Sale Promotion	270.06	222.75
p)	Miscellaneous Expenses	608.95	639.33
	Total	4,549.77	4,196.00
	Groups Proportionate Share in Other Expenses of Joint Venture	789.73	628.14
	Total	**5,339.50**	**4,824.14**

NOTE NO. 3.9

Tax Expenses	Year ended 31st March 2014	Year ended 31st March 2013
Current Tax	-	-
Deferred Tax	(38.93)	(39.06)
Total	(38.93)	(39.06)
Groups Proportionate Share in Tax Expense of Joint Venture	170.11	266.22
Total	**131.18**	**227.16**

NOTE NO. 4

Other Notes Forming Part of the Accounts

1 The Consolidated Financial Statements present the consolidated accounts of Themis Medicare Limited with its Joint venture company

Name	Country of Incorporation	Proportion of ownership interest
Joint Venture		
Richter Themis Medicare (India) Private Limited	India	49%

2 Significant Accounting Policies and notes to these consolidated Financial Statements are intended to serve as a means of informative disclosure and guide to better understanding the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such Policies and Notes from the inidvidual financial statements, which fairly present the needed disclosures.

(Rs. in Lacs)

	Contingent liabilities and commitments (to the extent not provided for)	As At 31st March, 2014	As At 31st March, 2013
3	**Contingent Liabilities**		
	(a) Claims against the company not acknowledged as debt		
	(i) The Ministry of Chemicals & Fertilizers ,Government of India has raised demand under Drug Price Control Order,1979 for difference in actual price and price of respective bulk drug allowed while fixing the prices of certain life saving Formulations which are disputed by the Company. The Company has preferred Appeals before Hon'ble High Courts of Gujarat and Bombay in respect of Bulk Drug Rifampicin and Ethambutol respectively, for grant of ad interim stay. While allowing the stay, The Hon'ble High Court Gujarat directed the Company to deposit Principal Liability of Rs. 34.80 Lacs out of the total liability of Rs.126.08 Lacs as worked out by the Department of Chemicals & Fertlizers,Govt. of India .The Company has already complied with the directions of the H'norable Court. In respect of Liability for Bulk Drug Ethambutol, the H'norable Bombay High Court had directed the Company to submit Bank Guarantee of Principle amount with Court & stayed the matter. The Company has complied with the direction of the Honourable High Court.	333.33	333.33
	(ii) Others	0.87	0.87
	(b) Guarantees	124.26	199.45
	(c) Other money for which the company is contingently liable		
	(i) In respect of Letter of Credit	44.95	206.74
	(ii) Disputed Income Tax and Sales Tax as matters are in appeal	24.29	24.29
	(iii) Customs duty payable on raw materials imported under duty exemption scheme in case o f non-fulfillment of export obligation.	201.06	166.56
	Total (I)	**728.76**	**931.24**

NOTE NO. 4 : Other Notes Forming Part of the Accounts (Contd.)

(Rs. in Lacs)

		As At 31st March, 2014	As At 31st March, 2013
4	**Commitments**		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	23.04	18.64
	(b) Other commitments (specify nature)		
	(i) Liability on account of Custom duty on goods in bonded warehouse or in transit is,as per the Company's practice charged to Statement of Consolidated Profit & Loss only in the year in which the goods are cleared from the Custom. This accounting policy has no effect on the Loss for the year.	19.10	44.37
	(ii) Liability on account of Excise duty in respect of goods manufactured and liable to payment of Excise duty when cleared from the factory premises,is accounted at the time of removal of the goods from the place of manufacture for sale or for captive use. This accounting policy has no effect on the Loss for the year.	1.45	1.71
	Total (II)	**43.59**	**64.72**
	Total (I + II)	**772.35**	**995.96**

5 Revenue expenditure on Research & Development incurred & Charged out during the year through the natural heads of expenses amount to Rs. 166.02 Lacs (Previous year Rs.202.04 Lacs) Capital expenditure incurred during the year thereof amounts to nil has been included in Fixed Assets.
(Previous year Rs. NIL).

6 The Company has only one segment namely pharmaceuticals, hence no separate disclosure of segment wise information has been made,as required by Accounting Standard 17 on “Segment Reporting”

7 Interest on borrowings attributed to new projects is Capitalised and included in the cost of Fixed Assets/ Capital Work in Progress, as appropriate.Current year Rs. 352.64 lacs (Previous year Rs.403.97 Lacs).

NOTE NO. 4 : Other Notes Forming Part of the Accounts (Contd.)

8 Related Party Disclosures

A. Name of the related parties and nature of relationship

(a)	Associate companies	Themis Distributors Pvt. Ltd. Vividh Distributors Pvt. Ltd. Vividh Margi Investments Pvt. Ltd. Long Island Nutritionals Pvt. Ltd.
(b)	Joint Venture	Richter Themis Medicare (India) Pvt.Ltd.
(c)	Subsidiary	Themis Life Style Pvt Ltd. Artemis Biotech Limited HIDPUL-KFT, Hungary.
(d)	Key Management personnel	Dr. D.S. Patel (M.D & CEO) Dr. Sachin D. Patel Mr. Rajneesh Anand
(e)	Directors/Relatives of Key Management personnel	Mrs. Jayashree D. Patel Mrs. Meena A. Patel Mrs Hemlata B.Patel Late Mrs Margi R Choksy Mrs. Reena S. Patel

B. Transactions with related parties as per books of account. (Rs. In lacs)

Nature of Transaction	Associate Companies and Joint Venture		Key Management Personnel		Relatives of Key Management Personnel		Balance Oustanding	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Sales:								
Sale of Finished goods	2,864.57	1,935.73					936.54	729.62
Income:								
Dividend	75.46	75.46						
Purchase :								
Purchase of Goods	32.77	76.81						
Expenses:								
Electricity	2.75	3.02						
Telephone	0.16	0.12						
Freight/Others	4.54	5.73						
Remuneration			144.26	135.64	17.14	17.14		
Fixed deposit interest			35.17	41.68	42.49	47.48		
Consultancy Fees			-	-	29.40	29.40		
Others:								
Dividend paid			-	-	-	-		
Investment in shares of Associate Company		15.60	-	-	-	-	15.60	15.60
Fixed deposit			(84.00)	(67.25)	(21.00)	(52.00)	624.35	729.35

C. The information given above, have been reckoned on the basis of information available with the Company.

NOTE NO. 4 : Other Notes Forming Part of the Accounts (Contd.)

9 Deferred tax liability is provided by implementing , Accounting Standard-22 "Accounting for taxes on Income"

a) The deferred tax liability of Rs 15.15 lacs (Dr) for the year has been recognised in the Profit and Loss Account.

b) Break up of Deffered Tax Assets and Liabilities into major componenets of the respective balances are as under

	2013-14 Rs in Lacs	2012-13 Rs in Lacs
Deferred Tax Liabilities :		
Depreciation	765.22	714.86
Deferred Tax Assets :		
Retirement benefits	181.89	146.68
Carry Forward business loss and unabsorbed depreciation	-	-
	181.89	146.68
	583.33	568.18

10 Earnings Per Share (EPS)

	2013-14	2012-13
a) Weighted average Number of Equity Shares outstanding during the year	8450500	8050500
b) Net Profit(Loss) after tax available for EquityShareholder - Rs in lacs	234.58	(631.75)
c) Basic and Diluted Earnings Per Share (Rs.)	2.78	(7.85)
d) Nominal Value Per Share (Rs)	10	10

As per our attached report of even date

For and on behalf of the Board

For **M. T. ANKLESHWARIA & CO.,**
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO

(Mr. H. N. SINOR)
CHAIRMAN

MADHU T. ANKLESHWARIA
PROPRIETOR
MEMBERSHIP NO : 30128
PLACE : MUMBAI
DATE : 14 / 05 /2014

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO

Independent Auditors Report

To the Members of Themis Medicare Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Themis Medicare Limited („the Company) which comprise the balance sheet as at 31 March 2014, the statement of profit and loss and the cash flow statement for the year then ended and significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

(i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;

(ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and

(iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor s Report) Order, 2003 ("the Order"), as amended, issued

1. By the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
   a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
   e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For M. T. ANKLESHWARIA & CO.,
CHARTERED ACCOUNTANTS
REGISTRATION NO: 100501W

MADHU T. ANKLESHWARIA
PROPRIETOR
Membership No. 30128

Place: Mumbai
Date: 14 / 05 / 2014

Annexure to Auditors' Report

The Annexure referred to in our report to the members of Themis Medicare Ltd (,, the Company) for the year ended 31st March 2014. We report that:

i. (a) The Company has maintained proper records showing particulars including quantitative details and situation of its fixed assets, however these records are to be updated;

(b) As explained to us, fixed assets according to the practice of the Company are physically verified by the management except Office Equipments and Furniture & Fixtures at reasonable intervals as per the phased verification programme, which in our opinion, is reasonable, looking to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification as compared to available records;

(c) Fixed assets disposed off during the year were not substantial; and therefore, do not affect the going concern assumption.

ii (a) As explained to us, inventories have been physically verified during the year by the management, the stocks of finished goods (including goods traded in), stores, spare parts, packing materials and raw materials have been physically verified at reasonable intervals by the management, except in cases of stocks in transit and stocks lying with some outside parties, which have, however, been confirmed by them;

(b) The procedure explained to us , which are followed by the management for physical verification of inventories, are in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;

(c) On the basis of our examination of the inventory records of the Company, we are of the opinion that, the Company is maintaining proper records of its inventory. Discrepancies which were noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of account;

iii (a) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the company and hence not commented upon.

(b) The company has taken from 13 parties unsecured loans in the nature of fixed deposits from directors, relatives and Companies listed in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year and the year end balance of such loans aggregating to Rs 854.60 lacs and Rs.831.85 lacs respectively. The Company has also taken foreign currency loan from a foreign promoter; the maximum amount involved during the year and the year end balance of such loans aggregating to Rs 2127.16 lacs and Rs.2127.16 lacs respectively;

(c) In our opinion, the rate of interest where applicable and other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company;

(d) In respect of the aforesaid loans, the Company is regular in repaying the principal amount as stipulated and also regular in payment of interest where applicable;

iv. In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of specific nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further on the basis of our examination of the books of account and records of

the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system;

v. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section;

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 exceeding the value of Rs. 5 lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at that time. However, except in cases where purchases of similar goods were not made from any other party and for which market prices are also not available and therefore, the prices could not be compared. In respect of sale of goods, materials and services, the same have generally been made at prevailing price list rates of the Company, except in cases where similar goods, materials and services were not sold to any other party and for which market prices are not available and therefore, we are unable to compare prices to determine whether the same were reasonable;

vi. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits;

vii. On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit functions carried out by firms of Chartered Accountants appointed by the management, needs to be increased so as to commensurate with the size of the Company and the nature of its business;

viii. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 in respect of the Company's products to which the said rules are made applicable, and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records since the same will be carried out by the Cost Auditors with a view to determine whether they are accurate;

ix. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues have been deposited late during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Wealth tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.

The particulars of dues of Sales Tax as at 31st March, 2014 which have not been deposited on account of a dispute are as follows :-

Nature of statute	Nature of Dues	Rs. in lacs	Period To which it relates	Forum where dispute is pending
Sales Tax Act	Sales Tax	24.29	Various demands for 1987-88 to 1998-99, 1993-94 to 1994-95 and 2004-05 to 2006-07	Various appellate stages in Sales Tax Dept.

x. The accumulated losses of the Company at the end of the current financial year are less than fifty percent of its net worth. It has not incurred cash losses in current financial year; however it has incurred cash losses in the immediately preceding financial year.

xi. On the basis of records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks as at the balance sheet date.

xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;

xiii. As informed to us the provision of any special statue applicable to chit fund / niddhi /mutual benefit fund/ societies are not applicable to the Company;

xiv. In our opinion the Company is not dealing or trading in shares, securities, debentures and other investments;

xv. According to the information and explanations given to us by the Company has given guarantee for loans taken by others from any bank or financial institution; as mentioned in Note No. 3 in our opinion the terms and conditions thereof are not prejudicial to the interest of the Company.

xvi. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained;

xvii. According to the information and explanations given to us and on an overall examination of financial statements of the Company and after placing reliance on the reasonable assumption made by the Company for classification of long term and short term usage of funds, we are of the opinion that, the funds raised on short term basis have not been used for long term investment;

xviii. The Company has made preferential allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956. The price at which shares have been issued is not prejudicial to the interest of the company.

xix. The Company has not issued any debentures during the year;

xx. The Company has not raised any money by public issue, during the year;

xxi. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For M. T. ANKLESHWARIA & CO.
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W
MADHU T. ANKLESHWARIA
PROPRIETOR
Membership No. 30128

Place : Mumbai
Date: 14 / 05 / 2014

Balance Sheet as at 31st March, 2014

(Rs. in Lacs)

	Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
(a)	Share capital	2.1	845.05	805.05
(b)	Reserves and surplus	2.2	4,011.15	3,558.04
(c)	Amount Received against Share Warrants		-	85.00
2	**Non-current liabilities**			
(a)	Long-term borrowings	2.3	4,452.31	6,045.16
(b)	Deferred tax liabilities (Net)	2.4	231.00	269.93
(c)	Other Long term liabilities	2.5	704.75	150.50
3	**Current liabilities**			
(a)	Short-term borrowings	2.6	5,273.53	5,054.95
(b)	Trade payables		5,478.14	4,951.30
(c)	Other current liabilities	2.7	1,872.44	1,403.31
(d)	Short-term provisions	2.8	237.89	201.42
	TOTAL	:	**23,106.26**	**22,524.66**
II	**ASSETS**			
1	Non-current assets			
(a)	Fixed assets	2.9		
(i)	Tangible assets		9,049.56	9,357.74
(ii)	Intangible assets		15.95	15.95
(iii)	Capital work-in-progress		1,123.75	1,038.39
(b)	Non-current investments	2.10	1,047.28	1,047.28
(c)	Long-term loans and advances	2.11	816.12	772.52
(d)	Other non current assets	2.12	27.33	27.33
2	**Current assets**			
(a)	Inventories	2.13	5,059.43	4,754.57
(b)	Trade receivables	2.14	3,346.89	2,637.55
(c)	Cash and Bank balances	2.15	458.73	570.29
(d)	Short-term loans and advances	2.16	2,161.22	2,303.04
	TOTAL	:	**23,106.26**	**22,524.66**

Significant Accounting Policies	**1**
Notes to Financial Statements	**2-3**
Other Notes	**4**

The notes referred to above form an integral part of the financial statements.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W

MADHU T. ANKLESHWARIA
PROPRIETOR
MEMBERSHIP NO : 30128
PLACE : MUMBAI
DATE : 14 / 05 /2014

For and on behalf of the Board

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO

(Mr. H. N. SINOR)
CHAIRMAN

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO

Statement of Profit and loss for the year ended 31st March, 2014

(Rs. in Lacs)

	Particulars	Note No.	Year ended 31st March, 2014	Year ended 31st March, 2013
I.	Revenue From Operations	3.1		
a)	Sale of Products		16,799.00	14,544.99
b)	Other operating revenues		484.39	432.36
	Less : Excise Duty		(114.19)	(151.69)
II.	Other income	3.2	400.74	323.90
III.	**Total Revenue (I + II)**		**17,569.94**	**15,149.56**
IV.	Expenses:			
	Cost of materials consumed	3.3	7,162.83	7,812.36
	Purchases of Stock-in-Trade		1,201.91	447.08
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	3.4	(366.70)	(947.61)
	Employee benefits expense	3.5	2,753.06	2,398.05
	Finance costs	3.6	1,556.69	1,520.75
	Depreciation and amortization expense		598.20	574.61
	Other expenses	3.7	4,549.77	4,196.00
	Total Expenses		**17,455.76**	**16,001.24**
V.	**Profit (Loss) before tax (III- IV)**		114.18	(851.68)
VI.	Tax expense:			
(1)	Current Tax			
(2)	Deferred Tax		38.93	39.06
VII.	**Profit (Loss) for the year**		**153.11**	**(812.62)**
VIII.	Earnings per equity share: (Face Value of Rs. 10/- each)			
(1)	Basic		1.81	(10.09)
(2)	Diluted		1.73	(9.18)

Significant Accounting Policies	**1**
Notes to Financial Statements	**2-3**
Other Notes	**4**

The notes referred to above form an integral part of the financial statements.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W

MADHU T. ANKLESHWARIA
PROPRIETOR
MEMBERSHIP NO : 30128
PLACE : MUMBAI
DATE : 14 / 05 /2014

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO

For and on behalf of the Board

(Mr. H. N. SINOR)
CHAIRMAN

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO

Cash Flow Statement for the year ended 31st March, 2014

(Rs. in Lacs)

	Year Ended 31st March, 2014	Year Ended 31st March, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX & INTEREST & EXTRAORDINERY ITEMS	1670.87	669.02
ADJUSTMENTS FOR :		
DEPRECIATION	598.20	574.61
INTEREST / DIVIDEND	(88.87)	(118.93)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**2180.20**	**1124.70**
ADJUSTMENTS FOR :		
TRADE AND OTHER RECEIVABLES	(611.12)	1931.44
INVENTORIES	(304.85)	(893.33)
TRADE PAYABLES	1100.30	(960.58)
	184.33	**77.53**
CASH GENERATED FROM OPERATIONS	**2364.53**	**1202.23**
INTEREST & FINANCE CHARGES	(1556.69)	(1520.75)
DIRECT TAXES PAID	38.93	39.06
	(1517.76)	**(1481.69)**
NET CASH FLOW FROM OPERATING ACTIVITIES	**846.77**	**(279.46)**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASE OF FIXED ASSETS	(347.23)	64.02
PURCHASE OF INVESTMENTS	-	(308.46)
INTEREST RECEIVED	12.77	43.13
DIVIDEND RECEIVED	76.10	75.81
NET CASH USED IN INVESTING ACTIVITIES	**(258.36)**	**(125.50)**
C. CASH FLOW FROM FINANCING ACTIVITIES :		
REPAYMENTS / PROCEEDS - LONG TERM BORROWINGS(NET)	(582.77)	3554.51
INCREASE/(DECREASE) IN FINANCE LEASE LIABILITIES	12.03	(13.10)
ISSUE OF EQUITY SHARES	40.00	-
SECURITIES PREMIUM	300.00	-
FIXED DEPOSITS	(697.30)	(824.21)
MONEY RECD AGNST SHARE WARRANTS	(85.00)	85.00
TERM LOAN	1000.00	(12.37)
ECB LOAN	199.14	45.45
NET CASH USED IN FINANCING ACTIVITIES	**186.10**	**2835.28**
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	**774.52**	**2430.32**
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD	(4456.24)	(6886.56)
CASH AND CASH EQUIVALENTS AS AT THE CLOSE OF THE PERIOD	(3681.72)	(4456.24)

1 **FIGURES IN BRACKETS DENOTE CASH OUTFLOW.**
2 **CASH & CASH EQUIVALENT IS CASH & BANK BALANCE AS PER BALANCE SHEET.**
3 **PREVIOUS YEAR FIGURES HAVE BEEN REARRENGED & REGROUPED WHEREVER NECESSARY.**

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W

MADHU T. ANKLESHWARIA
PROPRIETOR
MEMBERSHIP NO : 30128
PLACE : MUMBAI
DATE : 14 / 05 /2014

For and on behalf of the Board

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO

(Mr. H. N. SINOR)
CHAIRMAN

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO

NOTE NO. 1

Significant Accounting Policies

(a) Basis of preparation of financial statements:

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, the relevant provisions of the Companies Act, 1956 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 (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

(c) Current-non-current classification:

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realized within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

(d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

(d) Tangible fixed assets and depreciation:

Tangible fixed assets:

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Tangible asset is derecognized on disposal or when no future economic benefits are expected from its use of disposal.

Tangible fixed assets under construction are disclosed as capital work in progress.

Losses arising from retirement and gains or losses arising from disposal of an tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Intangible fixed assets:

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss

Depreciation/amortisation:

Depreciation is provided on straight line method over the estimated useful life of each asset as determined by the management. The rates of depreciation prescribed in Schedule XIV of the Companies Act, 1956 are considered at the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Depreciation on assets other than Trademarks is provided at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation/amortization for the year is recognized in the statement of profit and loss.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the statement of profit and loss.

(e) Borrowing costs:

Borrowing cost directly attributable to the acquisition or construction of qualifying assets are capitalized till the month in which the asset is ready to use, as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which these are incurred.

(f) Impairment of assets:

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. The 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. Assessment is done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exists or may have decreased.

(g) Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

(h) Inventories:

Inventories which comprise raw materials, packing materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realizable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other cost incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work-in-progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

(i) Foreign currency transactions:

i. The Company is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

Translation

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the statement of profit and loss. Non monetary items are stated in the balance sheet using the exchange rate at the date of the transaction.

ii. Foreign currency exposure in respect of Long Term Foreign currency Monetary items, for financing fixed assets, outstanding at the close of the financial year are revalorized at the contracted and /or appropriate exchange rates at the close of the year. The gain or loss due to decrease / increase in Rupee liability due to fluctuation in rate of exchange is recognized in the Profit and Loss Account.

iii. Though the accounting policy detailed in (i) and (ii) above have been consistently followed in terms with the Accounting Standard 11, the policy followed in current year retrospectively w.e.f. 1st April, 2007, has been overridden by an amendment to the aforementioned accounting standard for limited period of time as stated in point no. 14 in Note No. 4 “Other notes forming part of the Accounts.

(j) Revenue recognition:

i. Revenue from sale of goods in the course of ordinary activities is recognized when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is exclusive of sales tax, value added taxes (VAT) and service tax, and is net of returns, trade discounts and quantity discounts.

ii. Interest income is recognized on time proportion basis after taking into account the amount outstanding and the interest rate applicable.

iii. Dividend income is recognized when the right to receive payment is established.

(k) Research and Developemnt:

Revenue expenditure on research and development is recognized as expense in the year in which it is incurred and the expenditure on capital assets is depreciated over the useful lives of the assets.

(l) Proposed Dividend:

Dividend proposed by the Board of Directors is provided in the books of account pending approval at the Annual General Meeting.

(m) Employee benefits:

In case of Defined Contribution plans the Company's contributions to these plans are charged to the statement of Profit and Loss as incurred.

The Company's provident fund, gratuity and leave wages are defined benefit plans.

The Company maintains gratuity fund with a separate trust formed by the Company, to which contributions are made on an annual basis. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation at the balance sheet date using the Projected Unit Credit Method by an independent actuary, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

Employee Stock Options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed by Guidance Note on 'Accounting for Employee Share-based payments' issued by ICAI read with SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines 1999 issued by SEBI. The excess of market value, if any, of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to the statement of profit and loss on vesting basis over the vesting period of the options. The un-amortised portion of the deferred employee compensation is reduced from Employee Stock Option Outstanding, which is shown under Reserves and Surplus.

(n) Earning per share:

Basic earnings per share is calculated by dividing the Net Profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(o) Income taxes:

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and deferred tax liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

(p) Provision and contingent liabilities:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources, when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(q) Cash and cash equivalents:

Cash and cash equivalents include cash in hand and demand deposits with banks with original maturities of three months or less.

NOTE NO. 2.1

Share Capital	As At 31st March, 2014		As At 31st March, 2013	
	Number	Rs. in Lacs	Number	Rs. in Lacs
Authorised				
Equity Shares of Rs. 10/- each	10,000,000	1,000.00	10,000,000	1,000.00
Issued, Subscribed & fully Paid up				
Equity Shares of Rs. 10/- each fully paid	8,450,500	845.05	8,050,500	805.05
TOTAL	**8,450,500**	**845.05**	**8,050,500**	**805.05**

Particulars	As At 31st March, 2014		As At 31st March, 2013	
	Number	Rs. in Lacs	Number	Rs. in Lacs
Shares outstanding at the beginning of the year	8,050,500	805.05	8,050,500	805.05
Issued during the year	400,000	40.00	-	-
Shares outstanding at the end of the year	8,450,500	845.05	8,050,500	805.05

Share Holding Information - Equity Shares

Name of the Shareholders	As At 31st March, 2014		As At 31st March, 2013	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Shri Dinesh S. Patel	676,707	8.01	565,707	7.03
Mrs. Jayshree D. Patel	636,414	7.53	511,134	6.35
Dr. Sachin D. Patel	520,405	6.16	415,405	5.16
Vividh Margi Investment Pvt Ltd	1,252,842	14.83	1,252,842	15.56
Vividh Distributors Pvt Ltd	616,100	7.29	616,100	7.65
Gedeon Richter Investment Management Ltd	884,308	10.46	884,308	10.98
Szepilona International Limited	416,000	4.92	416,000	5.17
	-	-	-	-

Terms / rights attached to shares

Equity Shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

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 proportion to the number of equity shares held by the shareholders.

NOTE NO. 2.2

(Rs. in Lacs)

RESERVES & SURPLUS	As At 31st March, 2014	As At 31st March, 2013
a. Capital Reserves		
Opening Balance-	30.00	30.00
(+) Capital Subsidy received during the year	-	-
Closing Balance	**30.00**	**30.00**
b. General Reserve -		
Opening Balance.	6,920.46	6,920.46
(+) Current Year Transfer	-	-
Closing Balance	**6,920.46**	**6,920.46**
c. Securities Premium -		
Opening Balance.	-	-
(+) Current Year Transfer	300.00	-
Closing Balance	**300.00**	**-**
d. Surplus		
Opening balance	(3,392.42)	(2,579.80)
(+) Net Profit/(Net Loss) For the current year	153.11	(812.62)
(-) Proposed Dividends	-	-
(-) Dividend Tax thereon	-	-
(-) Transfer to Reserves	-	-
Closing Balance	**(3,239.31)**	**(3,392.42)**
TOTAL	**4,011.15**	**3,558.04**

NOTE NO. 2.3

(Rs. in Lacs)

	Long Term Borrowings	As At 31st March, 2014	As At 31st March, 2013
	Secured		
(a)	**Term Loans**		
	from Banks	2,428.20	3,200.71
	(Secured by an equitable mortgage created by deposit of title deeds of the Company's factory land and buildings situated at Vapi, Hyderabad, Haridwar and Baroda and hypothecation of Plant & Machinery both present and future and also secured by Directors of the Company)		
	Terms of Repayment : (i) Term Loan from Bank of Baroda Rs. 260.10 lacs. Repayble in 16 quarterly installments after a holiday period of one year from first disbursement. (ii) Term Loan from Kapol Co-op. Bank Ltd. Rs. 59.08 lacs Repayble in 60 monthly installments. (iii) Term Loan from Union Bank of India Rs. 2460.70 lacs and from Bank of Baroda Rs. 455.96 lacs. Repayble in 20 quarterly installments commencing from June 2013.		
(b)	**Long term maturities of finance lease obligations** (Secured By hypothecation of vehicles acquired under hire purchase arrangement) Repayable in 36 equated Monthly Installments as per various arrangements.	18.68	6.92
	Total Secured Long Term borrowings	2,446.88	3,207.63
	Unsecured		
(a)	**Term Loans**		
	Foreign Currency Loan Repayble in 17 quarterly Installments commencing from 1st April 2014. Repayable in 11 Equated monthly installments	1,647.80	1,819.39
(b)	**Deposits**		
	Fixed Deposits Repayable in 1, 2, and 3 years, based on the deposit period.	357.63	1,018.14
	Total Unsecured Long Term Borrowings	2,005.43	2,837.53
	Total	**4,452.31**	**6,045.16**

NOTE NO. 2.4

(Rs. in Lacs)

	Deferred Tax Liability (Net)	As At 31st March, 2014	As At 31st March, 2013
(A)	**Deferred Tax Assets**		
	Provision for unencashed Leave	105.21	98.92
	Bonus	48.43	28.40
	Provision for Gratuity	19.91	7.30
	Total	**173.55**	**134.62**
(B)	Deferred Tax Liability for Depreciation	404.55	404.55
	NET	**231.00**	**269.93**

NOTE NO. 2.5

Other Long Term Liabilities	As At 31st March, 2014	As At 31st March, 2013
Deposit from Dealers and Suppliers	242.50	150.50
Earnest Money Deposit	320.00	-
Advance against Sale of Land	142.25	-
Total	**704.75**	**150.50**

NOTE NO. 2.6

Short Term Borrowings	As At 31st March, 2014	As At 31st March, 2013
Secured		
Loans repayble on demand from banks		
i) Cash Credits against hypothecation of raw materials, Stock in Process, finished goods, packing material and book debts and also guaranteed by the Directors of the Company.	2,045.62	1,727.45
ii) Bills Discounted	958.04	1,485.05
iii) Advance as Packing Credit for Export	1,116.25	866.95
iv) Buyers Credit	47.87	974.41
	4,167.78	**5,053.86**
Unsecured		
Other Loans and Advances		
Advance from Customers	105.75	1.09
Intercorporate Deposits	1,000.00	-
	1,105.75	1.09
Total	**5,273.53**	**5,054.95**

NOTE NO. 2.7

(Rs. in Lacs)

Other Current Liabilities	As At 31st March, 2014	As At 31st March, 2013
(a) Current maturities of long-term debt	1,801.95	1,278.70
(b) Current maturities of finance lease obligations	6.93	6.67
(c) Interest accrued but not due on borrowings	14.45	63.37
(d) Unclaimed dividends	4.51	5.31
(e) Duties and Taxes (incl. Excise duty, service tax, TDS)	33.84	21.43
(f) Over drawn Bank Balances as per Books of account only.	10.76	27.83
Total	**1,872.44**	**1,403.31**

NOTE NO. 2.8

Short Term Provisions	As At 31st March, 2014	As At 31st March, 2013
(a) Provision for Employee Benefits		
(i) Gratuity	184.28	147.78
(ii) Leave Encashment	53.61	53.64
(b) Others		
(i) Proposed Dividend	-	-
(ii) Tax on Dividend	-	-
Total	**237.89**	**201.42**

NOTE NO. 2.9

(Rs. in Lacs)

	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2013	Additions	Deductions	Balance as at 31 Mar 2014	Balance as at 1st April 2013	Depreciation charge for the year	On disposals	Balance as at 31 Mar 2014	Balance as at 31 Mar 2014	Balance as at 31st Mar 2013
a	**Tangible Assets (Not Under Lease)**										
	Land	1,022.40	-	-	1,022.40	-	-	-	-	1,022.40	1,022.40
	Buildings	2,299.33	7.19	2.53	2,303.99	600.53	59.27	2.41	657.39	1,646.60	1,698.80
	Plant and Equipment	8,100.50	201.16	-	8,301.66	2,936.20	460.53	-	3,396.73	4,904.93	5,164.30
	Furniture and Fixtures	658.15	48.25	-	706.40	590.23	40.42	-	630.65	75.75	67.92
	Vehicles	192.79	-	8.10	184.69	96.19	12.66	5.87	102.98	81.71	96.60
	Office equipment	48.70	6.46	-	55.16	23.71	2.26	-	25.97	29.19	24.99
	Electrical Installation	356.44	-	-	356.44	169.90	16.84	-	186.74	169.70	186.54
	Total (i)	12,678.31	263.06	10.63	12,930.74	4,416.76	591.98	8.28	5,000.46	7,930.28	8,261.55
	Tangible Assets (Under Lease)										
	Land	1,077.72	-	7.88	1,069.84	-	-	-	-	1,069.84	1,077.72
	Vehicles	38.99	37.19	-	76.18	20.52	6.22	-	26.74	49.44	18.47
	Total (ii)	1,116.71	37.19	7.88	1,146.02	20.52	6.22	-	26.74	1,119.28	1,096.19
	Total (i+ii)	13,795.02	300.25	18.51	14,076.76	4,437.28	598.20	8.28	5,027.20	9,049.56	9,357.74
b	**Intangible Assets**										
	Trademarks	15.95	-	-	15.95	-	-	-	-	15.95	15.95
	Total	15.95	-	-	15.95	-	-	-	-	15.95	15.95
	Total	**13,810.97**	**300.25**	**18.51**	**14,092.71**	**4,437.28**	**598.20**	**8.28**	**5,027.20**	**9,065.51**	9,373.69
	PREVIOUS YEAR	**14,404.49**	**244.94**	**838.46**	**13,810.97**	**4,020.87**	**574.61**	**158.20**	**4,437.28**	**9,373.69**	

Notes :-

1) Buildings and Leasehold Land which were revalued are shown at " Book Value ".Other Fixed Assets appear at " COST "

2) Buildings include :
   a) Staff quarters of the value of Rs.259200 purchased by the Company from Gujarat Industrial Development Corporation under hire - purchase scheme for which title documents in favour of the Company are yet to be executed.
   b) Documents for godown premises purchased during the earlier year for a value of Rs. 6800758 have been lodged for registration with concerned authorities - since received

3) Execution of conveyance and other documents in respect of Office Premises purchased for Rs.9100000 in an earlier year are yet pending.
   The relevant expenses pertaining to the same will be accounted in the year of execution.Amount not ascertainable

4) Documents for Registration of Trade Marks of the value of Rs.27200 acquired in an earlier year have been submitted to concerned authorities for registering in Company's name

5) Execution of conveyance and other documents in respect of Training Centre premises at Goregaon purchased for Rs.10635000 in earlier year are yet pending. The relevant expenses pertaining to the same will be accounted in the year of execution.Amount not ascertainable

NOTE NO. 2.10

(Rs. in Lacs)

	Non Current Investments	As At 31st March, 2014	As At 31st March, 2013
	Non Current Investments At Cost		
	LONG TERM INVESTMENTS-UNQUOTED		
A)	**TRADE : IN SHARES OF COMPANIES**		
i)	16000 (Previous Year 16000) Equity Shares of The Kapol Co.op.Bank Ltd. of Rs.10 each fully paid up	1.60	1.60
ii)	600 (Previous Year 600)Equity Shares of Jeedimetla Effluent Treatment Ltd of Rs 100/- each fully paid up	0.60	0.60
iii)	6860000(Previous Year 6860000) Equity shares of Richter Themis Medicare (India) Pvt. Ltd of Rs 10/- each fully paid up (a Joint Venture Company)	686.00	686.00
iv)	HUF 500000 (Previous Year 500000) held as quota capital in "HID-PUL KFT", Hungary a wholly owned Overseas limited liability Company .	1.13	1.13
v)	10,000 (Previous year 10,000), Equity Shares of Themis Life Style Pvt Ltd Rs.10/- fully paid up	1.00	1.00
vi)	3744 (Previous year 3744), Equity Shares of Rs. 100 each fully paid up of Long Island Nutritionals Pvt. Ltd.	15.60	15.60
	Total	705.93	705.93
B)	**OTHER THAN TRADE :**		
a)	**IN GOVT.SECURITIES**		
(i)	National Savings Certificates [including Rs 0.84 lacs (Previous year Rs.0.84 lacs) deposited as security with various Government and Semi-Government departments.) (NSC worth Rs. 0.10 lacs is held in the name of a Director of the Company)	1.43	1.43
(ii)	5 1/2 yrs Kisan Vikas Patra (including Rs 0.10 lacs deposited as security with Sales tax Authorities at Daman.)	0.15	0.15
b)	**IN BONDS**		
	20(Previous year 20) 20 yrs Deep Discount Bonds of Sardar Sarovar Narmada Nigam Limited of Rs.3600 each fully paid up.	0.72	0.72
	Total	2.30	2.30
	LONG TERM INVESTMENTS-QUOTED		
(i)	505 (Previous Year 505) Equity shares of Union Bank of India of Rs 10 each fully paid. (Market Value Rs 0.69 lacs, previous year Rs 1.10 lacs)	0.56	0.56
(ii)	1800 (Previous Year 1800) Equity Shares of Bank of Baroda of Rs 10/- each fully paid (Market Value Rs Value Rs 12.98 lacs, previous year Rs 12.20 lacs)	1.53	1.53
(iii)	3369605 (P.Y. 3369605) shares of Rs 5/- each of Gujarat Themis Biosyn Ltd. fully paid up (Market Value Rs 328.87 lacs, previous year Rs 269.23 lacs)	336.96	336.96
	Total	339.05	339.05
	Total	**1,047.28**	**1,047.28**
	NOTE : AGGREGATE VALUE OF QUOTED INVESTMENTS	339.05	339.05
	AGGREGATE VALUE OF UNQUOTED INVESTMENTS	708.23	708.23

NOTE NO. 2.11

(Rs. in Lacs)

Long Term Loans And Advances Unsecured Considered Good	As At 31st March, 2014		As At 31st March, 2013	
a) Capital Advances		-		-
b) Security Deposits		242.36		238.15
c) Other Loans and Advances				
Advance Tax and Tax deducted at Source	270.68		231.29	
Mat Credit Entitlement	303.08	573.76	303.08	534.37
Total		**816.12**		**772.52**

NOTE NO. 2.12

Other Non Current Assets	As At 31st March, 2014	As At 31st March, 2013
Other Bank Balances :		
a) Deposit for more than 12 months maturity	27.00	27.00
b) In Deposit account towards Share Application money	0.33	0.33
Total	**27.33**	**27.33**

NOTE NO. 2.13

Inventory	As At 31st March, 2014		As At 31st March, 2013	
(at cost or net realisable value, whichever is lower)				
a) Raw Materials and components	1,042.11		1,440.82	
Goods-in transit	89.24	1,131.35	-	1,440.82
b) Work-in-progress		1,672.30		1,314.30
c) Finished goods		1,370.83		1,362.13
d) Stores and spares		25.65		31.85
e) Packing Material and Power and Fuel		859.30		605.47
Total		**5,059.43**		**4,754.57**

NOTE NO. 2.14

(Rs. in Lacs)

Trade Receivables	As At 31st March, 2014	As At 31st March, 2013
Trade receivables outstanding for a period less than six months from the date they are due for payment unsecured, considered good	2,705.36	2,154.09
Trade receivables outstanding for a period exceeding six months from the date they are due for payment unsecured, considered good	641.53	483.46
Total	**3,346.89**	**2,637.55**

Trade Receivable stated above include debts due by:

Trade Receivables	As At 31st March, 2014	As At 31st March, 2013
Private Companies in which directors are member	936.54	729.62
Total	**936.54**	**729.62**

NOTE NO. 2.15

	Cash & Bank Balances	As At 31st March, 2014		As At 31st March, 2013	
a)	Cash and Cash Equivalents				
	(i) Cash on Hand	4.61		5.40	
	(ii) Balances with banks in current accounts	270.82		402.59	
			275.43		407.99
b)	Other Bank Balances				
	(i) Margin Money	154.97		134.02	
	(ii) Guarantees	28.33		28.28	
			183.30		162.30
	Total		**458.73**		**570.29**

NOTE NO. 2.16

	Short-term loans and advances, unsecured, considered good	As At 31st March, 2014	As At 31st March, 2013
a)	Advance to Suppliers	993.37	1,234.20
b)	Staff Advance and Imprest Cash	47.47	33.47
c)	Interest / Dividend Receivable	11.20	12.36
d)	Prepaid Expenses	66.04	68.66
e)	Dues from Government Authorities	346.14	180.54
f)	Balance with Central Excise	596.83	693.09
g)	Insurance claim	60.10	60.10
h)	Advance to wholly owned Subsidiary Co.	6.36	6.36
i)	Others	33.71	14.26
	Total	**2,161.22**	**2,303.04**

NOTE NO. 3.1

(Rs. in Lacs)

	Revenue From Operations	Year ended 31st March, 2014	Year ended 31st March, 2013
a)	Sale of Products	16,799.00	14,544.99
b)	Other operating revenues	484.39	432.36
		17,283.39	14,977.35
	Less:		
c)	Excise Duty	114.19	151.69
	Total	**17,169.20**	**14,825.67**

NOTE NO. 3.2

	Other Income	Year ended 31st March, 2014	Year ended 31st March, 2013
a)	Interest Income	12.78	43.13
b)	Dividend Income	76.10	75.81
c)	Other non - operating income	311.86	204.96
	Total	**400.74**	**323.90**

NOTE NO. 3.3

	Cost Of Material Consumed	Year ended 31st March, 2014	Year ended 31st March, 2013
a)	Raw Materials		
	Inventory at the beginning of the year	1,440.82	1,464.26
	Add: Purchases	5,780.89	7,164.86
		7,221.71	8,629.12
	Less: Inventory at the end of the year	1,042.11	1,440.82
	Cost of raw material consumed	6,179.60	7,188.30
b)	Packing Material	983.23	624.06
	Total	**7,162.83**	**7,812.36**

NOTE NO. 3.4

(Rs. in Lacs)

Details of Changes in Inventory	Year ended 31st March, 2014	Year ended 31st March, 2013	Increase / (Decrease)
Inventory at the end of the year :			
Work in Progress	1,672.30	1,314.30	358.00
Finished Goods	1,370.83	1,362.13	8.70
Total	3,043.13	2,676.43	366.70
Inventory at the beginning of the year :			
Work in Progress-	1,314.30	1,124.76	189.53
Finished Goods-	1,362.13	604.05	758.07
Total	**2,676.43**	**1,728.82**	**947.61**

NOTE NO. 3.5

	Employee Benefit Expenses	Year ended 31st March, 2014	Year ended 31st March, 2013
a)	Salaries and incentives	2,511.90	2,179.29
b)	Contributions to Provident and other fund	167.89	144.22
c)	Gratuity fund contributions	42.00	42.00
d)	Staff welfare expenses	31.27	32.54
	Total	**2,753.06**	**2,398.05**

	Payment to the auditors	Year ended 31st March, 2014	Year ended 31st March, 2013
a)	Auditor	5.94	5.94
b)	for other service	0.50	2.12
c)	for reimbursement of expenses	0.32	0.88
	Total	**6.76**	**8.94**

NOTE NO. 3.6

	Finance Cost	Year ended 31st March, 2014	Year ended 31st March, 2013
a)	Interest Expense	1,380.95	1,277.79
b)	Bank Charges	175.74	242.96
	Total	**1,556.69**	**1,520.75**

NOTE NO. 3.7

(Rs. in Lacs)

	Other Expenses	Year ended 31st March, 2014	Year ended 31st March, 2013
a)	Consumption of Stores and Spares	98.30	93.30
b)	Power and Fuel	1,004.50	1,003.19
c)	Processing charges	423.81	373.28
d)	Rent	27.93	26.78
e)	Repairs to Buildings	22.47	11.28
f)	Repairs to Machinery	64.82	30.96
g)	Repairs to Others	45.56	46.89
h)	Insurance	98.66	94.51
i)	Rates and Taxes, excluding taxes on income	33.64	65.28
j)	Travelling and conveyance	772.61	658.32
k)	Freight and Forwardings charges	345.33	337.06
l)	Legal and Professional Charges	238.73	279.09
m)	Exchange Difference	104.03	109.16
n)	Commission	390.37	204.82
o)	Advertisement and Sale Promotion	270.06	222.75
p)	Miscellaneous Expenses	608.95	639.33
	Total	**4,549.77**	**4,196.00**

NOTE NO. 4

Other Notes Forming Part of the Accounts

(Rs. in Lacs)

	Contingent liabilities and commitments (to the extent not provided for)	As At 31st March, 2014	As At 31st March, 2013
1	**Contingent Liabilities**		
	(a) Claims against the company not acknowledged as debt		
	(i) The Ministry of Chemicals & Fertilizers ,Government of India has raised demand under Drug Price Control Order,1979 for difference in actual price and price of respective bulk drug allowed while fixing the prices of certain life saving Formulations which are disputed by the Company. The Company has preferred Appeals before Hon'ble High Courts of Gujarat and Bombay in respect of Bulk Drug Rifampicin and Ethambutol respectively, for grant of ad interim stay. While allowing the stay, The Hon'ble High Court Gujarat directed the Company to deposit Principal Liability of Rs. 34.80 Lacs out of the total liability of Rs.126.08 Lacs as worked out by the Department of Chemicals & Fertlizers,Govt. of India .The Company has already complied with the directions of the H'norable Court. In respect of Liability for Bulk Drug Ethambutol, the H'norable Bombay High Court had directed the Company to submit Bank Guarantee of Principle amount with Court & stayed the matter. The Company has complied with the direction of the Honourable High Court.	333.33	333.33
	(ii) Others	0.87	0.87
	(b) Bank Guarantees	100.38	180.76
	(c) Other money for which the company is contingently liable		
	(i) In respect of Letter of Credit	44.95	206.74
	(ii) Disputed Income Tax and Sales Tax as matters are in appeal	24.29	24.29
	(iii) Customs duty payable on raw materials imported under duty exemption scheme in case of non-fulfillment of export obligation.	201.06	166.56
	Total (I)	**704.89**	**912.56**
2	**Commitments**		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
	(b) Uncalled liability on shares and other investments partly paid	-	-
	(c) Other commitments (specify nature)		
	(i) Liability on account of Custom duty on goods in bonded warehouse or in transit is, as per the Company's practice charged to Statement of Profit & Loss only in the year in which the goods are cleared from the Custom. This accounting policy has no effect on the Profit for the year.	19.10	44.37
	(ii) Liability on account of Excise duty in respect of goods manufactured and liable to payment of Excise duty when cleared from the factory premises,is accounted at the time of removal of the goods from the place of manufacture for sale or for captive use. This accounting policy has no effect on the Profit for the year.	1.45	1.71
	Total (II)	**20.55**	**46.08**
	Total (I + II)	**725.44**	**958.63**

NOTE NO. 4 : Other Notes Forming Part Of The Accounts (Contd.)

3 The Company has given a Corporate Guarantee for Rs. 250 lacs (Previous year 250 lacs)on behalf of Long Island Nutritionals Pvt. Ltd. - an associate company to Bank of Maharashtra to secure various loan granted to the said company.

(Rs. in Lacs)

		31/03/2014	31/03/2013
4	A) CIF value of imports :		
	i) Raw materials (other than in transit)	1,576.30	2,572.60
	ii) For Machinery/Equipment	-	-
	B) Expenditure in Foreign currency in respect of :		
	i) Travelling expenses	46.60	64.85
	ii) Interest & Bank charges	33.86	21.72
	iii) Commission	63.62	22.78
	iv) Sales Promotion Expenses, product Registration & Subscription	21.22	8.25
	v) Others	9.93	11.00
	C) Dividend to Non Resident share holders		
	No. of Share Holders	NIL	NIL
	No. of Shares	NIL	NIL
	Gross Amount of Dividend (Rs. In Lacs)	NIL	NIL
	D) Earnings in Foreign Currency :		
	Export of Goods calculated on FOB Basis (Rs. In Lacs)	6,078.92	5,840.63

E) Raw material consumed :

	PARTICULARS	2013-14	2012-13
		(Rs. in lacs)	(Rs. in lacs)
1.	Drug intermediates	3,869.53	5,140.89
2.	Bulk drug	1,444.45	1,424.61
3.	Solvents	556.63	537.01
4.	Others	308.99	85.79
	Total	**6,179.60**	**7,188.30**

F) Value of imported and indigenous raw materials consumed

	2013-14		2012-13	
	%	(Rs. in lacs)	%	(Rs. in lacs)
Imported	28	1,750.63	36	2,572.60
Indigenous	72	4,428.97	64	4,615.70
Total	**100**	**6,179.60**	**100**	**7,188.30**

NOTE NO. 4 : Other Notes Forming Part Of The Accounts (Contd.)

G) Value of imported and indigenous Stores and spares consumed and percentage thereof to total value of consumption .

	2013-14		2012-13	
	%	(Rs. in lacs)	%	(Rs. in lacs)
Imported	-	-	-	-
Indigenous	100	98.30	100	93.30
Total	**100**	**98.30**	**100**	**93.30**

5 Revenue expenditure on Research & Development incurred & Charged out during the year through the natural heads of expenses amount to Rs.166.02 Lacs (Previous year Rs.202.04 Lacs) Capital expenditure incurred during the year thereof amounts to nil, has been included in Fixed Assets. (Previous year nil).

6 The Company has only one segment namely pharmaceuticals, hence no separate disclosure of segment wise information has been made,as required by Accounting Standard 17 on "Segment Reporting"

7 Interest on borrowings attributed to new projects is Capitalised and included in the cost of Fixed Assets/ Capital Work in Progress, as appropriate. Current year Rs. 23.55 lacs (Previous year Rs.178.15 Lacs).

8 Related Party Disclosures

A. Name of the related parties and nature of relationship

(a)	Associate companies	Themis Distributors Pvt. Ltd. Vividh Distributors Pvt. Ltd. Vividh Margi Investments Pvt. Ltd. Long Island Nutritionals Pvt. Ltd.
(b)	Joint Venture	Richter Themis Medicare (India) Pvt.Ltd.
(c)	Subsidiary	Themis Life Style Pvt Ltd. Artemis Biotech Limited HIDPUL-KFT, Hungary.
(d)	Key Management personnel	Dr. D.S. Patel (M.D & CEO) Dr. Sachin D. Patel
(e)	Directors/Relatives of Key Management personnel	Mrs. Jayashree D. Patel Mrs. Meena A. Patel Mrs Hemlata B.Patel Late Mrs Margi R Choksy Mrs. Reena S. Patel

NOTE NO. 4 : Other Notes Forming Part of the Accounts (Contd.)

B. Transactions with related parties as per books of account. (Rs. In lacs)

Nature of Transaction	Associate Companies and Joint Venture		Key Management Personnel		Relatives of Key Management Personnel		Balance Oustanding	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Sales:								
Sale of Finished goods	2,864.57	1,935.73					936.54	729.62
Income:								
Dividend	75.46	75.46						
Purchase :								
Purchase of Goods	310.44	410.65						
Expenses:								
Electricity	2.75	3.02						
Telephone	0.16	0.12						
Freight/Others	4.54	5.73						
Remuneration			93.36	93.36	17.14	17.14		
Fixed deposit interest			35.17	41.68	42.49	47.18		
Consultancy Fees			-	-	29.40	29.40		
Others:								
Dividend paid			-	-	-	-		
Investment in shares of Associate Company	-	15.60	-	-	-	-	15.60	15.60
Subsidiary companies	-						1.13	1.13
Investment in Joint Venture Co.	-	--					686.00	686.00
Fixed deposit			(84.00)	(67.25)	(21.00)	(52.00)	624.35	729.35

C. The information given above, have been reckoned on the basis of information available with the Company.

9 Deferred tax liability is provided by implementing Accounting Standard -22 "Accounting for Taxes on Income" issued by Companies (Accounting Standards) Rules, 2006. The Deferred Tax Asset Rs.38.93 lacs (Cr) is recognized in Profit & Loss Account during the current year (Previous year Rs.39.06 lacs Cr.); comprising Rs.6.30 lacs (Cr) towards Current Years leave encashment (Previous Year Asset Rs.6.30 lacs (Cr)), Rs.20.03 lacs (Cr.) towards Bonus (Previous Year Rs 20.16 lacs (Cr) and Rs.12.60 lacs (Cr.) towards provision of Gratuity (Previous Year assets Rs. 12.60 lacs (Cr).

NOTE NO. 4 : Other Notes Forming Part of the Accounts (Contd.)

10 Details of Dues to Micro, Small and Medium Enterprises as per Micro,Small and Medium Enterprises Development Act,2006 (MSMED Act).

(Rs. in lacs)

Particulars	2013-2014	2012-2013
The principal amount remaining unpaid as at the end of the year	75.29	50.01
Interest due on above principal and remaining unpaid as at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year ; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

11 Earnings Per Share (EPS)

	2013-2014	2012-2013
a) Weighted average Number of Equity Shares outstanding during the year	8450500	8050500
b) Net Profit(Loss) after tax available for EquityShareholder - Rs in lacs	153.11	(812.62)
c) Basic and Diluted Earnings Per Share (Rs.)	1.81	(10.09)
d) Nominal Value Per Share (Rs)	10	10

NOTE NO. 4 : Other Notes Forming Part of the Accounts (Contd.)

12 Interest in the assets, liabilities, income with respect to jointly controlled entity.

(Rs in lacs)

	2013-14	2012-13
A) Assets		
1 Non Current Assets		
a) Fixed assets		
i) Tangible Assets	3,052.64	2,991.22
ii) Intangible Assets	1.06	1.52
iii) Capital Work - in Progress	45.68	31.16
b) Non-current Investments	0.03	0.03
c) Long-term loans and advances	433.91	206.31
d) Other non current assets	-	-
2 Current Assets		
a) Inventories	1,564.12	715.05
b) Trade Receivables	559.81	597.18
c) Cash and Bank Balances	219.28	642.32
d) Short Term Loans and advances	194.64	166.87
B Liabilities		
1 Non-current liabilities		
a) Long-term borrowings	3,463.18	3,134.09
b) Deferred tax liabilities Net)	352.34	298.25
c) Long Term Provisions	42.00	39.45
2 Current Liabilities		
a) Trade Payables	228.78	213.85
b) Other current liabilities	243.73	78.01
c) Short-term provisions	292.90	132.95
C Income :		
a) Revenue from operations	2,337.40	2,525.52
b) Other Income	36.02	10.27
D Expenditure		
a) Cost of materials consumed	1,150.38	611.91
b) Changes in inventories of finished goods and work in progress	(524.73)	195.39
c) Employee benefit expenses	362.87	329.44
d) Finance cost	6.23	7.00
e) Depreciation	337.36	316.83
f) Other expenses	789.73	628.14
g) Provision for taxation	170.11	266.22

NOTE NO. 4 : Other Notes Forming Part of the Accounts (Contd.)

13 Employees Benefit:

A) Liability for Employee Benefit has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard -15(Revised) the details of which are as under :

Funded Scheme (Rs. in lacs)

		Gratuity 2013-14	Gratuity 2012-13
I	**Change in Benefit Obligation**		
	Liability at the beginning of the year	143.89	204.58
	Interest Cost	10.82	15.65
	Current Service Cost	20.46	17.61
	Benefit Paid	(17.40)	(17.82)
	Acturial (gain)/Loss on obligations	4.34	(76.14)
	Liability at the end of the year	162.10	143.89
II	**Fair Value of Plan Assets**		
	Fair Value of Plan Assets at the beginning of the year	247.15	164.24
	Adjustments	(0.44)	50.63
	Expected Return on Plan Assets	20.72	18.16
	Contributions / Transfers	42.00	42.00
	Benefit Paid	(17.40)	(17.82)
	Acturial Gain/(Loss) on Plan Assets	(14.26)	(10.06)
	Fair Value of Plan Assets at the end of the year	277.76	247.15
III	**Amount Recognised in the Balance Sheet**		
	Liability at the end of the year	162.10	143.89
	Fair Value of Plan Assets at the end of the year	277.76	247.15
	Difference	(115.66)	(103.26)
	Amount Recognised in the Balance Sheet	(115.66)	(103.26)
IV	**Expenses Recognised in the Income Statement**		
	Current Service Cost	20.46	17.61
	Interest Cost	10.82	15.65
	Expected Return on Plan Assets	(20.72)	(18.16)
	Net Acturial (gain)/loss to be recognised	18.60	(66.08)
	Expense Recognised in Profit & Loss Account	29.15	(50.97)
V	**Acturial Assumptions**		
	Discount Rate Current	8%	8%
	Rate of Return on Plan Assets Current	8%	8%
	Salary Escalation Current	4%	4%
VI	**Asset Information**		
	Government of India Securities	8.63%	8.13%
	Corporate Bonds	66.21%	53.63%
	Special Deposit Schemes	21.75%	25.17%
	Others- Banks	3.41%	13.06%

NOTE NO. 4 : Other Notes Forming Part of the Accounts (Contd.)

VII Five year information :

Amount for the current and previous four periods as per AS 15 para 120(n) are as follows :

Gratuity :	2014	2013	2012	2011	2010
Present Value of Defined Benefit obligation	162.10	143.89	204.58	217.67	237.67
Fair Value of Plan Assets	277.76	247.15	164.24	152.97	170.29
(Surplus) / Defecit in Plan	(115.66)	(103.26)	40.34	64.70	67.38
Experience adjustments on :					
Plan liabilities (Gain) / Loss	4.34	(76.14)	(26.52)	(16.72)	40.65
Plan assets Gain /(Loss)	14.26	10.06	(7.21)	(6.35)	(8.88)

B) Remuneration and Compensation Committee granted 1,33,000 Options to 34 employees and 4 Directors on 31stJuly 2012 at Rs. 77.85 per option/share at the prevailing market price at the time of grant. As the grant of Options was done at market rate, the intrinsic value of this grant is NIL and therefore, there is no charge of Employee Compensation cost.

14 The Accounting Standard (AS-11) "The effects of changes in Foreign Exchange Rates" prescribed by Companies (Accounting Standards) Rules, 2006 was amended on 31st March, 2009, vide a notification dated 31st March 2009, by the Ministry of Corporate Affairs. The said amendment offered an option to Companies to recognise Foreign Exchange Gains and Losses arising on translation of all long term monetary assets and liabilities acquired upto 31st March 2009, retrospectively from accounting periods commencing after 7th December, 2006 (i.e. from 1st April, 2007 for the Company) upto 31st March, 2011 as capital cost of acquisition of assets where they relate to acquisition of assets or to a Translation Reserve viz. "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA). In other cases the amount so recognised as capital cost of acquisition of assets is to be depreciated over the balance life of the relevant assets and in case of the amount recognised in the FCMITDA is to be amortised over the balance term of the monetary assets or liability but not beyond 31st March, 2011.

The said notification has been further amended by notification dated 29th Dec. 2011 allowing to recognise the Foreign Exchange Gains and Loses arising on translation of all long term monetary assets and liabilities, as capital cost of acquisition of asset upto 31st March, 2020. The Company had chosen to exercise this option in preparation of its financial statements for the year ended 31st March, 2009. Accordingly, Foreign Exchange differences for Rs. 232.73 lacs has been adjusted against the cost of assets/ CWIP.

15 Disclosures as required by Accounting Standard 19, "Leases " are given below:

i) The Company has taken various residential , office and godown premises under operating lease or leave and licence agreements.These are generally not non-cancellable and ranging between 11 months and 3 years period under leave and licence, or for longer period inrespect of other leases and are renewable by mutual consent on agreeable terms.Also the Company has given refundable interest free security Deposits under certain agreements.

ii) Lease rent paid by the Company are debited to the statement of Profit and Loss account under "Rent" in Note No. 3.7 of "Other Expenses".

iii) The future minimum lease payments under non-cancellable operating Lease NIL

16 Previous year's firgures have been regrouped / rearranged wherever necessary to conform to current year's presentation.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.**
CHARTERED ACCOUNTANTS
REGISTRATION NO : 100501W

MADHU T. ANKLESHWARIA
PROPRIETOR
MEMBERSHIP NO : 30128
PLACE : MUMBAI
DATE : 14 / 05 /2014

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO

For and on behalf of the Board

(Mr. H. N. SINOR)
CHAIRMAN

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO

Statement pursuant to Sec 212 of the Companies Act 1956, relating to subsidiary Company

Sr. No.	Particulars	Name of the Company		
		Artemis Biotech Ltd.	Themis Lifestyle Pvt. Ltd.	HIDPUL Kft
1.	Financial year ending of the subsidiary	31st March, 2014 (being accounts closed for striking off application.)	31st March, 2014 (being accounts closed for striking off application.)	31st December, 2013 (being accounts closed for striking off application.)
2.	Number of equity shares held with its face value	47500 Equity Shares of Rs. 10/- each	9900 Equity Shares of Rs. 10/- each	500 HUF
3.	Extent of holding	95%	99%	100%
4.	For the financial year of the subsidiary Profit (losses) so far as it concerns the members of the holding Company and not dealt with in the holding Company's accounts	Nil	Nil	Nil
5.	For the financial year of the subsidiary Profit (losses) so far as it concerns the members of the holding Company and dealt with in the holding Company's accounts	Nil	Nil	Nil
6.	For the previous financial years since it became a subsidiary Profit (losses) so far as it concerns the members of the holding Company and not dealt with in the holding Company's accounts	Nil	Nil	Loss 18324 HUF
7.	For the previous financial years since it became a subsidiary Profit (losses) so far as it concerns the members of the holding Company and dealt with in the holding Company's accounts	Nil	Nil	Nil

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THEMIS MEDICARE LIMITED

CIN: L24110GJ969PLC001590

Regd Office: 69/A, GIDC, VAPI- 396 195. DISTRICT – VALSAD, GUJARAT, INDIA.

FOURTY FOURTH ANNUAL GENERAL MEETING MONDAY, 29th SEPTEMBER, 2014, 10.30. a.m.	PLEASE HAND OVER THIS ADMISSION SLIP AT THE ENTRANCE OF THE MEETING HALL	
	FOLIO NO.	HOLDING
	MEMBER	PROXY
VENUE : **THEMIS MEDICARE LIMITED** PLOT NO. 69-A, GIDC INDL.ESTATE, VAPI- 396 195. DISTRICT – VALSAD GUJARAT, INDIA.	NAME OF THE PROXY (IN CAPITAL LETTERS)	

NOTES :

1. The meeting is for member of the Company only. Members are requested not to bring non members or children.
2. Copies of the Annual Report will not be distributed at the meeting. Members are requested to bring their own copies.

I hereby register my presence at the meeting.

Signature of the Member/ Proxy

THEMIS MEDICARE LIMITED

CIN: L24110GJ969PLC001590

Regd Office : 69/A,GIDC, VAPI- 396 195.

DISTRICT – VALSAD GUJARAT, INDIA.

I/ WE _____ of _____ _____

In the district of _____ being a member/members of **THEMIS MEDICARE LIMITED** hereby appoint _____ of _____ or failing him _____of _____ as my / our proxy to vote for me/us and on my/our behalf at the FOURTY FOURTH ANNUAL GENERAL MEETING of the Company to be held on MONDAY, 29th SEPTEMBER, 2014, 10.30. a.m and at any adjournment(s) thereof.

Signed this _____ day of _____ 2014.

PROXY FORM	
FOLIO NO.	HOLDING

AFFIX
1 Re
Revenue
Stamp

Signature(s)

PROXY FORM MUST REACH COMPANY'S REGD.OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING
For office use only
DATE OF RECEIPT

THEMIS
MEDICARE

11/12 Udyog Nagar Industrial Estate, S. V. Road, Goregaon (W), Mumbai - 400 104.
Visit us at : www.themismedicare.com