



# GUJARAT THEMIS BIOSYN LIMITED

**CIN: L24230GJ1981PLC004878**

REGD. OFFICE & FACTORY : 69/C GIDC INDUSTRIAL ESTATE,

VAPI - 396 195, DIST. VALSAD, GUJARAT, INDIA

TEL : 0260-2430027 / 2400639

E-mail: [hbm@gtbl.in.net](mailto:hbm@gtbl.in.net)

GTBL: CS: 2018-19

25<sup>th</sup> September, 2018

The Listing Department  
**BSE Limited**  
P. J. Towers, Dalal Street  
Mumbai-400001

Dear Sir/Madam,

**Sub: Annual Report 2017-18**

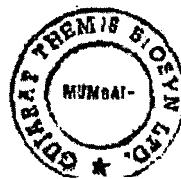
In accordance with the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015), we submit herewith the soft copy of the Annual Report for the financial year 2017-18 duly approved and adopted by the shareholders of the Company at the 37th Annual General Meeting of the Company held on Friday, 7th September, 2018 at 12.00 Noon at the Office of Themis Medicare Limited situated at 69/A, GIDC Industrial Estate, Dist. Valsad, Vapi - 396 196, Gujarat.

Kindly consider this as compliance under Regulation 34 of the SEBI (LODR) Regulations, 2015.

Thanking You.

Yours Faithfully,

For **Gujarat Themis Biosyn Limited**



**Abhishek D. Buddhadev**  
Company Secretary & Compliance Officer

**37<sup>th</sup>**

**ANNUAL REPORT  
2017-2018**



**GUJARAT THEMIS BIOSYN LIMITED**



## Corporate Information

**Board of Directors**

**Dr. Dinesh S. Patel**  
Chairman (Non Executive & Promoter)

**Dr. Sachin D. Patel**  
Director (Non Executive & Promoter)

**Mr. Vijay Agarwal**  
Director (Non Executive & Independent)

**Mrs. Preeti K. Trivedi**  
Director (Non Executive & Independent)

**Mr. S. S. Lee**  
Director (Non Executive Representative  
of Yuhan Corpn.)

**Mr. J. H. Choi** (upto 4<sup>th</sup> June, 2018)  
Director (Non Executive Representative  
of Yuhan Corpn.)

**Mr. Namjin Seung Park**  
(w.e.f. 8<sup>th</sup> August, 2018)  
Director (Non Executive Representative  
of Yuhan Corpn.)

**Dr. Vikram D. Sanghvi**  
Director (Non Executive & Independent)

**Mr. Siddharth Y. Kusumgar**  
Director (Non Executive & Independent)

**Mr. Hinesh Doshi** (w.e.f. 8<sup>th</sup> August, 2018)  
Director (Non Executive Director)  
(Alternate to Mr. Namjin Seung Park)

**Mr. Tapas Guha**  
(upto 12<sup>th</sup> December, 2017)  
Chief Executive Officer

**Mr. Jagdish G. Kaujalgi**  
(w.e.f. 9<sup>th</sup> May, 2018)  
Chief Executive Officer

**Mr. Bharat Desai**  
Chief Financial Officer

**Mr. Vikas Tarekar** (upto 12<sup>th</sup> June, 2017)  
Company Secretary & Compliance Officer

**Mr. Abhishek D. Buddhadev**  
(w.e.f. 8<sup>th</sup> August, 2017)  
Company Secretary & Compliance Officer

**Audit Committee**

**Mr. Vijay Agarwal**, Chairman

**Mrs. Preeti K. Trivedi**, Member

**Dr. Sachin D. Patel**, Member

**Mr. Siddharth Y. Kusumgar**, Member

**Nomination and Remuneration Committee**

**Mr. Vijay Agarwal**, Chairman

**Mrs. Preeti K. Trivedi**, Member

**Dr. Sachin D. Patel**, Member

**Stakeholders Relationship Committee**

**Dr. Sachin D. Patel**, Chairman

**Mr. Vijay Agarwal**, Member

**Dr. Dinesh S. Patel**, Member

**Bankers**

**Union Bank Of India**

**Registered Office and Works**

Plot No. 69-C, G.I.D.C.  
Industrial Estate, Vapi,  
Dist-Valsad,  
Gujarat - 396 195.

**Listing**

BSE Limited (BSE)

**Statutory Auditors**

M/s. GMJ & Co.  
Chartered Accountants,  
Mumbai

**Internal Auditors**

**R P Sardar & Co**

Chartered Accountants,  
Mumbai

**Secretarial Auditors**

**KRS & Co.**

Practicing Company Secretaries

**Registrar and Share Transfer Agents**

**Link Intime India Pvt Ltd.**

C 101, 247 Park,  
L.B.S. Marg, Vikhroli (West)  
Mumbai - 400078.

Tel.: 022-49186270

Fax: 022-49186060

E-mail: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.com

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## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the 37<sup>th</sup> Annual General Meeting of Gujarat Themis Biosyn Limited will be held on Friday, 7<sup>th</sup> September, 2018 at 12 Noon at the Office of Themis Medicare Limited, at 69/A, GIDC Industrial Estate, Vapi-396 195, Dist. Valsad, Gujarat, to transact the following business :-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018 together with Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S.S. Lee, (DIN: 01933988) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

3. To appointment Mr. Namjin Seung Park (DIN: 08160572) as a Non Executive Director, liable to retire by rotation.

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

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (“the Rules”), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Namjin Seung Park (DIN: 08160572) who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 8, 2018, pursuant to Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

#### Registered Office

69/C, GIDC Industrial Estate,  
Vapi- 396 195  
Dist. Valsad, Gujarat  
CIN: L24230GJ1981PLC004878

Place : Mumbai

Date : 8<sup>th</sup> August, 2018

#### By Order of the Board of Directors

Sd/-

**Abhishek D. Buddhadev**

Company Secretary & Compliance Officer  
Membership. No. A40267

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### NOTES:

**A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND, A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

1. At the 36<sup>th</sup> AGM, M/s. GMJ & Co., Chartered Accountants (Firm Registration No. 103429W) were appointed as Statutory Auditors of the Company for a period of 5 years until the conclusion of the 41<sup>st</sup> AGM of the Company.

The ratification of their appointment pursuant to Section 139 of the Companies Act, 2013 is not required in terms of notification no. SO 1833(E) dated 7<sup>th</sup> May, 2018 issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of this AGM Notice.

2. The Instrument appointing the Proxy, duly completed, stamped and signed, should reach the Registered Office of the Company not less than forty-eight hours before the time of the Annual General Meeting. Members are requested to note

that 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. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. In terms of Section 152 of the Companies Act, 2013, Mr. S.S. Lee, Director of the Company, retires by rotation at the ensuing Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company commends his re-appointment.
6. The details of the Director seeking appointment/reappointment under item nos. 2 and 3 of this Notice, is annexed hereto in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings.
7. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
8. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
11. The Company has notified closure of Register of Members and Share Transfer Books from 1<sup>st</sup> September, 2018 to 7<sup>th</sup> September, 2018 (both days inclusive).
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Link Intime (Company's Registrar and Share Transfer Agent) and complete their KYC formalities as mandated by law. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 13. Instructions for shareholders voting electronically are as under:**
  - (i) The voting period begins on Tuesday, 4<sup>th</sup> September, 2018 (at 9:00 AM) and ends on Thursday, 6<sup>th</sup> September, 2018 (at 5:00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of (record Date) i.e 31<sup>st</sup> August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.

- (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](http://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) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use 10 digit sequence number printed in <b>BOLD</b> at TOP-RIGHT SIDE of the address sticker affixed on this Annual Report.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (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 <Company Name> 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- d) The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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



**ANNEXURE TO NOTICE**

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 3:**

Pursuant to the provisions of Sections 152, 161(1) and other applicable provisions of the Act read with applicable Rules framed there under and the Articles of Association of the Company, the Board of Directors had, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Namjin Seung Park (DIN: 08160572) as an Additional Director of the Company with effect from August 8, 2018.

Mr. Namjin Seung Park is M. Sc in Organic Chemistry and currently Executive Director, Head of Overseas business division of Yuhan Corporation (Foreign Promoters).

Mr. Namjin Seung Park represents Yuhan Corporation (Foreign Promoters) on the Board of the Company.

The Board recommends passing of the Ordinary Resolution as set out in the Item no. 3 of the Notice for the appointment of Mr. Namjin Seung Park as a Director, liable to retire by rotation.

Except Mr. Namjin Seung Park being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.3.

**Registered Office**

69/C, GIDC Industrial Estate,  
Vapi- 396 195  
Dist. Valsad, Gujarat  
CIN: L24230GJ1981PLC004878

Place : Mumbai  
Date : 8<sup>th</sup> August, 2018

**By Order of the Board of Directors**

Sd/-  
**Abhishek D. Buddhadev**  
Company Secretary & Compliance Officer  
Membership. No. A40267

## ANNEXURE TO ITEMS 2 AND 4 OF THE NOTICE

## Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

<b>Name of the Director</b>	<b>Mr. S. S. Lee</b>	<b>Mr. Namjin Seung Park</b>
<b>Date of Birth</b>	03/11/1961	10/01/1969
<b>Nationality</b>	South Korea	South Korea
<b>Date of Appointment on the Board</b>	19 <sup>th</sup> January, 2008	8 <sup>th</sup> August, 2018
<b>Qualifications</b>	Bachelor's degree in Science	M. Sc. in Organic Chemistry
<b>Expertise in specific functional Area</b>	Product Development, Overseas Business	Expertise in Overseas Business Management
<b>Number of shares held in the Company</b>	Nil	Nil
<b>List of the directorships held in other companies*</b>	Nil	Nil
<b>Number of Board Meetings attended during the year</b>	1	NA
<b>Chairman/ Member in the Committees of the Boards of companies in which he is Director*</b>	None	None
<b>Relationships between Directors inter-se</b>	None	None
<b>Remuneration details</b>	Nil	Nil
* Directorship includes Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether Listed or not).		

**DIRECTORS' REPORT**

**The Members,  
Gujarat Themis Biosyn Limited**

Your Directors have pleasure in presenting herewith the 37<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31<sup>st</sup> March, 2018.

**1. FINANCIAL STATEMENTS & RESULTS:****a. FINANCIAL RESULTS:**

The Company's performance during the year ended 31<sup>st</sup> March, 2018 as compared to the previous financial year, is summarized below:

(₹ in Lakhs)

<b>Particular</b>	<b>For the financial year ended 31<sup>st</sup> March, 2018</b>	<b>For the financial year ended 31<sup>st</sup> March, 2017</b>
Income	3,896.50	3,605.63
Less: Expenses	3,412.68	3,117.14
Profit/ (Loss) before tax	483.82	488.49
Current Tax	102.99	45.44
Deferred tax	-5.89	5.30
Profit after Tax	386.72	437.75

**b. OPERATIONS:**

Your Company's performance during the year in terms of Turnover was better than the previous year, as the Company is doing Job Work for other Pharma Company with fixed contracted price. However, the Net Profit after Tax reduced by 11.66% compared to previous year. The production capacity was utilized to the maximum level during both the years. Your Company has generated profit during the year under review as well as in the previous year.

Your Company's major operations were from Job Work. During the period conversion charges recorded at Rs. 3680.85 Lacs (previous year Rs. 3442.3.9 Lacs). The operating Profit for the year is Rs. 623.93 Lacs as compared to operating Profit of Rs. 604.82 Lacs for the previous year. The Net Profit recorded by the Company for the year is Rs. 389.93 Lacs as compared to net profit of Rs. 437.24 Lacs in the previous year.

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

**c. BIFR**

In view of Company's net worth turning positive during the financial year 2015-16, the Company had filed a miscellaneous application before the Honorable Board for Industrial and Financial Reconstruction (BIFR) on February 5, 2016 for deregistration of the Company from BIFR under Sick Industrial Companies Act, 1985 (SICA). The Company has been legally advised that the requirement of deregistration was under SICA and since SICA has been repealed, the application technically becomes infructuous and the very fact that Company's net worth has become positive, no further action is required to be taken.

Your Company's performance for the year was far exceeding the Scheme approved by the BIFR order dated 12<sup>th</sup> January, 2012.

d. **SUBSIDIARIES**

The Company does not have any subsidiary.

e. **ASSOCIATES**

The Company has no associate Company.

f. **DIVIDEND:**

With a view to conserve the resources, your Directors have not recommended any dividend for the financial year under consideration.

g. **TRANSFER TO RESERVES:**

Your Board has not recommended transfer of any amount of profit to reserves during the year under review.

h. **REVISION OF FINANCIAL STATEMENT:**

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

i. **FIXED DEPOSITS:**

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

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

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

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

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

4. **STATEMENT UNDER SECTION 178**

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

During the financial year 2017-18, the Company has paid sitting fees only to the Independent Directors for attending Board and Audit Committee meetings.

Nomination and Remuneration Policy as formulated under Section 178(3) of the Companies Act, 2013 is annexed as "Annexure I" and forms part of this Report.

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

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

Observations of Statutory Auditors on Accounts for the year ended 31<sup>st</sup> March, 2018: There are following qualifications made by the Statutory Auditors in respect of financial statement as on and for the year ended 31<sup>st</sup> March, 2018.

**Point No. 1: Regarding confirmation of balances**

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

**Point No. 2: Determination and identification of significant components of fixed assets**

The Company is in the process of determining and identifying significant components of fixed assets as prescribed under the provisions of para 4(a) under the heading Notes after Part C in Schedule II of the Companies Act, 2013. The management expects that this would not have a material impact on depreciation for the quarter and year ended March 31, 2018.

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

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates the Company to obtain Secretarial Audit Report from Practicing Company Secretary. M/s. KRS & Co., Practicing Company Secretaries were appointed to conduct Secretarial Audit and issue Report for the financial year 2017-18.

Secretarial Audit Report issued by M/s. KRS & Co., Practicing Company Secretaries in Form MR-3 for the financial year 2017-18 forms part of this report. The report of the secretarial Auditor is annexed to this report as Annexure II. The report does not contain any qualification.

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

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

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

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

The Company in the ordinary course of its business, enters into transactions for purchase and sale of goods, materials & services, other obligations from 'Related Parties' within the meaning of Section 2(76) of the Act and Regulation 23 of the SEBI (LODR), Regulations, 2015.

Contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. All related party transactions were placed for the approval before the Audit Committee / Board / Shareholders wherever necessary in compliance with the provisions of the Act and Listing Regulations. The disclosure of particulars of contracts/arrangements entered into by the company with related parties for the financial year 2017-18 in Form No. AOC-2 is given as Annexure III.

The details of the transactions with related parties are also provided in the accompanying financial statements.

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

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board has been adopted by the Company and uploaded on the Company's website at the link: <http://www.gtbi.in/wp-content/uploads/2015/08/Related-Party-Policy.pdf>

**8. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS**

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

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

During the financial year 2017-18 no orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**10. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:**

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

**11. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013**

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

**12. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:**

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

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

The provisions of Section 67(3) as well as discloser under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 are not applicable.

**14. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**BOARD OF DIRECTORS**

During the year under review, following changes took place in the Board Composition:

Mr. Vikas P. Tarekar, Company Secretary & Compliance Officer ceased to be associated with the Company on account of his resignation with effect from close of office hours on 12<sup>th</sup> June, 2017.

Mr. Abhishek D. Buddhadev was appointed as the Company Secretary & Compliance Officer of the Company w.e.f 8<sup>th</sup> August, 2017. Upon such appointment, Mr. Abhishek D. Buddhadev is the Key Managerial Personnel pursuant to the provisions of Section 203 of the Companies Act, 2013 and also the Compliance Officer of the Company under Regulation 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Abhishek D. Buddhadev, is Qualified Company Secretary with experience of 5 years in Company Secretarial functions.

Mr. Tapas B. Guhathakurata resigned as Chief Executive Officer (CEO) of the Company with effect from 12<sup>th</sup> December, 2017.

Mr. Jagdish G. Kaujalgi was appointed as Chief Executive Officer of the Company w.e.f 9<sup>th</sup> May, 2018. Upon such appointment, Mr. Jagdish G. Kaujalgi is the Key Managerial Personnel pursuant to the provisions of Section 203 of the Companies Act, 2013. Mr Jagadish G. Kaujalgi is a Diploma Mechanical Engineer & having an experience of more than two and half decade in Equipment maintenance and Project in Chemical plant.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. S S Lee, (DIN: 01933988), Director of the Company, retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible offers himself for re-appointment. The Board recommends to the members the re-appointment of Mr. S S Lee, (DIN: 01933988) as Director in the ensuing Annual General Meeting of the Company.

Necessary resolution for the appointment/reappointment of the aforesaid Directors is included in the Notice convening the ensuing AGM.

**BOARD MEETINGS:**

The Board of Directors met Five (5) times during the financial year ended 31<sup>st</sup> March, 2018 in accordance with the provisions of the Companies Act, 2013 and rules made there under.

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

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2018, the Board of Directors hereby confirms that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures according to the accounting standards;
- ii) such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2018 and of the profit of the Company for that year;
- iii) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts of the Company have been prepared on a going concern basis;
- v) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**COMMITTEES OF THE BOARD OF DIRECTORS**

In compliance with the requirement of applicable laws and as part of best governance practices, the Company has following Committees of the Board as on 31<sup>st</sup> March, 2018:

- i. Audit Committee
- ii. Stakeholders Relationship Committee
- iii. Nomination and Remuneration Committee

The details with respect to the aforesaid Committees forms part of the Corporate Governance Report.

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

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

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

The said Policy is available on the website of the Company at <http://www.gtbl.in/wp-content/uploads/2015/08/Vigil-Mechanism.pdf>

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

**RISK MANAGEMENT:**

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

**CORPORATE SOCIAL RESPONSIBILITY POLICY:**

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



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

Provision of the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Board at its meeting held on 5<sup>th</sup> February, 2018 has carried out an annual evaluation of its own performance, Committees and Individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the Board and Committees was evaluated by the Board with the help of inputs received from all the Directors and the Committee members on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like ability to contribute and monitor our corporate governance practices, meaningful and constructive contribution in the issues discussed in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views other Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire board, excluding the independent director being evaluated.

The Board was overall of the opinion that the Independent Directors have contributed through the process of Board and Committee meeting of which they are members in effective manner as per their expertise in their field and needs of the organization. The suggestions and contributions of the Independent Directors in the working of the Board/Committee were satisfactory and the value addition made by such Independent Directors individually and as a team is commendable.

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

The Company has not paid any remuneration to the Directors during the financial year 2017-18 and hence disclosure under this section is not applicable.

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

**15. APPOINTMENT OF AUDITORS:**

**STATUTORY AUDITORS**

M/s. GMJ & Co., Chartered Accountants (Firm Registration No.103429W), the Statutory Auditors of the Company, were appointed by the members at the 36<sup>th</sup> Annual General Meeting (AGM) to hold such office till conclusion of the 41<sup>st</sup> AGM subject to ratification of their appointment by the members at every intervening AGM held after 36<sup>th</sup> AGM.

The Ministry of Corporate Affairs (MCA), vide its commencement Notification No. SO 1833(E) dated 7th May, 2018, has notified and amended the relevant provision of the Companies Act, 2013 relating to the requirement of placing the matter relating to ratification of appointment of Statutory Auditors by members at every Annual General Meeting. The said amendment has done away with the requirement of ratification of appointment of the Statutory Auditors. Therefore, M/s. GMJ & Co., Chartered Accountants will continue to hold office till conclusion of the 41<sup>st</sup> AGM and their appointment will not be subject to ratification by the members at every intervening AGM held after 36<sup>th</sup> AGM.

**COST AUDITORS**

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



**16. OTHER DISCLOSURES:**

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

**a. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March 2018 made under the provisions of Section 92(3) of the Act is attached as Annexure V which forms part of this Report.

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

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

**c. CORPORATE GOVERNANCE**

Report on Corporate Governance and Certificate of Auditors of your Company regarding compliance of the Conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, are enclosed as a separate section and a part of this report in Annexure VII.

**d. PREVENTION OF SEXUAL HARASSMENT:**

During the financial year ended 31<sup>st</sup> March, 2018 your Company has not received any complaint related to sexual harassment.

**17. MANAGEMENT DISCUSSION & ANALYSIS:****Operational Overview:**

Your Company 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.

**(a) Industry structure and developments:**

During the year under review, the pharmaceutical industry in India which was experiencing double digit growth was impacted to some extent due to demonetisation and implementation of Goods and Services (GST) Tax Act.

However, it is expected that the Industry will continue to grow going forward.

In line with the National Health Policy, the Government of India has issued a draft Pharmaceutical Policy and sought opinions from various stakeholders. The draft policy aims to streamline the systems of manufacturing and marketing of pharmaceuticals/medicines to achieve the primary goals of the Health Policy to provide affordable health care to all. The Industry continued to face challenges due to imposition of price controls and bringing many products under the ambit of National List of Essential Medicines.

The Industry consisting of Indian and foreign players is witnessing increased spends on R&D initiatives focusing on expanding traditional generic portfolios.

**(b) Opportunities and Threats:**

The pharma business related with basic human needs and introduction of innovative and cost effective medicines enjoys maximum opportunities in a densely populated country like India.

Availability of sub-standards and substitute products in the market, fierce competition are major threats to the business stability for a small size Company like ours. However, the management is taking all necessary steps and continuously adopting the strategy not only to stand in the market but to perform impressively under the current scenario.

Indian pharma companies will face competition from big pharma companies, backed by huge financial muscle. Generic drugs offer a cost effective alternative to drugs innovators and significant savings to customers.

**(c) Segment-wise or product-wise performance:**

The Company operate in single segment i.e. pharmaceuticals. The results of the Company under review depict business growth during the period.

**(d) Outlook:**

Your Company is fully aware of its capabilities and strengths and is going ahead with hand holding strategy with Pharmaceutical majors. This strategy has paid well in the recent past. The Company is also finding new avenues by expanding its existing production capacity.

**(e) Risks and concerns:**

The business of your Company is also exposed to few risks. Your Company is subject to various laws including drug pricing and other laws impacting the operations of the Company.

Risks, liabilities and losses are part and parcel of any industry and need to be tackled through well forecasted strategies and actions.

**(f) Internal control systems and their adequacy:**

The Company ensures the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board. Other statutory requirements especially, in respect of pharmaceutical business are also vigorously followed in order to have better internal controls over the affairs of the Company.

**(g) Discussion on financial performance with respect to operational performance:**

Your Company's performance during the year in terms of Turnover was better than the previous year. The Operating profit during the year was marginally better than previous year. However, Net Profit After Tax during the year under review was reduced by 11.66%. The financial performance is expected due to better margins, control over the cost.

**(h) Material developments in Human Resources/Industrial Relations front, including number of people employed:**

The core of the Human Resource philosophy at Gujarat Themis is empowering human resources towards achievement of company aspirations. Your Company has a diverse mix of youth and experience which nurtures the business. As on March 31, 2018 the total employee strength was 95.

## **18. ACKNOWLEDGMENT**

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

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

Place : Mumbai  
Date : 9<sup>th</sup> May, 2018

Sd/-  
**Dr. Dinesh S Patel**  
Chairman  
DIN: 00033273

## ANNEXURE I

### Nomination and Remuneration Policy

#### PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company has already constituted Nomination & Remuneration Committee comprising of three Non-Executive Independent Directors as members of the Committee as required under Listing Regulations.

#### OBJECTIVES

The Key Objectives of the Nomination & Remuneration Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation;
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- d) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to company's performance;
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- f) To enable the company for competing effectively in the labour market and to recruit and retain high caliber staff;
- g) To operate at minimum rate of labour turnover.

#### DEFINITIONS

“**Act**” means the Companies Act, 2013 and Rules framed thereunder as amended from time to time.

“**Board**” means Board of Directors of the Company.

“**Company**” means “Gujarat Themis Biosyn Limited.”

“**Directors**” mean Directors of the Company.

“**Employees’ Stock Option**” means the option given to the Directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

“**Independent Director**” means a Director referred to in Section 149 (6) of the Companies Act, 2013.

“**Key Managerial Personnel**” (KMP) means:

- Chief Executive Officer or the Managing Director or the Manager,
- Company Secretary,
- Whole-time Director,
- Chief Financial Officer and
- Such other officer as may be prescribed.

“**Nomination and Remuneration Committee**” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

“**Policy or This Policy**” means, “Nomination and Remuneration Policy.”

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“**Senior Management**” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive Directors, including all the functional heads.

### **INTERPRETATION**

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

### **GUIDING PRINCIPLES**

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

### **ROLE OF THE COMMITTEE**

The role of the Committee inter alia will be the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d) To carry out evaluation of every Director's performance.
- e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h) To devise a policy on Board diversity.
- i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

### **MEMBERSHIP**

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.

- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **CHAIRMAN**

- a) Chairman of the Committee shall be an Independent Director.
- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### **FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

#### **COMMITTEE MEMBERS' INTERESTS**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

#### **VOTING**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### **APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

- **Appointment criteria and qualifications:**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- **Term / Tenure:**

- (a) Managing Director / Whole-time Director / Executive Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director, Whole Time Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

At the time of appointment of Whole Time Director it should be ensured that number of Boards on which such Director serves is restricted to three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed from time to time.

- (b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company

and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director or such other number as may be prescribed from time to time.

(c) Evaluation

The Committee shall carry out evaluation of performance of every Director, Key Managerial Personnel and Senior Management Personnel at regular interval.

(d) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(e) Retirement

The Director, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT**

• **General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

• **Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be

decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

• **Remuneration to Non-Executive / Independent Director:**

1. Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Limit of Remuneration /Commission:

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

**MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

**DEVIATIONS FROM THIS POLICY**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.



**ANNEXURE II**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on my verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2018**, complied with the statutory provisions listed here under and also that the company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India ( Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the audit period**);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the audit period**);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies act and dealing with the client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**)



6. I have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head group of Acts, Laws and Regulations as applicable to the Company is given below;

- a) Pharmacy Act, 1948;
- b) Drugs and Cosmetics Act, 1940;
- c) Drug (Prices Control) Order, 2013;
- d) Drugs and Magic Remedies (Objectionable Advertisement )Act, 1954;
- e) Food Safety and Standard Act, 2006;
- f) Factories Act, 1948 read with Gujarat Factories Rule 1963;
- g) Industries (Development and Regulation) Act, 1951
- h) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;
- i) Acts prescribed under prevention and control of pollution;
- j) Acts prescribed under environmental protection;
- k) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013;
- l) Poisons Act, 1919;
- m) Petroleum Act 1934;
- n) The Indian Copyright Act, 1957;
- o) The Patents Act, 1970;
- p) The Trade Marks Act, 1999;
- q) Acts as prescribed under Direct Tax and Indirect Tax; and
- r) Local laws as applicable at registered office and plant.

I have also examined Compliance with the applicable clauses of the following;

- I. Secretarial Standard 1- on Meetings of the Board of Directors and Secretarial Standard 2 – General Meetings, issued by the Institute of Company Secretaries of India. (Other Secretarial Standards are not applicable since the same are not notified during the audit period);
- II. The Listing Agreement entered into by the Company with Bombay Stock Exchange read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines Standards, etc, mentioned above.

#### **I further report that**

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that during the audit period, the Company has not taken any specific action(s)/decision(s) having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines, etc., referred to above.

**For KRS AND CO.  
Practicing Company Secretaries**

Sd/-

**Mr. Ketan Ravindra Shirwadkar**

Proprietor

ACS No. 37829

COP No. 15386

Date : 9<sup>th</sup> May, 2018

Place : Mumbai

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

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## **ANNEXURE A OF SECRETARIAL AUDIT REPORT**

To,  
The Members,

**Gujarat Themis Biosyn Limited**

**L24230GJ1981PLC004878**

69/C, GIDC Industrial Estate,

Vapi – 396 195, Gujarat

My report of even date to be read along with this letter;

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

**For KRS AND CO.  
Practicing Company Secretaries**

Sd/-

**Mr. Ketan Ravindra Shirwadkar**

Proprietor

ACS No. 37829

COP No. 15386

Date : 9<sup>th</sup> May, 2018

Place : Mumbai

**ANNEXURE III**

**Form No. AOC-2**

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

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

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

(Rs. in Lakhs)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board / Shareholders
1.	Themis Medicare Ltd. (Entity having significant influence over the Company)	Purchase of Raw Material for Lova Boronate	On Continuous basis	208.75	Board Approval : 8 <sup>th</sup> August, 2016  Shareholders' Approval: 14 <sup>th</sup> September, 2016
		Sales of Lova Boronate	On Continuous basis	230.21	Board Approval : 8 <sup>th</sup> August, 2016  Shareholders' Approval: 14 <sup>th</sup> September, 2016
		Purchase of Membrane Filter Press	One time	10.62	Shareholders' Approval: 14 <sup>th</sup> September, 2016

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

**ANNEXURE IV****INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- 1) **The percentage increase in remuneration of Chief Financial Officer, Chief Executive Officer and Company Secretary of the Company for the financial year 2017-18:**

Name	% Increase in the remuneration	Ratio of the remuneration of each Director / to median remuneration of the employees.
Mr. Tapas Bhudebendranath Guhathakurata (CEO) <sup>(a)</sup>	-	-
Mr. Vikas P. Tarekar (Company Secretary) <sup>(b)</sup>	-	-
Mr. Abhishek D. Buddhadev (Company Secretary) <sup>(b)</sup>	-	-
Mr. Bharat Amratlal Desai (CFO)	-	-

Note:

- a) Mr. Tapas B. Guhathakurata ceased to be Chief Executive officer w.e.f 12<sup>th</sup> December, 2017. He held the office of CEO for the part of the financial year 2017-18. Therefore, the remuneration paid to him for the financial year 2017-18 is not comparable to remuneration paid to him during the year 2016-17. Therefore, percentage Increase in the remuneration disclosure is not applicable.
- b) Mr. Vikas P. Tarekar ceased to be Company Secretary & Compliance Officer with effect from close of office hours on 12<sup>th</sup> June, 2017. Mr. Abhishek D. Buddhadev was appointed as the Company Secretary and Compliance Officer of the Company w.e.f 8<sup>th</sup> August, 2017. Therefore, percentage Increase in the remuneration disclosure is not applicable for them.
- c) The Company has not paid any remuneration to its Non Executive and Independent Directors except sitting fees for attending Board and Board Committees meeting.
- 2) **The percentage increase in the median remuneration of employees in the financial year : 6.95%**
- 3) **The number of permanent employees on the rolls of the Company: 95**
- 4) **Average percentile increase already made in the salaries of employees other than the managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
- There is no Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year.
- 5) **It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Remuneration Policy of the Company.**

**ANNEXURE V**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31<sup>st</sup> March 2018**

***[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]***

**I. REGISTRATION AND OTHER DETAILS:**

CIN	:	L24230GJ1981PLC004878
Registration Date	:	11/12/1981
Name of the Company	:	GUJARAT THEMIS BIOSYN LTD
Category / Sub-Category of the Company	:	Company Limited by shares/Indian Non-Government Company
Address of the Registered office and contact details	:	PLOT NO 69-C, GIDC IND ESTATE, VAPI, DIST- VALSAD, Gujarat-396195 ■ Contact Details: Tel: 91-0260-2430027; Fax: 91-0260-2400639 ■ Email : <a href="mailto:gtblmumbai@gtbl.in">gtblmumbai@gtbl.in</a> / <a href="mailto:accounts@gtbl.co.in">accounts@gtbl.co.in</a> ■ Website : <a href="http://www.gtbl.in">www.gtbl.in</a>
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	<b>Link Intime India Pvt. Ltd,</b> C 101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai - 400078. Tel : 022 - 49186270 Fax : 022 - 49186060 E-mail : <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Web site : <a href="http://www.linkintime.com">www.linkintime.com</a>

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

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

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

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : Nil**

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

Gujarat Themis Biosyn Limited										
Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2017				Shareholding at the end of the year - 2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Shareholding of Promoter and Promoter Group</b>										
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	94139	1	94140	'0.6480	94139	1	94140	'0.6480	'0.0000
(b)	Central Government / State Government(s)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	6951605	0	6951605	'47.8474	6951605	0	6951605	'47.8474	'0.0000
	Sub Total (A)(1)	7045744	1	7045745	'48.4954	7045744	1	7045745	'48.4954	'0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Government	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Institutions	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Bodies Corporate	3850000	0	3850000	'26.4993	3850000	0	3850000	'26.4993	'0.0000
	Sub Total (A)(2)	3850000	0	3850000	'26.4993	3850000	0	3850000	'26.4993	'0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	10895744	1	10895745	'74.9946	10895744	1	10895745	'74.9946	'0.0000
<b>(B) Public Shareholding</b>										
[1]	Institutions									
(a)	Mutual Funds / UTI	0	2800	2800	'0.0193	0	2800	2800	'0.0193	'0.0000
(b)	Venture Capital Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Alternate Investment Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Venture Capital Investors	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(f)	Financial Institutions / Banks	0	2100	2100	'0.0145	0	2100	2100	'0.0145	'0.0000
(g)	Insurance Companies	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000

Gujarat Themis Biosyn Limited										
Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2017				Shareholding at the end of the year - 2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	4900	4900	'0.0337	0	4900	4900	'0.0337	'0.0000
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	2004150	287207	2291357	'15.7712	2182445	283757	2466202	'16.9747	'1.2035
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	742266	0	742266	'5.1090	576147	0	576147	'3.9656	'-1.1434
(b)	NBFCs registered with RBI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Employee Trusts	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Trusts	20150	50	20200	'0.1390	20150	50	20200	'0.1390	'0.0000
	Hindu Undivided Family	172185	0	172185	'1.1851	164530	0	164530	'1.1324	'-0.0527
	Non Resident Indians (Non Repat)	7280	0	7280	'0.0501	19726	0	19726	'0.1358	'0.0857
	Non Resident Indians (Repat)	66479	34350	100829	'0.6940	65940	33450	99390	'0.6841	'-0.0099
	Clearing Member	73308	0	73308	'0.5046	96320	0	96320	'0.6630	'0.1584
	Bodies Corporate	210032	10600	220632	'1.5186	174942	10600	185542	'1.2771	'-0.2415
	Sub Total (B)(3)	3295850	332207	3628057	'24.9717	3300200	327857	3628057	'24.9717	'0.0000
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	3295850	337107	3632957	'25.0054	3300200	332757	3632957	'25.0054	'0.0000
	Total (A)+(B)	14191594	337108	14528702	'100.0000	14195944	332758	14528702	'100.0000	'0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total (A)+(B)+(C)	14191594	337108	14528702	'100.0000	14195944	332758	14528702	'100.0000	

ii. **SHAREHOLDING OF PROMOTERS:**

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2017			Shareholding at the end of the year - 2018			% change in shareholding during the year
		No. of Shares held	% of total Shares of the Company	% of Shares Pledged /encumbered to total shares	No. of Shares held	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	YUHAN CORPORATION	3850000	'26.4993	'0.0000	3850000	'26.4993	'0.0000	'0.0000
2	PHARMACEUTICAL BUSINESS GROUP [INDIA] LTD	3582000	'24.6546	'0.0000	3582000	'24.6546	'0.0000	'0.0000
3	THEMIS MEDICARE LIMITED	3369605	'23.1927	'0.0000	3369605	'23.1927	'0.0000	'0.0000
4	JAYSHREE DINESH PATEL	70645	'0.4862	'0.0000	70645	'0.4862	'0.0000	'0.0000
5	SACHIN DINESH PATEL	7100	'0.0489	'0.0000	7100	'0.0489	'0.0000	'0.0000
6	REENA SACHIN PATEL	5600	'0.0385	'0.0000	5600	'0.0385	'0.0000	'0.0000
7	DINESH SHANTILAL PATEL	4700	'0.0323	'0.0000	4700	'0.0323	'0.0000	'0.0000
8	ANAY RUPEN CHOKSI	3047	'0.0210	'0.0000	3047	'0.0210	'0.0000	'0.0000
9	NYSHA RUPEN CHOKSI	3047	'0.0210	'0.0000	3047	'0.0210	'0.0000	'0.0000
10	DINESH SHANTILAL PATEL	1	'0.0000	'0.0000	1	'0.0000	'0.0000	'0.0000
	Total	10895745	'74.9946	'0.0000	10895745	'74.9946	'0.0000	'0.0000

iii. **CHANGE IN PROMOTERS' SHAREHOLDING :**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of Shares held	% of total Shares of the Company	Date of Transaction	No. of Shares	No of Shares held	% of total Shares of the Company
1	YUHAN CORPORATION	3850000	26.4993			3850000	26.4993
	AT THE END OF THE YEAR					3850000	26.4993
2	PHARMACEUTICAL BUSINESS GROUP [INDIA] LTD	3582000	24.6546			3582000	24.6546
	AT THE END OF THE YEAR					3582000	24.6546
3	THEMIS MEDICARE LIMITED	3369605	23.1927			3369605	23.1927
	AT THE END OF THE YEAR					3369605	23.1927
4	JAYSHREE D PATEL	70645	0.4862			70645	0.4862
	AT THE END OF THE YEAR					70645	0.4862
5	SACHIN DINESH PATEL	7100	0.0489			7100	0.0489
	AT THE END OF THE YEAR					7100	0.0489
6	REENA S PATEL	5600	0.0385			5600	0.0385
	AT THE END OF THE YEAR					5600	0.0385



Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of Shares held	% of total Shares of the Company	Date of Transaction	No. of Shares	No of Shares held	% of total Shares of the Company
7	DINESH SHANTILAL PATEL	4700	0.0323			4700	0.0323
	AT THE END OF THE YEAR					4700	0.0323
8	ANAY RUPEN CHOKSI	3047	0.021			3047	0.021
	AT THE END OF THE YEAR					3047	0.021
9	NYSHA RUPEN CHOKSI	3047	0.021			3047	0.021
	AT THE END OF THE YEAR					3047	0.021
10	DINESH SHANTILAL PATEL	1	0			1	0
	AT THE END OF THE YEAR					1	0

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of Shares held	% of total shares of the Company	Date of transaction	No. of Shares	No of Shares held	% of total Shares of the Company
1	DIPAK KANAYALAL SHAH	146000	1.0049			146000	1.0049
	AT THE END OF THE YEAR					146000	1.0049
2	MANJU PAREKH	0	0.0000			0	0
	Transfer			28 Jul 2017	75000	75000	0.5162
	AT THE END OF THE YEAR					75000	0.5162
3	NARESH O JAIN	62000	0.4267			62000	0.4267
	Transfer			21 Jul 2017	-62000	0	0
	Transfer			28 Jul 2017	62000	62000	0.4267
	AT THE END OF THE YEAR					62000	0.4267
4	LSC SECURITIES LIMITED	15621	0.1075			15621	0.1075
	Transfer			21 Apr 2017	7143	22764	0.1567
	Transfer			28 Apr 2017	-3793	18971	0.1306
	Transfer			26 May 2017	-18971	0	0
	Transfer			08 Sep 2017	20000	20000	0.1377
	Transfer			22 Sep 2017	100	20100	0.1383
	Transfer			13 Oct 2017	-100	20000	0.1377
	Transfer			03 Nov 2017	30000	50000	0.3441
	Transfer			23 Feb 2018	-6360	43640	0.3004
	Transfer			31 Mar 2018	2000	45640	0.3141
	AT THE END OF THE YEAR					45640	0.3141

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of Shares held	% of total shares of the Company	Date of transaction	No. of Shares	No of Shares held	% of total Shares of the Company
5	GLIX VYAPAAR PVT LTD	44710	0.3077			44710	0.3077
	Transfer			21 Jul 2017	-6480	38230	0.2631
	Transfer			28 Jul 2017	6480	44710	0.3077
	Transfer			23 Feb 2018	-6480	38230	0.2631
	Transfer			09 Mar 2018	6480	44710	0.3077
	AT THE END OF THE YEAR					44710	0.3077
6	SEEMA MODANI	41000	0.2822			41000	0.2822
	Transfer			14 Apr 2017	-50	40950	0.2819
	Transfer			28 Apr 2017	50	41000	0.2822
	Transfer			26 May 2017	-46	40954	0.2819
	Transfer			09 Jun 2017	1500	42454	0.2922
	Transfer			16 Jun 2017	46	42500	0.2925
	Transfer			07 Jul 2017	-123	42377	0.2917
	Transfer			21 Jul 2017	-42377	0	0
	Transfer			28 Jul 2017	42377	42377	0.2917
	Transfer			01 Sep 2017	123	42500	0.2925
	Transfer			08 Dec 2017	-1081	41419	0.2851
	Transfer			15 Dec 2017	1060	42479	0.2924
	Transfer			22 Dec 2017	21	42500	0.2925
	AT THE END OF THE YEAR					42500	0.2925
7	RASHMI AGARWAL	35200	0.2423			35200	0.2423
	Transfer			21 Jul 2017	-35200	0	0
	Transfer			28 Jul 2017	35200	35200	0.2423
	AT THE END OF THE YEAR					35200	0.2423
8	RAUNAK ROONGTA	33273	0.2290			33273	0.229
	Transfer			21 Jul 2017	-33273	0	0
	Transfer			28 Jul 2017	33273	33273	0.229
	AT THE END OF THE YEAR					33273	0.229
9	DAKSHA MANMATH PATEL	32162	0.2214			32162	0.2214
	AT THE END OF THE YEAR					32162	0.2214
10	J RADHA KRISHNAN	39607	0.2726			39607	0.2726
	Transfer			19 May 2017	-820	38787	0.267
	Transfer			08 Sep 2017	-5700	33087	0.2277
	Transfer			09 Mar 2018	-1000	32087	0.2209
	Transfer			16 Mar 2018	-1000	31087	0.214
	AT THE END OF THE YEAR					31087	0.214

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of Shares held	% of total shares of the Company	Date of transaction	No. of Shares	No of Shares held	% of total Shares of the Company
11	NIDHI BIYANI	86239	0.5936			86239	0.5936
	Transfer			07 Apr 2017	-6052	80187	0.5519
	Transfer			14 Apr 2017	-975	79212	0.5452
	Transfer			28 Apr 2017	-5568	73644	0.5069
	Transfer			21 Jul 2017	-73644	0	0
	Transfer			28 Jul 2017	73644	73644	0.5069
	Transfer			04 Aug 2017	-1435	72209	0.497
	Transfer			11 Aug 2017	-2126	70083	0.4824
	Transfer			22 Sep 2017	-3001	67082	0.4617
	Transfer			29 Sep 2017	-1440	65642	0.4518
	Transfer			06 Oct 2017	-5000	60642	0.4174
	Transfer			27 Oct 2017	-800	59842	0.4119
	Transfer			03 Nov 2017	-9842	50000	0.3441
	Transfer			01 Dec 2017	-20000	30000	0.2065
	Transfer			05 Jan 2018	-890	29110	0.2004
	Transfer			12 Jan 2018	-4810	24300	0.1673
	AT THE END OF THE YEAR					24300	0.1673
12	MANOJ AGARWAL	58791	0.4047			58791	0.4047
	Transfer			14 Jul 2017	-1000	57791	0.3978
	Transfer			28 Jul 2017	-1683	56108	0.3862
	Transfer			18 Aug 2017	-6000	50108	0.3449
	Transfer			25 Aug 2017	-4037	46071	0.3171
	Transfer			01 Sep 2017	-2900	43171	0.2971
	Transfer			08 Sep 2017	-27125	16046	0.1104
	Transfer			01 Dec 2017	-8500	7546	0.0519
	Transfer			08 Dec 2017	-3500	4046	0.0278
	Transfer			02 Feb 2018	-1002	3044	0.021
	AT THE END OF THE YEAR					3044	0.021
13	NEELKAMAL MOTILAL PAREKH	75000	0.5162			75000	0.5162
	Transfer			28 Apr 2017	-75000	0	0
	AT THE END OF THE YEAR					0	0

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

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (31.03.2018)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>DR. DINESH SHANTILAL PATEL</b> (Promoter Director)				
	At the beginning of the year	4701	0.03	4701	0.03
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the end of the year	4701	0.03	4701	0.03
2	<b>DR. SACHIN D PATEL</b> (Promoter Director)				
	At the beginning of the year	7100	0.05	7100	0.05
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	7100	0.05	7100	0.05
3	<b>MR. TAPAS B GUHA (CEO) – Upto 12<sup>th</sup> December, 2017</b>				
	At the beginning of the year	50	0	50	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	50	0	50	-
4	<b>MR. JAGDISH G. KAUIJALGI (CEO) – w.e.f, 9<sup>th</sup> May, 2018</b>				
	At the beginning of the year	-	-	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	-	-
5	<b>MR. BHARAT A. DESAI (CFO)</b>				
	At the beginning of the year	100	0	100	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	100	0	100	-
6	<b>MR. VIKAS P. TAREKAR (Company Secretary) Upto 12<sup>th</sup> June, 2017</b>				
	At the beginning of the year	10	0	10	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	10	0	10	-
7	<b>MR. ABHISHEK D. BUDDHADEV (Company Secretary) w.e.f 8<sup>th</sup> August, 2017</b>				
	At the beginning of the year	1	0	1	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	1	0	1	-

**V. INDEBTEDNESS:**

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

(Rs in Lacs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	225.40	190.64	-	416.04
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>225.40</b>	<b>190.64</b>	<b>-</b>	<b>416.04</b>

(Rs in Lacs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
• Addition	609.03	-	-	609.03
• Reduction	(796.39)	(170.00)	-	(966.39)
<b>Net Change</b>	<b>(187.36)</b>	<b>(170.00)</b>		<b>(357.36)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	38.04	20.64	-	58.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>38.04</b>	<b>20.64</b>	<b>-</b>	<b>58.68</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGER PERSONNEL.**
**a) REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

Not Applicable

**b) REMUNERATION/SITING FEES TO OTHER DIRECTORS:**

Particulars of Remuneration	Name of Directors					Total Amount
	Mrs. Preeti Trivedi *	Mr. Vijay Agarwal	Mr. Siddharth Kusumgar	Dr. Vikram Sanghvi		
<b>1. Independent Directors</b>						
• Fee for attending board / committee meetings	1,50,000	1,20,000	30,000	60,000		3,60,000
• Commission	-	-	-	-		-
• Others, please specify	-	-	-	-		-
Total (1)	1,50,000	1,20,000	30,000	60,000		3,60,000
<b>2. Other Non-Executive Directors</b>	<b>Dr. Dinesh S. Patel</b>	<b>Dr. Sachin D. Patel</b>	<b>Mr. S S Lee</b>	<b>Mr. J H Choi</b>	<b>Mr. Hinesh Doshi</b>	
• Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
• Commission	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-
<b>Total (B)=(1+2)</b>	<b>3,90,000</b>					

c) **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Vikas Tarekar* (Company Secretary)	Abhishek Buddhadev* (Company Secretary)	Bharat Desai (Chief Financial Officer)	Mr Tapas Guha* (Chief Executive Officer)
1	Gross salary	1,10,525	2,84,944	628014	5,19,500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,223	-		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	19,660	-	24000	12,000
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify(Provident Fund)	-	-	-	-
5	Others,	-	-	-	-
	Total	1,52,408	2,84,944	6,52,014	5,31,500

\* Mr. Vikas Tarekar ceased to be Company Secretary & Compliance Officer with effect from close of office hours on 12<sup>th</sup> June, 2017. \* Mr. Abhishek Buddhadev was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 08<sup>th</sup> August, 2017. \* Mr. Tapas Guha resigned as Chief Executive Officer w.e.f 12<sup>th</sup> December, 2017.

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

**ANNEXURE VI**

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

**(A) Conservation of energy:**

Steps taken or impact on conservation of energy	None
Steps taken by the company for utilizing alternate sources of energy	None
Capital investment on energy conservation equipments	Nil

**(B) Technology absorption:**

Efforts made towards technology absorption	-
Benefits derived like product improvement, cost reduction, product development or import substitution	-
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
• Details of technology imported	-
• Year of import	-
• Whether the technology has been fully absorbed	-
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	-
Expenditure incurred on Research and Development	-

**(C) Foreign exchange earnings and Outgo:**

Particulars	1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 <i>[Current F.Y.]</i>	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017 <i>[Previous F.Y.]</i>
	Amount in (Rs. Lakhs)	Amount in (Rs. Lakhs)
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	Nil	Nil

**ANNEXURE VII****REPORT ON CORPORATE GOVERNANCE**

[Pursuant to Part C of Schedule V the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “Listing Regulations”]

The Members,

The Directors of the Company are pleased to present report on Corporate Governance for the financial year ended 31<sup>st</sup> March, 2018.

**1. PHILOSOPHY ON CODE OF GOVERNANCE**

The Company has maintained high level of commitment towards effective Corporate Governance. The Company has over the years, apart from following the statutory requirements on Corporate Governance has initiated systems on transparency, disclosure, control, accountability, establishing trust with all stakeholders including the investors, employees, suppliers, customers and the medical profession at large. The Company is regularly guided by the professionals on the Board as well as the representatives of the foreign collaborators in evolving the culture. The company envisages the attainment of a higher level of transparency and accountability in the functioning of the company and the conduct of its business internally and externally.

**2. BOARD OF DIRECTORS****Composition of the Board**

→ The Company's Board comprises of Directors in accordance with the provision of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 on Corporate Governance. The Non-Executive Directors bring an external and wider perspective confirming therewith in depth business deliberations and decisions advantage. The Board represents an optimum mix of professionals and experts.

The present strength of the Board is Nine Non-executive Directors comprising of Four Indian Independent Professional Directors, Two Directors represent Foreign Collaborators/Promoters, 2 Indian Promoter Directors and an Alternate Director to Foreign Director.

**Appointment and Tenure:**

→ The Directors of the Company are appointed by members at the General Meetings and two-third Directors, other than Independent Directors retire by rotation pursuant to the provisions of the Companies Act, 2013.

**Board Independence:**

→ Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, all the Non-Executive – Independent Directors are independent in terms of the SEBI (Listing and Obligation Disclosure Requirement), Regulation, 2015.

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

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM Attended	Directorship#	Number of Committee positions held in other Companies##	
						Chairman	Member
Dr. Dinesh S. Patel®	Chairman	Non Executive Promoter Director	5	Yes	3	-	2
Dr. Sachin Dinesh Patel®	Director	Non Executive Promoter Director	5	Yes	3	-	2



Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM Attended	Directorship#	Number of Committee positions held in other Companies##	
						Chairman	Member
Mr. Vijay Agarwal	Director	Independent Director	4	Yes	11	1	4
Mrs. Preeti K. Trivedi	Director	Independent Director	5	No	2	1	2
Dr. Vikram D. Sanghvi	Director	Independent Director	2	No	1	-	-
Mr. Siddharth Y. Kusumgar	Director	Independent Director	2	No	1	-	1
Mr. S.S. Lee	Director	Non Executive Director Representative of Yuhan Corpn	1	No	1	-	-
Mr. J. H. Choi	Director	Non Executive Director Representative of Yuhan Corpn	Nil	No	1	-	-
Mr. Hinesh Doshi	Alternate Director Mr. J.H. Choi	Non Executive Director	4	No	1	-	-

**Notes :**

- # Excludes Directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- ## No. of Committee positions (Chairmanship/Membership) held in other listed Companies is excluding Foreign, Private Ltd., and Section 8 Companies. Further only two Committees i.e., Audit Committee and Stakeholders Relationship Committee are considered as per Regulation 26 (1) (b) of the Regulations.
- @ Relatives as per provisions of Section 2(77) of The Companies Act, 2013.

<p>❖ <b>Dates of Board Meetings held during the F.Y. 2017-18</b></p> <p><b>Five Board Meetings were held during the year on following dates:</b></p> <ol style="list-style-type: none"> <li>10<sup>th</sup> May, 2017</li> <li>8<sup>th</sup> August, 2017</li> <li>4<sup>th</sup> September, 2017</li> <li>12<sup>th</sup> December, 2017</li> <li>5<sup>th</sup> February, 2018</li> </ol>	<p>❖ <b>Risk Management</b></p> <p>Risk Management is a process with methods and tools for managing risks. Business risks are generally discussed in Board Meeting and risk mitigation strategies are implemented in the Company.</p> <p>❖ <b>Management Discussion and Analysis Report (MD &amp; A)</b></p> <p>The MD &amp; A report forms part of the Annual Report and provided elsewhere in this report.</p>
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→ **Shareholdings of Non – Executive Directors in the Company as on 31<sup>st</sup> March, 2018:**

Sr. No.	Name of Director	No. of Equity shares of Rs.5/- each held	% holding
1.	Mr. Vijay Agarwal	Nil	Nil
2.	Dr. Vikram Sanghvi	Nil	Nil
3.	Mr. Jae Hyok Choi	Nil	Nil
4.	Mr. Si Sung Lee	Nil	Nil
5.	Dr. Dinesh S. Patel	4701	0.032
6.	Dr. Sachin D. Patel	7100	0.049
7.	Mr. Hinesh R. Doshi	Nil	Nil
8.	Mr. Siddharth Kusumgar	Nil	Nil
9.	Preeti K. Trivedi	Nil	Nil

→ **Separate Meeting of Independent Directors:**

The meeting of Independent Directors was held on Monday, 5<sup>th</sup> February, 2018, and they inter alia discussed the performance of Non-Independent Directors and the Board as a whole; The performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; The quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

→ **Familiarization Programme For Independent Directors:**

All Directors inducted to the Board are introduced to our Company culture through appropriate orientation sessions. Presentation made by the Chairman & senior management to provide an overview of our operations, and to familiarize the new non-executive Directors with our operations. They are also introduced to our organization structure, our services, constitution, and board procedures, matters reserved for the Boards, and our major risks and risk management strategy. They seek to enable the Independent Directors to understand the business and strategy, and leverage their expertise and experience to the maximum benefit of the Company. Details of programs conducted by the Company for the financial year 2017-2018 are available on the website of the Company at <http://www.gtbl.in/>

**5. Committees of Board**

The Board Committees are set up to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before Board Meetings for noting. The Board has currently established the following statutory and non-statutory Committees:

**A. Audit Committee :**

The members of the Audit Committee have wide exposure and knowledge in area of finance and accounting. The terms of reference of the Audit Committee have been in line with Regulation 18 of SEBI Listing Obligations and Disclosure Requirement, Regulations, 2015 and Section 177 of the Companies Act, 2013. The Audit Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

The terms of reference of the Audit committee are briefly described below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Reviewing and monitoring the auditor's independence and performance.
4. Recommending to the Board, the appointment and remuneration of Cost Auditor.
5. Approval of payment to statutory auditors for any other services rendered by the statutory auditors

6. Reviewing, with the management, the annual financial statements and quarterly financial statements
7. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and frequency of internal audit.
9. Discussing with internal auditors any significant findings and follow-up thereon.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Approval or any subsequent modification of transactions of the Company with related parties.
15. To evaluate internal financial controls and risk managements systems.
16. Approval of appointment of CFO.

- **Composition:**

The terms of reference and powers of committee are in compliance with the provisions of the Listing Regulations on Corporate Governance and Section 177 of the Companies Act, 2013.

The Audit committee consists of Mr. Vijay Agarwal – Chairman, Dr. Sachin D. Patel, Mrs. Preeti K. Trivedi and Mr. Siddharth Y. Kusumgar are the Members.

- **Meetings:**

During the period under consideration, 5 (Five) Meetings of the Committee were held as follows. The dates of Audit Committee meetings held during Financial Year 2017-18 are as follows:

- 10<sup>th</sup> May, 2017,
- 8<sup>th</sup> August, 2017,
- 4<sup>th</sup> September, 2017,
- 12<sup>th</sup> December, 2017,
- 5<sup>th</sup> February, 2018.

**Audit Committee attendance during the year is as under:**

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	4
Ms. Preeti K. Trivedi	Member	5
Dr. Sachin D Patel	Member	5
Mr. Siddharth Y Kusumgar	Member	2

- **Attendees:**

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

The Company Secretary acts as Secretary to the Audit Committee.

**B. NOMINATION & REMUNERATION COMMITTEE:**

In terms of Section 178(1) of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement), Regulation, 2015, the Nomination and Remuneration Committee ("NRC").

The role of Nomination and Remuneration Committee in brief is as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the board of Directors a policy relating to, the remuneration of the Directors, Key Managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent Directors and the board of Directors;
3. Devising a policy on diversity of board of Directors;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of Independent Directors.

- **Composition:**

Nomination & Remuneration Committee consists of Two Independent Directors & One Non-Executive Director.

The Company Secretary acts as the Secretary of the Committee.

- **Meetings:**

During the period under consideration, 4 (Four) Meetings of the Nomination & Remuneration Committee of the Company were held as follows:

- 10<sup>th</sup> May, 2017,
- 8<sup>th</sup> August, 2017,
- 12<sup>th</sup> December, 2017,
- 5<sup>th</sup> February, 2018.

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

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	4
Mrs. Preeti K. Trivedi	Member	4
Dr. Sachin D. Patel	Member	4

- **Board Evaluation**

The Nomination and Remuneration Committee laid down the evaluation criteria for performance evaluation of Directors, Board and its Committees. The Board is committed for evaluating its own performance as a Board and individual performance of Directors, in order to identify strengths and areas in which it may improve functioning. Further, overall effectiveness of the Board shall be measured to decide the appointments, reappointments of Directors. The details of annual Board Evaluation process for Directors have been provided in the Board's Report.

Following are the major criteria applied for performance evaluation —

1. Attendance and contribution at Board and Committee meetings and application of his/her expertise, leadership qualities and knowledge to give overall strategic direction for enhancing the shareholder value.
2. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.

3. His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls and systems in place, etc.
4. Independent Directors performance is evaluated also based on his/her help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct and his/her ability to bring an objective view in the evaluation of the performance of the board and management.

**Retirement Policy for Directors of the Company:**

The age of retirement for non-executive Directors and independent Directors is as per the Companies Act requirements.

**C. Remuneration to Directors:**

- a. Pecuniary relationship or transactions of the non-executive Directors.

The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for attending Board and Committee meetings and Commission as approved by members for their invaluable services to the Company.

Independent Directors were paid Rs. 15,000/- for attending each Board and Audit Committee Meetings.

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

- b. Criteria of making payments to Non-Executive Directors.

Criteria of making payments to Non-Executive Directors is disclosed in the same is available on <http://www.gtbl.in/>

- c. Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:
  - i. All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc; : NA
  - ii. Details of fixed component and performance linked incentives, along with the performance criteria : NA
  - iii. Service contracts, notice period, severance fees: NA.
  - iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: NA

The details of Sitting Fees paid to Independent Directors for the year 2017-18 are as follows:

Sr. No.	Name of Director	Salary	Perquisites	Sitting Fees (Rs.)	Total
1.	Mr. Vijay Agarwal	NA	NA	120000	120000
2.	Priti K. Trivedi	NA	NA	150000	150000
3.	Dr. Sachin D. Patel	NA	NA	NA	NA
4.	Dr. Dinesh S. Patel	NA	NA	NA	NA
5.	Dr. Vikram D. Sanghvi	NA	NA	60000	60000
6.	Mr. Siddharth Y. Kusumgar	NA	NA	30000	30000
7.	Mr. J. H. Choi	NA	NA	NA	NA
8.	Mr. S. S. Lee	NA	NA	NA	NA
9.	Mr. Hinesh Doshi	NA	NA	NA	NA

**D. STAKEHOLDERS RELATIONSHIP COMMITTEE /STAKEHOLDERS' GRIEVANCE COMMITTEE:**

- **Composition:**

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

- **Meetings:**

The Committee met 4 times during the Financial Year 2017-18. For some periods there were no share transfers, therefore the share transfer committee meetings were not held.

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

Sr. No.	Name	Status	No. of Meetings Attended
1.	Dr. Sachin Dinesh Patel	Chairman	4
2.	Mr. Vijay Agarwal	Member	3
3.	Dr. Dinesh S Patel	Member	4

- **Name, designation and address of Compliance Officer:**

**Abhishek Buddhadev, Company Secretary**

11/12 Udyog Nagar,  
S.V. Road, Goregaon (West),  
Mumbai- 400 104

- **Details of investor complaints/request received and redressed during the year 2017- 18 are as follows:**

Number of shareholders' complaints/request received	number not solved to the satisfaction of shareholders	number of pending complaints
01	0	0

**6. Code of Conduct**

Whilst the Gujarat Themis Biosyn Ltd. Code of Conduct is applicable to the all Directors and employees of the Company, the Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) 2015, both of which are available on the Company's website.

All the Board members and Senior Management of the Company as on 31<sup>st</sup> March, 2018 have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Chief Executive Officer, forms part of this report.

**7. General Body Meetings:**

The details of the last three Annual / Extraordinary General Meetings are as follows:

AGM/ EGM	Date & Time	Location	Special Resolution
34 <sup>th</sup> AGM	21.09.2015 at 12.00 Noon	Registered Office	NA
35 <sup>th</sup> AGM	14.09.2016 at 12.00 Noon	Registered Office	NA
36 <sup>th</sup> AGM	27.09.2017 at 12.00 Noon	Registered Office	NA

- whether any special resolution passed last year through postal ballot – details of voting pattern: NA
- whether any special resolution is proposed to be conducted through postal ballot : NA
- Procedure for postal ballot : NA

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

#### 8. Means of Communication:

The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, Company's website and subject specific communications.

- (a) & (b) The Quarterly, Half yearly and Annual results were published in widely circulated newspapers viz, Western Times - Surat Edition.
- (c) All the data related to quarterly, half yearly and Annual Financial Results, Shareholding Pattern, News release etc. is provided on the website - [www.gtbl.in](http://www.gtbl.in)
- (d) The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchange are filed through BSE Listing Centre, for dissemination on their respective websites.
- (e) During the financial year, the Company has not made presentation to the institutional investors /analysts.

#### 9. General Shareholders Information

Annual General Meeting Date & Time	:	7 <sup>th</sup> September, 2017 at 12.00 Noon
Venue	:	Office of Themis Medicare Ltd, Plot no. 69A, G.I.D.C. Industrial Estate, Vapi, Valsad GJ- 396195
Financial Calendar (Tentative)	:	April to March
Results for the Quarter ending (With Limited Review by the Statutory Auditors)	:	By 14 <sup>th</sup> August, 2018
First Quarter Results		By 14 <sup>th</sup> November, 2018
Half yearly Results		By 14 <sup>th</sup> February, 2019
Third Quarter Results		By end of May, 2019
Audited Results for the year		
Dividend payment date		The Company has not declared any dividend
Dates of Book Closure/ Record Date	:	1 <sup>st</sup> September, 2018 to 7 <sup>th</sup> September, 2018 (Both days inclusive)
Listing on Stock Exchange at	:	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
Listing Fees paid for 2016-17	:	The Company has paid listing fees to the BSE Ltd.
Stock Code BSE Ltd. Mumbai	:	506879
DEMAT ISIN Number for NSDL & CDSL	:	INE942C01029
Websites	:	<a href="http://www.bseindia.com">www.bseindia.com</a>

#### 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 during the financial year 2017-18 is furnished below:

Month	Share Price		BSE Sensex	
	High Price	Low Price	High Price	Low Price
Apr-17	57.5	48.8	30184.22	29241.48
May-17	53	43.1	31255.28	29804.12
Jun-17	44.5	40.3	31522.87	30680.66
Jul-17	54.3	43.1	32672.66	31017.11
Aug-17	49.95	40	32686.48	31128.02
Sep-17	51.5	41.25	32524.11	31081.83
Oct-17	46	40.5	33340.17	31440.48
Nov-17	66.8	42.75	33865.95	32683.59
Dec-17	67.8	53.1	34137.97	32565.16
Jan-18	63.5	50	36443.98	33703.37
Feb-18	53.75	42.25	36256.83	33482.81
Mar-18	49.75	40	34278.63	32483.84

Registrar & Share Transfer Agent : Link Intime India Pvt. Ltd. C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra, 400083  
 Tel : +91 22 49186270  
 Fax : +91 22 49186060  
 E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
 Web site: [www.linkintime.co.in](http://www.linkintime.co.in)

#### Share Transfer System:

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

#### Distribution of Equity Shareholding:

As on 31 <sup>st</sup> March, 2018					
Holding of shares (In Nos)		No. of Shareholders	% of Shareholders	Shares	% of Shareholders
1	to 500	6810	87.0288	905279	6.2310
501	to 1000	553	7.0671	472390	3.2514
1001	to 2000	204	2.6070	313900	2.1606
2001	to 3000	74	0.9457	192324	1.3238
3001	to 4000	43	0.5495	154070	1.0605
4001	to 5000	37	0.4728	175126	1.2054
5001	to 10000	66	0.8435	471246	3.2436
10001	& Above	38	0.4856	11844367	81.5239
<b>Total</b>		<b>7825</b>	<b>100.0000</b>	<b>14528702</b>	<b>100.0000</b>



### Dematerialization of Shares

The equity shares of the Company are under compulsory dematerialized (demat) mode and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March 2018, a total of 14195944 Equity Shares of the Company forming 97.71% of the total paid up share capital stands dematerialized. All requests for dematerialization of shares are processed within the stipulated time. The identification allotted to the Company's equity shares is INE942C01029.

Outstanding GDRs / ADRs / Warrants or any Convertible instruments conversion date and Likely impact of equity.	:	Not Applicable
Commodity price risk or foreign exchange risk and hedging activities;	:	Not Applicable
Plant Locations	:	69/C, GIDC INDUSTRIAL ESTATE, VAPI VALSAD GJ 396195 IN
Address for Correspondence	:	
Registrar & Share Transfer Agent (For Physical as well as Electronic form)	:	Link Intime India Pvt. Ltd , C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 Tel : 022 - 49186270 Fax : 022 - 49186060 E-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Web site: <a href="http://www.linkintime.com">www.linkintime.com</a>
For any other matter and unresolved complaints	:	Abhishek Buddhadev

### Registrar and Share Transfer Agent

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

### 10. Other Disclosures :

#### a) **Materially significant related party transactions:**

The related party transactions in case of our Company are not materially significant which requires Members approval. However, the management, Audit Committee and the Board ensures such transactions are at arms length. The policy on related party transactions as approved by the Board is uploaded on the Company's website and the link for the same is <http://www.gtbl.in/wp-content/uploads/2015/08/Related-Party-Policy.pdf>

#### b) **Whistle Blower Policy/ Vigil Mechanism:**

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

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

The said Policy is available on the website of the Company at <http://www.gtbl.in/wp-content/uploads/2015/08/Vigil-Mechanism.pdf>

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

**c) Mandatory Requirements:**

**The Company has complied with all mandatory requirements of Corporate Governance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has also followed non-mandatory requirements as stated below.**

**a) Non-Mandatory Requirements**

i. Shareholder Rights – Half yearly results

As the Company's half yearly results are published in English newspapers having a circulation all over India and in a Gujarati newspaper (having a circulation in Gujarat), the same are not sent to the shareholders of the Company but hosted on the website of the Company.

ii. Modified opinion(s) in audit report

There are no modified opinion(s) contained in the Audit Report.

iii. Separate Posts of Chairman and CEO

The Posts of Chairman and CEO are separate.

iv. Reporting of Internal Auditors

The Internal Auditors of the Company report to the Audit Committee and make detailed presentation at quarterly meetings.

**b) Web Links**

v. The Company has framed policy for determining "material" subsidiary". However, the Company does not have any subsidiary / material subsidiary as of the close of the financial year.

vi. The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities.

vii. There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the Listing Regulations.

viii. Disclosure of the Compliance with Corporate Governance Requirements

The Company has complied with provisions of Regulations 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46.

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

Sd/-

**Dr. Dinesh S Patel**

Chairman

DIN: 00033273

Place : Mumbai

Date : 09.05.2018

**DECLARATION**

I, **Jagadish G. Kaujalgi**, Chief Executive Officer of Gujarat Themis Biosyn Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Schedule V (D) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended 31<sup>st</sup> March, 2018.

For Gujarat Themis Biosyn Limited

Sd/-

Place: Mumbai

Date: 9<sup>th</sup> May, 2018

**Jagadish G. Kaujalgi**

Chief Executive Officer

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**CERTIFICATE ON CORPORATE GOVERNANCE**

The Members

Gujarat Themis Biosyn Limited

We have examined the compliance of conditions of Corporate Governance procedures by **Gujarat Themis Biosyn Ltd.**, ("the Company") for the year ended on 31<sup>st</sup> March 2018, as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in regulation 15(2) of the Listing Regulations for the year ended 31<sup>st</sup> March 2018.

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/ Listing Regulations, as applicable.

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

**For KRS & Co**  
**Practicing Company Secretaries**

Sd/-

Date: 9<sup>th</sup> May, 2018

Place: Navi Mumbai

**Mr. Ketan R Shirwadkar**

ACS No. 37829

COP No. 15386

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**CEO-CFO CERTIFICATE**

To,  
The Board of Directors  
Gujarat Themis Biosyn Limited,

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Gujarat Themis Biosyn Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March 2018 and based on our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - (i) significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For Gujarat Themis Biosyn Limited

Sd/-  
**Jagadish G. Kaujalgi**  
Chief Executive Officer

For Gujarat Themis Biosyn Limited

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

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of,  
**Gujarat Themis Biosyn Limited**

### Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of "**Gujarat Themis Biosyn Limited**" ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein referred to as "the financial statements").

### Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements in terms of the requirements of Section 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We have conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the Ind AS 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 the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

### Basis of Qualified Opinion:

- a. The outstanding balances as at March 31, 2018 in respect of certain balances of Advances given, liability for expenses, trade payables and creditors for capital expenditure are subject to confirmation from respective parties and consequential impact of reconciliation and adjustment arising there from in the statement, if any, is not ascertainable.
- b. The Company is in the process of determining and identifying significant components of fixed assets as prescribed under the provisions of para 4(a) under the heading Notes after Part C in Schedule II of the Companies Act, 2013 and hence no effect of the same has been given in the financial result for the year ended March 31, 2018.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter described in the 'Basis of qualified opinion' paragraph above**, the aforesaid Ind AS 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 including Ind AS , of the state of affairs of the Company as at March 31, 2018, and its financial performance including other comprehensive income, the changes in equity and its cash flows for the year then ended.

**Emphasis of Matter:**

We draw attention to Note 14(b)(2) to the statement regarding repayment of non-interest bearing unsecured loan of Rs. 350 lakhs to its promoter, pending approval from BIFR / Monitoring agency.

Our Opinion is not qualified in respect of above matter.

**Report on Other Legal and Regulatory Requirements**

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
9. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Ind AS financial statements;
  - b) **Except for the effects of the matter described in the 'Basis of qualified opinion' paragraph above**, in our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of financial statements;
  - d) **Except for the effects of the matter described in the 'Basis of qualified opinion' paragraph above**, in our opinion, the aforesaid Ind AS financial statements comply with the Indian accounting standards specified under section 133 of the Act, read with relevant rules issued thereunder;
  - e) On the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**'; and
  - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to Note 30 to the financial statement.
    - ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For GMJ & Co**  
**Chartered Accountants**  
**Firm No. 103429W**

Sd/-  
**(CA Sanjeev Maheshwari)**  
M. No. 038755

Place: Mumbai  
Date: May 9, 2018

### Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 8 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (b) Property, Plant and Equipment have been physically verified by the management at regular intervals, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanation given to us and on the basis of our verification, title deeds of all immovable properties are held in the name of the company.
- ii. According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such physical verification during the year.
- iii. The Company has not granted any loan, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii) (a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, during the year, The company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the company.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the goods dealt by the Company and for any of the services rendered by the Company. Therefore, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanation given to us and on the basis of our examination of our records of the Company, in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, wealth tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

- (b) According to the books of accounts and records as produced and examined by us in accordance with the generally accepted auditing practices in India, as at March 31, 2018, the following are the particulars of the dues that have not been deposited on the account of dispute.

Name of the Statute	Nature of the Dues	Amount (in Rs.)	Forum where dispute is pending	Financial year to which the amount relates
Income Tax Act, 1961	Demand u/s 143 (3)	10,79,703/-	Hon. High Court, Gujarat	A.Y. 2001-2002
Income Tax Act, 1961	Demand u/s 156	250/-	Income Tax Appellate Tribunal, Ahmedabad	A.Y. 1996-1997
Income Tax Act, 1961	Demand u/s 156	24,12,247/-	Income Tax Appellate Tribunal, Ahmedabad	A.Y. 2011-2012
Income Tax Act, 1961	Penalty u/s 271 (1)(c)	8,38,840/-	Commissioner of Income Tax (Appeals), Valsad	A.Y. 2011-2012

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks during the year under audit. There are no dues to Financial Institution, Government and the Company has not issued any debentures.
- ix. According to the information and explanations given to us and based on the records and documents produced before us, during the year the company has not raised money by way of initial public offer or further public offer and the term loans have been applied for the purposes for which they were obtained.
- x. To the best of our knowledge and belief and according to the information given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on the records and documents produced before us, managerial remuneration has been paid by the company in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
- xii. As the company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, therefore the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii. According to the information and explanation given to us all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard(Ind AS) 24, Related Party Disclosures.
- xiv. According to the information and explanations given to us and based on the records and documents produced before us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

**For GMJ & Co**  
**Chartered Accountants**  
**Firm No. 103429W**

Sd/-  
**(CA Sanjeev Maheshwari)**  
M. No. 038755

Place: Mumbai

Date : May 9, 2018



## **Annexure – ‘B’ to the Auditors’ Report**

(Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”))

We have audited the internal financial controls over financial reporting of “**Gujarat Themis Biosyn Limited**” (“the Company”) as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Qualified Opinion**

According to the information and explanation given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2018.

- a. The outstanding balances as at March 31, 2018 in respect of certain balances of Advances given, liability for expenses, trade payables and creditors for capital expenditure are subject to confirmation from respective parties and consequential impact of reconciliation and adjustment arising there from in the statement, if any, is not ascertainable.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects / possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting as of March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the Financial Statements of the company as of March 31, 2018 and these material weakness do not affect our opinion on the Financial Statements of the Company.

**For GMJ & Co  
Chartered Accountants  
Firm No. 103429W**

Sd/-  
**(CA Sanjeev Maheshwari)**  
M. No. 038755

Place: Mumbai

Date: May 9, 2018

**BALANCE SHEET AS AT MARCH 31, 2018**

(Amount in INR Lakhs)

Particulars	Notes	March 31, 2018	March 31, 2017	April 1, 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipment	4	1,059.34	1,062.83	937.00
(b) Capital Work-in-Progress	4	16.53	20.29	4.08
<b>(c) Financial Assets</b>				
(i) Investments	5	-	0.50	0.50
(ii) Other Financial Assets	5	16.51	26.60	29.46
(d) Other Non-Current Assets	10	172.77	207.98	183.80
		<b>1,265.14</b>	<b>1,318.20</b>	<b>1,154.85</b>
<b>Current assets</b>				
(a) Inventories	6	46.22	50.92	41.63
<b>(b) Financial Assets</b>				
(i) Investments	5	0.50	-	-
(ii) Trade Receivables	7	272.15	698.70	216.48
(iii) Cash and Cash Equivalents	8	89.13	12.69	2.95
(iv) Bank Balances Other than (iii) above	9	356.74	27.83	16.01
(v) Loans	5	0.83	0.72	0.36
(vi) Other Financial Assets	5	11.36	4.17	-
(c) Other Current Assets	10	7.11	29.84	35.58
		<b>784.03</b>	<b>824.87</b>	<b>313.01</b>
<b>TOTAL</b>		<b>2,049.17</b>	<b>2,143.06</b>	<b>1,467.86</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	12	726.40	726.40	726.40
(b) Other Equity	13	484.53	94.60	(342.00)
		<b>1,210.93</b>	<b>821.00</b>	<b>384.40</b>
<b>Liabilities</b>				
<b>Non Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings	14	-	71.85	105.15
(b) Provisions	18	46.40	55.24	46.68
(c) Deferred Tax liabilities(Net)	11	-	5.07	-
		<b>46.40</b>	<b>132.16</b>	<b>151.83</b>
<b>Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings	14	-	114.15	58.31
(ii) Trade Payables	16	-	-	-
Micro, Small and Medium Enterprises		-	-	-
Others		558.11	713.88	550.62
(iii) Other Financial Liabilities	15	163.08	317.96	306.65
(b) Other Current Liabilities	17	64.69	38.18	8.36
(c) Provisions	18	5.96	5.74	7.70
		<b>791.85</b>	<b>1,189.91</b>	<b>931.64</b>
<b>TOTAL</b>		<b>2,049.17</b>	<b>2,143.06</b>	<b>1,467.86</b>
<b>Significant Accounting Policies and Notes</b>		<b>1 to 43</b>		
<b>Forming Part of the Financial Statements</b>				

As per our report of even date attached

**For GMJ & Co**

 Chartered Accountants  
 Firm Registration No: 103429W

Sd/-

**CA Sanjeev Maheshwari**

 Partner  
 Membership No: 38755

 Place: Mumbai  
 Date: May 9, 2018

**For and on behalf of the Board**

Sd/-

**Dinesh S. Patel**

 Chairman  
 DIN: 00033273

Sd/-

**Bharat A. Desai**

Chief Financial Officer

 Place: Mumbai  
 Date: May 9, 2018

Sd/-

**Sachin D. Patel**

 Director  
 DIN: 00033353

Sd/-

**Abhishek D. Buddhadev**

 Company Secretary  
 Membership No. A40267

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Amount in INR Lakhs)

Particulars	Notes	2017-18	2016-17
<b>REVENUE</b>			
Revenue from operations (net)	19	3,879.99	3,569.16
Other income	20	16.51	36.47
<b>Total Revenue (I)</b>		<b>3,896.50</b>	<b>3,605.63</b>
<b>EXPENSES</b>			
Cost of materials consumed	21	37.97	33.38
Purchases of stock-in-trade	22	177.37	115.38
Employee benefits expense	23	445.84	441.74
Finance costs	24	41.77	40.84
Depreciation and amortization expense	25	114.86	111.96
Other expenses	26	2,594.88	2,373.84
<b>Total Expenses (II)</b>		<b>3,412.68</b>	<b>3,117.14</b>
<b>Profit before exceptional items and tax (I-II)</b>		<b>483.81</b>	<b>488.49</b>
Exceptional Items	27	-	-
<b>Profit before tax</b>		<b>483.81</b>	<b>488.49</b>
<b>Tax expense:</b>			
Current tax		102.99	45.44
Deferred tax		(5.89)	5.30
<b>Profit for the period</b>		<b>386.72</b>	<b>437.75</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>			
Remeasurement of gains (losses) on defined benefit plans		4.03	(0.74)
Income tax effect		(0.82)	0.23
<b>Other Comprehensive income for the year, net of tax</b>		<b>3.21</b>	<b>(0.51)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<b>389.93</b>	<b>437.24</b>
<b>Earnings per share for profit attributable to equity shareholders</b>	28		
Basic and Diluted EPS		2.66	3.01
<b>Significant Accounting Policies and Notes Forming Part of the Financial Statements</b>	<b>1 to 43</b>		

As per our report of even date attached

For GMJ &amp; Co

Chartered Accountants  
Firm Registration No: 103429W

Sd/-

CA Sanjeev Maheshwari

Partner  
Membership No: 38755Place: Mumbai  
Date: May 9, 2018

For and on behalf of the Board

Sd/-

Dinesh S. Patel

Chairman  
DIN: 00033273

Sd/-

Bharat A. Desai

Chief Financial Officer

Place: Mumbai  
Date: May 9, 2018

Sd/-

Sachin D. Patel

Director  
DIN: 00033353

Sd/-

Abhishek D. Buddhadev

Company Secretary  
Membership No. A40267

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in INR Lakhs)

Particulars	2017-18	2016-17
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before tax	483.81	488.49
<b>Adjustments for:</b>		
Depreciation and amortisation expense	114.86	111.96
Net loss/(gain) on sale of property, plant and equipment	0.28	(0.17)
Prior Period Adjustment	-	(0.64)
Interest income classified as investing cash flows	(12.54)	(4.02)
Finance costs	41.77	40.84
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	426.55	(482.22)
(Increase)/Decrease in inventories	4.70	(9.29)
Increase/(decrease) in trade payables	(155.77)	163.26
(Increase)/ decrease in other financial assets	10.11	(0.61)
(Increase)/decrease in other assets	13.78	(1.33)
Increase/(decrease) in provisions	(7.59)	2.81
(Increase)/Decrease in Other bank balance	(328.91)	(11.82)
Increase/(decrease) in other financial liabilities	(0.09)	15.55
Increase in other current liabilities	26.52	29.82
<b>Cash generated from operations</b>	<b>617.48</b>	<b>342.61</b>
Less: Income taxes paid (Net)	(58.83)	(62.53)
<b>Net cash inflow from operating activities</b>	<b>558.64</b>	<b>280.08</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	(107.88)	(253.82)
Loans given	(1.45)	(1.40)
Loans repaid	1.34	1.04
Interest received	5.34	3.32
<b>Net cash outflow from investing activities</b>	<b>(102.65)</b>	<b>(250.86)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from Borrowings	-	182.81
Repayment of Borrowings	(243.20)	(222.90)
Net change in current borrowings	(114.15)	55.84
Interest paid	(22.21)	(35.23)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(379.55)</b>	<b>(19.48)</b>
Net increase (decrease) in cash and cash equivalents	76.44	9.74
Cash and Cash Equivalents at the beginning of the financial year	12.69	2.95
<b>Cash and Cash Equivalents at end of the year</b>	<b>89.13</b>	<b>12.69</b>
<b>Cash and cash equivalents as per above comprise of the following:</b>		
Balances with banks on current accounts	83.23	9.17
Cash on hand	5.90	3.52
<b>Balances per statement of cash flows</b>	<b>89.13</b>	<b>12.69</b>
<b>Note:</b> The above statement has been prepared by the 'Indirect Method' as set out in Ind AS 7 on Statement of Cash Flows as prescribed under Section 133 of the Companies Act, 2013.		
<b>Significant Accounting Policies and Notes Forming Part of the Financial Statements 1 to 43</b>		

As per our report of even date attached

**For GMJ & Co**

 Chartered Accountants  
 Firm Registration No: 103429W

Sd/-

**CA Sanjeev Maheshwari**

 Partner  
 Membership No: 38755

 Place: Mumbai  
 Date: May 9, 2018

**For and on behalf of the Board**

Sd/-

**Dinesh S. Patel**

 Chairman  
 DIN: 00033273

Sd/-

**Bharat A. Desai**

Chief Financial Officer

 Place: Mumbai  
 Date: May 9, 2018

Sd/-

**Sachin D. Patel**

 Director  
 DIN: 00033353

Sd/-

**Abhishek D. Buddhadev**

 Company Secretary  
 Membership No. A40267

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

## A Equity Share Capital

Particulars	(Amount in INR Lakhs)		
	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
<b>March 31, 2017</b>			
Numbers	1,45,28,702	-	<b>1,45,28,702</b>
Amount	726.44	-	<b>726.44</b>
<b>March 31, 2018</b>			
Numbers	1,45,28,702	-	<b>1,45,28,702</b>
Amount	726.44	-	<b>726.44</b>

## B Other Equity

Particulars	(Amount in INR Lakhs)			
	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
<b>As at April 1, 2016</b>	15.69	216.44	(574.12)	<b>(342.00)</b>
Profit for the period	-	-	437.75	<b>437.75</b>
Other comprehensive income	-	-	(0.51)	<b>(0.51)</b>
<b>Total comprehensive income for the year</b>	-	-	<b>437.24</b>	<b>437.24</b>
Prior Period Adjustment	-	-	(0.64)	<b>(0.64)</b>
<b>As at March 31, 2017</b>	<b>15.69</b>	<b>216.44</b>	<b>(137.52)</b>	<b>94.60</b>
Profit for the period	-	-	386.72	<b>386.72</b>
Other comprehensive income	-	-	3.21	<b>3.21</b>
<b>Total comprehensive income for the year</b>	-	-	<b>389.93</b>	<b>389.93</b>
<b>As at March 31, 2018</b>	<b>15.69</b>	<b>216.44</b>	<b>252.41</b>	<b>484.53</b>
<b>Significant Accounting Policies and Notes Forming Part of the Financial Statements</b>	<b>1 to 43</b>			

As per our report of even date attached

## For GMJ &amp; Co

Chartered Accountants  
Firm Registration No: 103429W

Sd/-

CA Sanjeev Maheshwari

Partner  
Membership No: 38755Place: Mumbai  
Date: May 9, 2018

## For and on behalf of the Board

Sd/-

Dinesh S. Patel

Chairman  
DIN: 00033273

Sd/-

Bharat A. Desai

Chief Financial Officer

Place: Mumbai  
Date: May 9, 2018

Sd/-

Sachin D. Patel

Director  
DIN: 00033353

Sd/-

Abhishek D. Buddhadev

Company Secretary  
Membership No. A40267

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### 1 Corporate Information

These statements comprise financial statements of Gujarat Themis Biosyn Limited (CIN: L24230GJ1981PLC004878) ('the Company') for the year ended March 31, 2018. The Company is a public company domiciled in India and is incorporated on December 11, 1981 under the provisions of the Companies Act, 1956 applicable in India. Its shares are listed on a recognised stock exchange in India namely, BSE Ltd. The registered office of the Company is located at Plot No 69/C, G.I.D.C Industrial Estate, Vapi district Valsad, Gujarat -396 195.

The Company is principally engaged in the activities pertaining to manufacturing of pharmaceuticals and medicinal chemicals.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 9, 2018.

### 2 Significant Accounting Policies

#### 2.1 Basis of preparation

The financial statements of the company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ('the Act').

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to Note 39 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification (refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations, and
- Long term borrowings, except obligations under finance leases, are measured at amortised cost using the effective interest rate method.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Summary of significant accounting policies

##### (a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant



and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated on straight line basis using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or 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.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold land is amortised on a straight line basis over the balance period of lease.

The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### **(b) Intangible 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.

### **(c) Research and development**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the



asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

**(d) Impairment of non financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

**(e) Foreign currency translation**

**(i) Functional and presentation currency**

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

**(f) Financial Instruments**

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

**Initial Recognition**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

**Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

**(i) Amortised Cost**

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Fair Value through other comprehensive income**

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(iii) Fair Value through Profit or Loss**

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification and Subsequent Measurement: Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

**(i) Financial Liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**(ii) Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**Impairment of financial assets**

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

**Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

**Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Derivative financial instruments**

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**(g) Trade Receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

**(h) Financial liabilities and equity instruments****Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

**(i) Taxes****(i) Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying

transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**(ii) Deferred tax**

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**(iii) Minimum alternate Tax**

MAT payable for a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probability that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as 'MAT Credit Entitlement' under Deferred Tax. The Company reviews the same at each reporting date and writes down the asset to the extent the Company does not have probable certainty that it will pay normal tax during the specified period.

**(j) Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out (FIFO) basis.

**Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on FIFO basis.

**Stores and Spares:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out (FIFO) basis.

**Materials in transit:** cost incurred to date.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the 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.

**(k) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

**Recognising revenue from major business activities****(i) Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

**(ii) Job work**

Revenue from job work is recognised on completion of assigned job. Revenue in respect of job work completed as at the end of the reporting period for which no bills have been raised is classified as unbilled revenue.

**(iii) Interest income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

**(iv) Export Incentives**

Export Benefits (DEPB) are accounted on accrual basis.

**(l) Employee benefits****(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Post-employment obligations**

The company operates the following post-employment schemes:

- (a) defined benefit plans viz gratuity,
- (b) defined contribution plans viz provident fund.

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Defined contribution plans**

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

**(m) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**(i) As a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**(ii) As a lessor**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**(n) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

**(o) Borrowing costs**

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

**(p) Segment Reporting - Identification of Segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

**(q) Earnings per share****Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



**(r) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**(s) Non-current assets (or disposal groups) classified as held for disposal:**

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated.

**(t) Current/non current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

**(u) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(v) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

**3 Significant accounting judgments, estimates and assumptions**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.



This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**(i) Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

**(ii) Estimation of net realizable value for inventories**

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

**(iii) Impairment of non - financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

**(iv) Recoverability of trade receivables**

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

**(v) Useful lives of property, plant and equipment/intangible assets**

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**(vi) Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

**(vii) Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4. PROPERTY, PLANT AND EQUIPMENT										
(Amount in INR Lakhs)										
Particulars	Land	Buildings	Staff Quarters	Plant and Machinery	Furniture and Fixtures	Vehicles	Erection and Office Equipment	Computer	Capital Work in Progress	Total
<b>GROSS CARRYING VALUE</b>										
As at April 1, 2016 (Deemed Cost)	6.98	52.46	0.20	875.54	0.10	1.03	0.57	0.13	4.08	941.08
Additions	-	-	-	231.39	4.90	-	1.49	-	16.21	253.99
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2017</b>	<b>6.98</b>	<b>52.46</b>	<b>0.20</b>	<b>1,106.93</b>	<b>5.00</b>	<b>1.03</b>	<b>2.05</b>	<b>0.13</b>	<b>20.29</b>	<b>1,195.08</b>
Additions	-	-	-	107.47	0.17	-	3.76	-	15.78	127.18
Disposals	-	-	-	(0.03)	-	-	-	-	-	(0.03)
Other Adjustments	-	-	-	-	-	-	-	-	(19.55)	(19.55)
<b>As at March 31, 2018</b>	<b>6.98</b>	<b>52.46</b>	<b>0.20</b>	<b>1,214.37</b>	<b>5.17</b>	<b>1.03</b>	<b>5.81</b>	<b>0.13</b>	<b>16.53</b>	<b>1,302.68</b>
<b>ACCUMULATED DEPRECIATION/IMPAIRMENT</b>										
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	0.14	3.35	0.01	105.89	0.67	0.89	0.89	0.13	-	111.96
Disposals	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2017</b>	<b>0.14</b>	<b>3.35</b>	<b>0.01</b>	<b>105.89</b>	<b>0.67</b>	<b>0.89</b>	<b>0.89</b>	<b>0.13</b>	<b>-</b>	<b>111.96</b>
Depreciation for the year	0.14	3.35	0.01	105.98	3.59	0.12	1.67	0.00	-	114.86
Disposals	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>0.27</b>	<b>6.69</b>	<b>0.02</b>	<b>211.87</b>	<b>4.26</b>	<b>1.01</b>	<b>2.56</b>	<b>0.13</b>	<b>-</b>	<b>226.81</b>
<b>Net Carrying value as at March 31, 2018</b>	<b>6.71</b>	<b>45.77</b>	<b>0.18</b>	<b>1,002.50</b>	<b>0.91</b>	<b>0.02</b>	<b>3.25</b>	<b>-</b>	<b>16.53</b>	<b>1,075.86</b>
<b>Net Carrying value as at March 31, 2017</b>	<b>6.85</b>	<b>49.11</b>	<b>0.19</b>	<b>1,001.04</b>	<b>4.33</b>	<b>0.14</b>	<b>1.16</b>	<b>0.00</b>	<b>20.29</b>	<b>1,083.12</b>
<b>Net Carrying value as at April 1, 2016</b>	<b>6.98</b>	<b>52.46</b>	<b>0.20</b>	<b>875.54</b>	<b>0.10</b>	<b>1.03</b>	<b>0.57</b>	<b>0.13</b>	<b>4.08</b>	<b>941.08</b>

**Notes:****i. Leased Assets**

Property, Plant and Equipment includes the following amounts where the company is a lessee under finance lease :

(Amount in INR Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Land</b>			
Cost	6.98	6.98	6.98
Accumulated Depreciation	(0.27)	(0.14)	-
<b>Net carrying amount</b>	<b>6.71</b>	<b>6.85</b>	<b>6.98</b>

The company has entered into long-term leasing arrangements for land with government authorities which are in the nature of finance lease. These arrangements do not involve any material recurring payments, hence other disclosures are not given.

**ii. Property, Plant and Equipment given as collateral security against borrowings by the company**

Refer to Note 36 for information on property, plant and equipment given as collateral security by the company.

**iii. Contractual Obligations**

Refer to Note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**5. FINANCIAL ASSETS**

(Amount in INR Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>(A) INVESTMENTS</b>			
<b>Non Current</b>			
<b>Investments carried at Amortised Cost</b>			
<b>Investments in Government or trust securities</b>			
<b>Unquoted</b>			
National Savings Certificates	-	0.50	0.50
[Out of above NSC lying with Excise department INR 0.50 Lakhs (March 31, 2017: INR 0.50 Lakhs) and NSC Lying with District Magistrate of INR Nil (March 31, 2017: INR 0.06 Lakhs)]			
<b>Total</b>	<b>-</b>	<b>0.50</b>	<b>0.50</b>
Aggregate amount of quoted investments	-	-	-
Market value of quoted investments	-	-	-
Aggregate amount of unquoted investments	-	0.50	0.50
Aggregate amount of impairment in the value of investments	-	-	-
<b>Investments carried at amortised cost</b>	<b>-</b>	<b>0.50</b>	<b>0.50</b>
<b>Current</b>			
<b>Investments carried at Amortised Cost</b>			
<b>Investments in Government or trust securities</b>			
<b>Unquoted</b>			
National Savings Certificate	0.50	-	-
[Out of above NSC lying with Excise department INR 0.50 Lakhs (March 31, 2017: INR 0.50 Lakhs) and NSC Lying with District Magistrate of INR Nil (March 31, 2017: INR 0.06 Lakhs)]			
<b>Total</b>	<b>0.50</b>	<b>-</b>	<b>-</b>
Aggregate amount of quoted investments	-	-	-
Market value of quoted investments	-	-	-
Aggregate amount of unquoted investments	0.50	-	-
Aggregate amount of impairment in the value of investments	-	-	-
<b>Investments carried at amortised cost</b>	<b>0.50</b>	<b>-</b>	<b>-</b>
<b>(B) LOANS</b>			
<b>Current</b>			
<b>Unsecured, considered good unless otherwise stated</b>			
Loans to Employees	0.83	0.72	0.36
<b>Total</b>	<b>0.83</b>	<b>0.72</b>	<b>0.36</b>
<b>(B) OTHER FINANCIAL ASSETS</b>			
<b>Non Current</b>			
<b>Financial assets carried at amortised cost</b>			
Bank Deposits with more than 12 months maturity	6.10	23.40	26.96
Interest Accrued on fixed deposit	10.41	3.20	2.50
<b>Total</b>	<b>16.51</b>	<b>26.60</b>	<b>29.46</b>
<b>Current</b>			
<b>Financial assets carried at amortised cost</b>			
Unbilled Revenue	11.36	4.17	-
<b>Doubtful</b>			
Other receivables	19.94	19.94	25.04
less: Loss allowance	(19.94)	(19.94)	(25.04)
<b>Total</b>	<b>11.36</b>	<b>4.17</b>	<b>-</b>

<b>6. INVENTORIES</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>(Valued at lower of Cost and Net Realisable value)</b>			
Steam Coal	3.47	7.57	5.96
Diesel Oil	3.22	3.45	2.68
Furnace Oil	8.31	6.61	2.55
Stores and spares	31.18	33.24	30.44
Packing Material	0.05	0.05	0.01
<b>Total</b>	<b>46.22</b>	<b>50.92</b>	<b>41.63</b>

<b>7. TRADE RECEIVABLES</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Current</b>			
Trade Receivables from customers	272.15	698.70	216.48
	<b>272.15</b>	<b>698.70</b>	<b>216.48</b>
<b>Breakup of Security details</b>			
Secured, considered good	-	-	-
Unsecured, considered good	272.15	698.70	216.48
Doubtful	542.80	542.80	542.80
	<b>814.95</b>	<b>1,241.50</b>	<b>759.28</b>
<b>Loss Allowance (allowance for bad and doubtful debts)</b>			
Unsecured, considered good	-	-	-
Doubtful	542.80	542.80	542.80
	<b>542.80</b>	<b>542.80</b>	<b>542.80</b>
<b>Total</b>	<b>272.15</b>	<b>698.70</b>	<b>216.48</b>

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to NIL (Previous year INR NIL)

Trade or Other Receivable due from firms or private companies in which any director is a partner, a director or a member amounted to INR 102.45 Lakhs (Previous year INR 145.91 Lakhs)

<b>8. CASH AND CASH EQUIVALENTS</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Balances with banks on current accounts	83.23	9.17	2.18
Cash on hand	5.90	3.52	0.77
<b>Total</b>	<b>89.13</b>	<b>12.69</b>	<b>2.95</b>

<b>9. OTHER BANK BALANCES</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Margin money deposits with original maturity for more than 12 months *	18.99	23.33	15.27
Margin money deposits with original maturity for more than 12 months (Margin money to secure Bank Guarantee)	28.03	4.50	0.74
Other deposits	309.72	-	-
<b>Total</b>	<b>356.74</b>	<b>27.83</b>	<b>16.01</b>

\* Margin money deposits amounted to INR 18.99 Lakhs (March 31, 2017: INR 23.33 Lakhs, April 1, 2016: 15.27 Lakhs) are lien marked against secure non-fund based inland letter of credit and Margin money deposit amounted to INR 28.03 Lakhs (March 31, 2017 INR 4.50 Lakhs, April 1, 2016: INR 0.74 Lakhs) are lien marked against secure Bank Guarantee.

<b>10. OTHER ASSETS</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Non Current</b>			
Capital Advances	-	6.68	-
<b>Advances other than Capital advances</b>			
- Security Deposits	2.60	2.60	2.60
- Advances to creditors	14.83	9.84	7.69
<b>Others</b>			
Prepaid expenses	10.93	0.30	2.05
Payment of taxes (net of provisions)	144.40	188.56	171.46
<b>Total</b>	<b>172.77</b>	<b>207.98</b>	<b>183.80</b>
<b>Current</b>			
Prepaid expenses	2.41	9.88	11.90
Balances with Statutory, Government Authorities	4.70	19.96	23.69
<b>Total</b>	<b>7.11</b>	<b>29.84</b>	<b>35.58</b>

<b>11. INCOME TAX</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Deferred Tax</b>			
<b>Deferred tax relates to the following:</b>			
Temporary difference in the carrying amount of property, plant and equipment	(107.99)	(109.10)	(111.06)
Temporary difference in the carrying amount of financial instruments at amortised cost	-	(5.07)	-
Provision for employee benefits	25.20	24.84	19.94
Loss allowances on financial assets	82.79	84.26	91.12
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>-</b>	<b>(5.07)</b>	<b>-</b>

**Movement in deferred tax liabilities/assets**

Particulars	March 31, 2018	March 31, 2017
<b>Opening balance as of April 1</b>	(5.07)	-
Tax income/(expense) during the period recognised in profit or loss	5.89	(5.30)
Tax income/(expense) during the period recognised in OCI	(0.82)	0.23
<b>Closing balance as at March 31</b>	-	<b>(5.07)</b>

	March 31, 2018	March 31, 2017	April 1, 2016
<b>Unrecognised deferred tax assets</b>			
Unrecognised tax losses	82.79	84.26	91.12

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax losses carried forward by the Company

**Major Components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are as follows:**

**i. Income tax recognised in profit or loss****(Amount in INR Lakhs)**

	2017-18	2016-17
Current income tax charge	102.99	45.44
Adjustment in respect of current income tax of previous year	-	-
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(5.89)	5.30
<b>Income tax expense recognised in profit or loss</b>	<b>97.10</b>	<b>50.74</b>

**ii. Income tax recognised in OCI**

	March 31, 2018	March 31, 2017
Net loss/(gain) on remeasurements of defined benefit plans	(0.82)	0.23
<b>Income tax expense recognised in OCI</b>	<b>(0.82)</b>	<b>0.23</b>

**Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2018 and March 31, 2017**

	March 31, 2018	March 31, 2017
<b>Accounting profit before income tax</b>	<b>483.81</b>	<b>488.49</b>
Enacted tax rate in India	20.39%	30.90%
<b>Income tax on accounting profits</b>	<b>98.64</b>	<b>150.94</b>
<b>Tax Effect of</b>		
Depreciation	(2.17)	<b>(0.70)</b>
Expenses not allowable or considered separately under Income Tax	(2.37)	<b>33.77</b>
Expenses allowable under income tax		<b>(4.45)</b>
Deductions		<b>(1.63)</b>
MAT provisions	102.99	45.44
Carried forward losses adjusted	(103.97)	(152.88)
Other Adjustments	3.99	(19.76)
<b>Tax at effective income tax rate</b>	<b>97.10</b>	<b>50.74</b>

**Changes in tax rate**

The increase in education cess from 3% to 4% was substantively enacted on February 1, 2018 and will be effective from April 1, 2018. As a result, the relevant deferred tax balance have been remeasured. The impact of the change in tax rate has been recognised in tax expense in profit or loss.

<b>12. SHARE CAPITAL</b>				
<b>i. Authorised Share Capital</b>				
<b>(Amount in INR Lakhs)</b>				
<b>Particulars</b>	<b>Equity Shares of INR 5 each</b>		<b>Preference Shares of INR 100 each</b>	
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
<b>At April 1, 2016</b>	2,72,00,000	1,360.00	30,000	30.00
Increase/(decrease) during the year	-	-	-	-
<b>At March 31, 2017</b>	2,72,00,000	1,360.00	30,000	30.00
Increase/(decrease) during the year	-	-	-	-
<b>At March 31, 2018</b>	<b>2,72,00,000</b>	<b>1,360.00</b>	<b>30,000</b>	<b>30.00</b>

<b>Particulars</b>	<b>Unclassified Shares of INR 5 each</b>	
	<b>Number</b>	<b>Amount</b>
<b>At April 1, 2016</b>	2,22,00,000	1,110.00
Increase/(decrease) during the year	-	-
<b>At March 31, 2017</b>	2,22,00,000	1,110.00
Increase/(decrease) during the year	-	-
<b>At March 31, 2018</b>	<b>2,22,00,000</b>	<b>1,110.00</b>

**Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of INR 5 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.

<b>ii. Issued, Subscribed and Paid up Capital</b>		
<b>(Amount in INR Lakhs)</b>		
<b>Particulars</b>	<b>Number</b>	<b>Amount</b>
<b>Equity shares of INR 5 each issued</b>		
<b>At April 1, 2016</b>	1,45,28,702	726.44
Issued during the period	-	-
<b>At March 31, 2017</b>	1,45,28,702	726.44
Issued during the period	-	-
<b>At March 31, 2018</b>	<b>1,45,28,702</b>	<b>726.44</b>

Particulars	Number	Amount
<b>Equity shares of INR 5 each subscribed and paid up</b>		
<b>At April 1, 2016</b>	1,45,28,702	726.44
Less: Calls unpaid (other than directors)	-	(0.04)
	<b>1,45,28,702</b>	<b>726.40</b>
<b>At March 31, 2017</b>	1,45,28,702	726.44
Less: Calls unpaid (other than directors)	-	(0.04)
	<b>1,45,28,702</b>	<b>726.40</b>
<b>At March 31, 2017</b>	1,45,28,702	726.44
Less: Calls unpaid (other than directors)	-	(0.04)
	<b>1,45,28,702</b>	<b>726.40</b>

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

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number	% holding	Number	% holding
<b>Equity shares of INR 5 each fully paid</b>				
Yuhan Corporation	38,50,000	26.50%	38,50,000	26.50%
Pharmaceutical Business Group India Limited	35,82,000	24.65%	35,82,000	24.65%
Themis Medicare Limited	33,69,605	23.19%	33,69,605	23.19%

Name of the shareholder	As at April 1, 2016	
	Number	% holding
<b>Equity shares of INR 5 each fully paid</b>		
Yuhan Corporation	38,50,000	26.50%
Pharmaceutical Business Group India Limited	35,82,000	24.65%
Themis Medicare Limited	33,69,605	23.19%

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

v. Shares reserved for issue under options

None of the above shares are reserved for the issue under option/contract/commitments for sale of shares or disinvestment.

<b>13. OTHER EQUITY</b>			
<b>Reserves and Surplus</b>			
<b>(Amount in INR Lakhs)</b>			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Capital Reserve	15.69	15.69	15.69
Securities Premium Reserve	216.44	216.44	216.44
Retained Earnings	252.41	(137.52)	(574.12)
<b>Total</b>	<b>484.53</b>	<b>94.60</b>	<b>(342.00)</b>

<b>(a) Capital Reserve</b>		
<b>(Amount in INR Lakhs)</b>		
	March 31, 2018	March 31, 2017
Opening balance	15.69	15.69
Add/(Less): changes during the year	-	-
<b>Closing balance</b>	<b>15.69</b>	<b>15.69</b>



Capital reserves represents cash subsidy received from the Government of Gujarat.

**(b) Securities Premium Reserve**
**(Amount in INR Lakhs)**

	March 31, 2018	March 31, 2017
Opening balance	216.44	216.44
Add/(Less): changes during the year	-	-
<b>Closing balance</b>	<b>216.44</b>	<b>216.44</b>

The amount received in excess of face value of the equity shares is recognised in Share Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

**(c) Retained Earnings**
**(Amount in INR Lakhs)**

	March 31, 2018	March 31, 2017
Opening balance	(137.52)	(574.12)
Net Profit for the year	386.72	437.75
Add/(Less):		
Prior period items adjusted	-	(0.64)
<i>Items of Other Comprehensive Income directly recognised in Retained Earnings</i>		
Remeasurement of post employment benefit obligation, net of tax	3.21	(0.51)
<b>Closing balance</b>	<b>252.41</b>	<b>(137.52)</b>

**14. BORROWINGS**
**(Amount in INR Lakhs)**

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Non Current Borrowings</b>			
<b>Secured</b>			
(a) Term Loans From Banks			
Indian rupee loan (Refer Note 1)	38.05	111.25	178.35
<b>Unsecured</b>			
(b) Term Loans From Others			
Loan from Themis Medicare Limited (Refer Note 2)	-	-	144.01
Loan from Lupin Limited (Refer Note 3)	20.64	173.50	-
(A)	<b>58.69</b>	<b>284.75</b>	<b>322.36</b>
<b>Current Maturity of Non Current Borrowings</b>			
<b>Secured</b>			
(a) Term Loans From Banks			
Indian rupee loan (Refer Note 1)	38.05	79.30	73.20
<b>Unsecured</b>			
(b) Term Loans From Others			
Loan from Themis Medicare Limited (Refer Note 2)	-	-	144.01
Loan from Lupin Limited (Refer Note 3)	20.64	133.60	-
(B)	<b>58.69</b>	<b>212.90</b>	<b>217.21</b>
<b>Total (A-B)</b>	<b>-</b>	<b>71.85</b>	<b>105.15</b>

(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Current Borrowings</b>			
<b>Secured</b>			
Loans repayable on demand from Banks			
- Cash Credit	-	114.15	9.90
- Bank overdraft	-	-	48.41
<b>Total</b>	<b>-</b>	<b>114.15</b>	<b>58.31</b>

**NON CURRENT BORROWING****(A) TERM LOANS FROM BANKS**

**Note 1:** Indian Rupee Loan from banks (secured) carries interest at base rate i.e. ranging from 9.60% p.a. to 9.65% p.a. (March 31, 2017: ranging from 9.65% p.a. to 10.25% p.a.) Interest is payable at the end of each month. The original amount of loan was to be repaid in 84 monthly instalments starting from October, 2007. The first 78 Instalments were to be of INR 13.33 Lakhs each and balance 6 instalments were to be of INR 19.29 Lakhs. Pursuant to Scheme of Rehabilitation as approved by the Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provision) Act, 1985 on January 12, 2012, the outstanding amount of loan of INR 512 Lakhs is to be repaid in 84 equal monthly instalments beginning from November 1, 2011 i.e. INR 6.10 Lakhs per month. The said loan is secured by equitable mortgage of factory premises at GIDC, Vapi and first charge on entire Plant and Machinery excluding those financed by other Financial Institution and also collateral security of Factory Premises at GIDC, Vapi, Valsad, Gujarat and Plant and Machinery. Further, personal guarantee of one of the Director and the Corporate Guarantee by Pharmaceutical Business Group (India) Limited is given to the Company's Banker.

**(B) TERM LOANS FROM OTHERS**

**Note 2:** Pursuant to Scheme of Rehabilitation as approved by the Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provision) Act, 1985 on January 12, 2012, Themis Medicare Limited (TML) - Promoters/ Co-promoters has brought funds to meet the cost of the scheme in the form of non-interest bearing unsecured loan to the extent of INR 350 Lakhs irrespective of the provisions of Companies Act or any other guidelines. The Company has filed Miscellaneous Application before Hon'ble BIFR on February 5, 2016 for deregistration of the Company from BIFR under SICA as the Company's Net worth has turned positive during the financial year 2015-16. The Company is hopeful that its application will be approved and the company shall be deregistered from BIFR. In view of sufficient cash profit generated by the Company, the Company has made request to BIFR that new promoter Themis Medicare Limited may be allowed to withdraw their non-interest bearing unsecured loan of INR 350 Lakhs. However, pending approval from BIFR, the Company has made entire repayment of INR 350 Lakhs (INR 205.99 Lakhs till March 31, 2016) against the said loan on demand by Themis Medicare Limited.

**Note 3:** Lupin Limited has advanced a returnable, non-interest bearing loan of INR 190.64 Lakhs for utilization exclusively towards the purchase of the equipment by the Company. As per agreement Company shall complete all the documents and procedures necessary to hypothecate the equipment as and by way of first charge in favour of Lupin Limited. However, first charge in favour of Lupin Limited in respect of the said loan is pending and accordingly company has considered the same as unsecured borrowings. The loan shall be repaid by the Company for the month of July 2016 and August 2016:- an amount of loan disbursed till date of repayment\*10%/12 (i.e. INR 1.14 Lakhs for each month), and from September 2016 onwards on monthly basis until the loan is repaid in full:- an amount of loan disbursed till date of repayment\*10%/12+1500\*415 (i.e. INR 7.81 Lakhs for each month).

**CURRENT BORROWINGS**
**CASH CREDIT FROM BANK**

Cash Credit from Bank (Secured) are repayable on demand and carries interest at (base rate + 1% ) i.e. ranging 10.65% p.a. to 11.25% p.a. (March 2017: ranging 10.65% p.a. to 11.25% p.a.) which is payable at the end of each month and are secured by hypothecation of book debts / receivables upto 120 days and collateral security of Factory Premises at GIDC, Vapi, Valsad, Gujarat and Plant & Machinery. Further, personal guarantee of one of the Director and the Corporate Guarantee by Pharmaceutical Business Group (India) Limited is given to the Company's Banker.

**Net Debt Reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(Amount in INR Lakhs)

Particulars	March 31, 2018	March 31, 2017
Current Borrowings	-	114.15
Non-current Borrowings	58.69	284.75
Interest accrued	0.17	0.75
<b>Net Debt</b>	<b>58.86</b>	<b>399.64</b>

(Amount in INR Lakhs)

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings	
<b>Net Debt as at March 31, 2017</b>	285.50	114.89	400.39
Cash Inflow	-	-	-
Cash Outflow	(243.20)	-	(243.20)
Net change in current borrowings		(114.89)	(114.89)
Interest Expense	22.18	16.58	38.76
Interest Paid	(5.63)	(16.58)	(22.21)
<b>Net Debt as at March 31, 2018</b>	<b>58.86</b>	<b>-</b>	<b>58.86</b>

**15. OTHER FINANCIAL LIABILITIES**

(Amount in INR Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Current</b>			
<b>Financial Liabilities at amortised cost</b>			
Current maturities of long term debts	58.69	212.90	217.21
Interest accrued but not due on borrowings	0.17	0.75	0.66
Sundry creditors for capital asset	5.03	3.76	3.93
Liability for expenses	99.19	100.56	84.85
<b>Total</b>	<b>163.08</b>	<b>317.96</b>	<b>306.65</b>

<b>16. TRADE PAYABLES</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Current</b>			
Trade Payables to Micro, Small and Medium Enterprises	-	-	-
Trade Payables to Others	558.11	713.88	550.62
<b>Total</b>	<b>558.11</b>	<b>713.88</b>	<b>550.62</b>

<b>17. OTHER LIABILITIES</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Current</b>			
Advance received from Customers	0.90	0.77	0.77
Statutory Liabilities*	63.79	37.41	7.59
<b>Total</b>	<b>64.69</b>	<b>38.18</b>	<b>8.36</b>

\* Includes GST, Excise duty, Service tax and TDS

<b>18. PROVISIONS</b>			
(Amount in INR Lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>Non Current</b>			
Provision for employee benefits (Refer Note 29)			
Gratuity	33.04	35.07	31.78
Leave encashment	13.36	20.17	14.90
<b>Total</b>	<b>46.40</b>	<b>55.24</b>	<b>46.68</b>
<b>Current</b>			
Provision for employee benefits (Refer Note 29)			
Gratuity	4.32	4.71	6.03
Leave encashment	1.64	1.03	1.67
<b>Total</b>	<b>5.96</b>	<b>5.74</b>	<b>7.70</b>

<b>19. REVENUE FROM OPERATIONS</b>		
(Amount in INR Lakhs)		
Particulars	2017-18	2016-17
<b>Sale of products</b>		
Finished Products	196.49	126.77
<b>Operating Revenues</b>		
Conversion / Job Work Charges Received	3,680.85	3,442.39
<b>Other Operating Revenues</b>		
Scrap sales	2.64	-
<b>Total</b>	<b>3,879.99</b>	<b>3,569.16</b>

<b>20. OTHER INCOME</b>		
(Amount in INR Lakhs)		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Interest income		
- On Deposits including margin money	12.47	3.96
- On investment	0.07	0.06
Liabilities/provisions no longer required written back	-	5.10
Excess provision written back	0.46	1.99
Foreign exchange fluctuation gain	-	1.06
Scrap sale	1.20	1.73
Net gain on disposal of property, plant and equipment	-	0.17
Notice pay recovery	2.31	2.50
Insurance claim	-	0.28
Gain on fair valuation of financial instruments	-	19.61
<b>Total</b>	<b>16.51</b>	<b>36.47</b>

<b>21. COST OF MATERIALS CONSUMED</b>		
(Amount in INR Lakhs)		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
<b>Raw Material</b>		
Laboratory consumables and chemicals	31.28	28.14
Freight on raw materials	6.36	4.92
Packing material consumed	0.33	0.32
<b>Total</b>	<b>37.97</b>	<b>33.38</b>

<b>22. PURCHASES OF STOCK-IN-TRADE</b>		
(Amount in INR Lakhs)		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Lova Boronate	177.37	115.38
<b>Total</b>	<b>177.37</b>	<b>115.38</b>

<b>23. EMPLOYEE BENEFITS EXPENSE</b>		
(Amount in INR Lakhs)		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Salaries, wages and bonus	406.13	399.82
Contribution to provident and other funds	18.60	18.63
Gratuity Expense	3.39	3.61
Staff welfare expenses	17.73	19.68
<b>Total</b>	<b>445.84</b>	<b>441.74</b>

<b>24. FINANCE COST</b>		
(Amount in INR Lakhs)		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Interest Expenses		
- Interest paid on Term loans	5.04	12.22
- Interest paid on Other borrowings	6.82	12.93
- Unwinding of finance cost on interest free loan	17.14	2.47
- Interest cost on gratuity	3.00	3.05
Bank and other finance Charges	5.18	4.51
Other Borrowings costs	4.58	5.66
<b>Total</b>	<b>41.77</b>	<b>40.84</b>

<b>25. DEPRECIATION AND AMORTISATION EXPENSE</b>		
(Amount in INR Lakhs)		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Depreciation on tangible assets	114.86	111.96
<b>Total</b>	<b>114.86</b>	<b>111.96</b>

<b>26. OTHER EXPENSES</b>		
(Amount in INR Lakhs)		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Consumption of stores and spares	256.88	258.06
Power charges	1,485.85	1,315.42
Fuel charges	382.12	431.25
Water charges	64.81	52.81
Insurance	10.84	11.15
Rates and taxes	8.51	11.57
Donation	11.00	1.00
Legal and professional fees	20.97	13.66
Repairs and maintenance		
Building	8.25	4.27
Plant and Machinery	69.24	40.75
Others	0.33	2.26
Disposal Charges for removal of waste material	112.72	96.26
Central Effluent Treatment Charges	40.21	35.08
Drainage Cess Charges	6.78	6.05
Vehicle Expenses	2.85	2.68
Payments to auditors ( <i>Refer note below</i> )	4.40	4.30
Security Charges	19.39	20.71
Testing and Analytical Charges	4.25	1.44
Printing and Stationary Expenses	3.39	4.18
Penalty	0.01	0.20
Travelling and conveyance expenses	2.18	0.77
Hire Charges	5.77	4.92
Postage and Telegram Charges	0.84	1.93
Telephone and Telex Charges	1.67	1.36
Net loss on sale of investments	0.28	-
Sundry balances written off	9.94	-
VAT/CST Credit Written off	-	10.45
Research and Development Expense	2.80	-
Settlement of Disposal charges	15.60	-
Miscellaneous expenses	43.03	41.31
<b>Total</b>	<b>2,594.88</b>	<b>2,373.84</b>

<b>Details of Payments to auditors</b>		
	(Amount in INR Lakhs)	
	2017-18	2016-17
<b>As auditor</b>		
Audit Fee	2.50	2.50
<b>In other capacity</b>		
Tax Audit Fee	0.75	0.75
Limited Review	1.05	1.05
Others	0.10	-
<b>Total</b>	<b>4.40</b>	<b>4.30</b>

## 27. RESEARCH AND DEVELOPMENT COSTS

The Company during the period has incurred cost on research and development activities which are not eligible for capitalisation in terms of Ind AS 38 and therefore they are recognised in other expenses under statement of profit and loss. Amount charged to profit or loss during the period ended March 31, 2018 is INR 2.80 Lakhs (March 31, 2017: NIL) details of which are as follows:

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
<b>To outside agencies</b>		
- Quantumzyme Lip	2.00	-
- Kailash Cancer Hospital - Baroda	0.80	-
<b>Total Research and Development Expenditure</b>	<b>2.80</b>	<b>-</b>

## 28. EARNINGS PER SHARE

<b>28. EARNINGS PER SHARE</b>		
	(Amount in INR Lakhs)	
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
<b>(a) Basic and Diluted earnings per share (INR)</b>	<b>2.66</b>	<b>3.01</b>
<b>(b) Reconciliations of earnings used in calculating earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	386.72	437.75
Adjustments for calculation of diluted earnings per share:	-	-
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	<b>386.72</b>	<b>437.75</b>
<b>(c) Weighted average number of shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,45,28,702	1,45,28,702
Adjustments for calculation of diluted earnings per share:	-	-
<b>Weighted average number of equity shares used as the denominator in calculating diluted earnings per share</b>	<b>1,45,28,702</b>	<b>1,45,28,702</b>

29. EMPLOYEE BENEFIT OBLIGATIONS						
(Amount in INR Lakhs)						
	March 31, 2018			March 31, 2017		
	Current	Non Current	Total	Current	Non Current	Total
<b>Provisions</b>						
Leave Encashment	1.64	13.36	<b>15.00</b>	1.03	20.17	<b>21.20</b>
Gratuity	4.32	33.04	<b>37.36</b>	4.71	35.07	<b>39.78</b>
<b>Employee Benefit Obligations</b>	<b>5.96</b>	<b>46.40</b>	<b>52.36</b>	<b>5.74</b>	<b>55.24</b>	<b>60.98</b>

**(i) Other Long term employee benefits - Leave Obligations**

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 1.64 Lakhs (March 31, 2017: INR 1.03 Lakhs ) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

**(ii) Post Employment obligations****a) Defined benefit plan - Gratuity**

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is an **unfunded plan**.

**The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows**

(Amount in INR Lakhs)	
	Present value of obligation
<b>As at April 1, 2016</b>	37.81
Current service cost	3.05
Interest expense/(income)	3.61
<b>Total amount recognised in profit or loss</b>	<b>6.66</b>
<i>Remeasurements</i>	
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	2.51
Actuarial (Gain)/Loss on arising from Experience Adjustment	(1.77)
<b>Total amount recognised in other comprehensive income</b>	<b>7.40</b>
Employer contributions	-
Benefit payments	(5.43)
<b>As at March 31, 2017</b>	<b>39.78</b>
Current service cost	3.39
Interest expense/(income)	3.00
<b>Total amount recognised in profit or loss</b>	<b>6.39</b>
<i>Remeasurements</i>	
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	1.56
Actuarial (Gain)/Loss on arising from Experience Adjustment	(5.59)
<b>Total amount recognised in other comprehensive income</b>	<b>2.36</b>
Employer contributions	-
Benefit payments	(4.78)
<b>As at March 31, 2018</b>	<b>37.36</b>



The significant actuarial assumptions were as follows:

	March 31, 2017	April 1, 2016
Discount rate	7.55%	7.25%
Salary growth rate	5.00%	5.00%
Retirement Age	58 years	58 years

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 and March 31, 2018 is shown below:

(Amount in INR Lakhs)

Assumptions	Discount rate		Employee turnover rate	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
<b>Sensitivity Level</b>				
<b>March 31, 2018</b>				
Impact on defined benefit obligation	(0.14)	0.14	0.09	(0.09)
% Impact	-0.38%	0.38%	0.25%	-0.25%
<b>March 31, 2017</b>				
Impact on defined benefit obligation	(0.79)	0.50	0.55	(0.74)
% Impact	-1.98%	1.26%	1.38%	-1.86%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The projected service cost for next year is INR 6.84 Lakhs.

The following payments are expected to the defined benefit plan in future years:

(Amount in INR Lakhs)

	March 31, 2018	March 31, 2017
1st following year	7.08	4.88
2nd following year	5.83	1.09
3rd following year	14.67	4.95
4th following year	7.50	1.40
5th following year	9.97	16.28
<b>Total expected payments</b>	<b>45.05</b>	<b>28.60</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 16.2 years.

**b) Defined contribution plans - Provident fund**

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 11.86 Lakhs (March 31, 2017: INR 11.51 Lakhs).

**30. COMMITMENTS AND CONTINGENCIES**

<b>A. Commitments</b>			
(Amount in INR Lakhs)			
<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>April 1, 2016</b>
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	-	16.57	-
<b>Total</b>	<b>-</b>	<b>16.57</b>	<b>-</b>

<b>B. Contingent Liabilities</b>			
(Amount in INR Lakhs)			
<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>April 1, 2016</b>
<b>i. Claim against the company not acknowledged as debt</b>			
Civil cases liabilities	51.93	54.13	54.13
<b>ii. Guarantees excluding financial guarantees</b>			
Bank Guarantee given by UBI to DGVCL	155.00	155.00	155.00
<b>ii. Other money for which the company is contingently liable</b>			
(i) Income tax under dispute	-	133.02	124.64
(ii) TDS default payment	-	4.11	-
(iii) Fringe benefit tax under dispute	2.02	2.02	2.02
(iv) Disputed Labour Dues	84.05	536.66	559.99
	<b>208.95</b>	<b>348.28</b>	<b>335.78</b>

The Company's pending litigations comprise of claim against the Company and proceedings pending with Statutory and Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, whenever required and disclosed the contingent liabilities, whenever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

**31. RELATED PARTY TRANSACTIONS****(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures**

<b>Name of Related Party</b>	<b>Country of Incorporation</b>
<b>Entities having significant influence over the Company</b>	
Pharmaceutical Business Group (India) Limited (PBG)	India
Themis Medicare Limited	India
Themis Distributors Private Limited	India
Vividh Distributors Private Limited	India
Vividhmargi Investment Private Limited	India
<b>Venturer in Joint Venture</b>	
Yuhan Corporation	South Korea

**Key Management Personnel**

Rajneesh Anand (Technical and Management Consultant)  
 Tapas Guha (Chief Executive Officer) upto 12<sup>th</sup> December 2017  
 Jagdish G. Kaujalgi (Chief Executive Officer) w.e.f. 9<sup>th</sup> May 2018  
 Bharat A. Desai (Chief Finance Officer)  
 Vikas P. Tarekar (Company Secretary) upto 12<sup>th</sup> June 2017  
 Abhishek D. Buddhadev (Company Secretary) w.e.f. 8<sup>th</sup> August 2017

**(ii) Transactions with related parties**

(Amount in INR Lakhs)

Name	Nature of Transaction	2017-18	2016-17
Themis Medicare Limited	Purchase of Raw Material for Lova Boronate	208.75	134.78
	Sales of Lova Boronate	230.21	145.47
	Sales of Compressor	-	9.52
	Purchase of Membrane Filter Press	10.62	-
	Expenses Incurred on behalf of Investing Party	-	0.44
	Advance received from customer refunded	-	224.01
	Repayment of Unsecured Loans	-	144.01
Vividh Distributors Private Limited	Deposit Received	1.00	-
	Deposit Repayment	1.00	-
Rajneesh Anand	Remuneration (including reimbursement)	29.40	22.78
Tapas Guha	Remuneration (including reimbursement)	5.62	9.88
Bharat A Desai	Remuneration (including reimbursement)	6.52	6.20
Vikas P Tarekar	Remuneration (including reimbursement)	1.52	5.72
Abhishek D. Buddhadev	Remuneration (including reimbursement)	2.85	-

**(iii) Outstanding trade related balances**

Name	March 31, 2018	March 31, 2017	April 1, 2016
<b>Trade Receivables</b>			
Themis Medicare Limited (Artemis Biotech)	102.45	145.91	-
<b>Trade Payables</b>			
Themis Medicare Limited	80.78	134.78	-

**(iv) Outstanding balances****(Amount in INR Lakhs)**

Name	March 31, 2018	March 31, 2017	April 1, 2016
<b>Other receivables</b>			
Pharmaceutical Business Group (India) Limited	0.19	0.19	0.19
<b>Remuneration Payable</b>			
Rajneesh Anand	1.63	1.31	1.84
Tapas Guha	-	0.62	0.50
Bharat A. Desai	0.49	0.46	0.42
Vikas P. Tarekar	-	0.44	0.41
Abhishek Buddhadev	0.35	-	-

**(v) Key management personnel compensation****(Amount in INR Lakhs)**

	March 31, 2018	March 31, 2017
Short term employee benefits	45.61	44.59
Post-employment benefits*	-	-
Long term employee benefits*	-	-
Directors sitting fees	3.60	2.39
	<b>49.21</b>	<b>46.98</b>

\* The amounts of Long term employee benefits and post-employment benefits cannot be separately identified from the composite amount advised by the actuary/valuer.

**(vi) Terms and conditions of transactions with related parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. The Company has not issued any financial guarantees to the lenders on behalf of its related parties. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2017: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

**32. SEGMENT REPORTING**

The company primarily operates in one business segment only i.e. Manufacturing of bulk drugs for its own and for job work basis for others, which is the only reportable segment. There is no other segment which requires reporting as per Ind AS 108 "Operating Segments".

**33. FAIR VALUE MEASUREMENTS****i. Financial Instruments by Category****(Amount in INR Lakhs)**

Particulars	Carrying Amount			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
<b>FINANCIAL ASSETS</b>						
<b>Amortised cost</b>						
Investments in Government Securities	0.50	0.50	0.50	0.50	0.50	0.50
Trade Receivables	272.15	698.70	216.48	272.15	698.70	216.48
Cash and Cash Equivalents	89.13	12.69	2.95	89.13	12.69	2.95
Other Bank Balances	356.74	27.83	16.01	356.74	27.83	16.01
Other Financial Assets	27.87	30.77	29.46	27.87	30.77	29.46
<b>Total</b>	<b>746.38</b>	<b>770.49</b>	<b>265.41</b>	<b>746.38</b>	<b>770.49</b>	<b>265.41</b>

<b>FINANCIAL LIABILITIES</b>						
<b>Amortised cost</b>						
Borrowings	58.69	398.90	380.68	58.69	398.90	380.68
Trade Payables	558.11	713.88	550.62	558.11	713.88	550.62
Other financial liabilities	104.39	105.07	89.43	104.39	105.07	89.43
<b>Total</b>	<b>721.19</b>	<b>1,217.84</b>	<b>1,020.72</b>	<b>721.19</b>	<b>1,217.84</b>	<b>1,020.72</b>

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values of current and non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

#### **Fair value measurement**

**Level 1** -Hierarchy includes financial instruments measured using quoted prices.

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3** - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

#### **ii. Valuation technique used to determine fair value**

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

#### **iii. Valuation processes**

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

### **34. FINANCIAL RISK MANAGEMENT**

The Company's activity exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

#### **(A) Credit risk**

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

#### **i. Credit risk management**

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with

the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

## ii. Provision for expected credit losses

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

## iii. Reconciliation of loss allowance provision - Trade receivables

(Amount in INR Lakhs)

Particulars	
<b>Loss allowance on April 1, 2016</b>	542.80
Changes in loss allowance	-
<b>Loss allowance on March 31, 2017</b>	<b>542.80</b>
Changes in loss allowance	-
<b>Loss allowance on March 31, 2018</b>	<b>542.80</b>

## (B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations. Also, the Company has unutilized credit limits with banks.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

## Maturities of financial liabilities

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings includes principal cash flows only.

(Amount in INR Lakhs)

Particulars	Contractual maturities of financial liabilities Carrying Amount	Contractual cash flows			
		Total	Less than 12 months	1 year to 5 years	More than 5 years
<b>March 31, 2018</b>					
Borrowings	58.69	58.68	58.68	-	-
Trade payables	558.11	558.11	558.11	-	-
Other financial liabilities	104.39	104.39	104.39	-	-
<b>Total financial liabilities</b>	<b>721.19</b>	<b>721.18</b>	<b>721.18</b>	-	-

(Amount in INR Lakhs)

Contractual maturities of financial liabilities		Contractual cash flows			
Particulars	Carrying Amount	Total	Less than 12 months	1 year to 5 years	More than 5 years
<b>March 31, 2017</b>					
Borrowings	398.90	398.90	327.04	71.85	-
Trade payables	713.88	713.88	713.88	-	-
Other financial liabilities	105.07	105.07	105.07	-	-
<b>Total financial liabilities</b>	<b>1,217.84</b>	<b>1,217.84</b>	<b>1,145.99</b>	<b>71.85</b>	<b>-</b>
<b>April 1, 2016</b>					
Borrowings	380.68	380.68	275.53	105.15	-
Trade payables	550.62	550.62	550.62	-	-
Other financial liabilities	89.43	89.43	89.43	-	-
<b>Total financial liabilities</b>	<b>1,020.72</b>	<b>1,020.72</b>	<b>915.57</b>	<b>105.15</b>	<b>-</b>

**(C) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity risk.

**(i) Foreign currency risk**

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the external commercial borrowings and export receivables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

**(ii) Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

However, during the years presented in these financial statements, the Company had primarily borrowed funds under fixed interest rate arrangements with banks and financial institutions and therefore the Company is not exposed to interest rate risk.

**(iii) Commodity Price risk**

The Company is not exposed to other price risk during the years presented in these financial statements.

**35. CAPITAL MANAGEMENT**

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in INR Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Borrowings	58.69	398.90	380.68
Trade payables	558.11	713.88	550.62
Other Financial Liabilities	104.39	105.07	89.43
Less: Cash and cash equivalents	(89.13)	(12.69)	(2.95)
Less: Other Bank Balance	(356.74)	(27.83)	(16.01)
<b>Net Debt</b>	<b>275.33</b>	<b>1,177.32</b>	<b>1,001.77</b>
Equity Share capital	726.40	726.40	726.40
Other Equity	484.53	94.60	(342.00)
<b>Total Capital</b>	<b>1,210.92</b>	<b>821.00</b>	<b>384.40</b>
<b>Capital and net debt</b>	<b>1,486.24</b>	<b>1,998.32</b>	<b>1,386.17</b>
<b>Gearing ratio</b>	<b>18.53</b>	<b>58.92</b>	<b>72.27</b>

**36. ASSETS GIVEN AS COLLATERAL SECURITY AGAINST BORROWINGS**

The carrying amount of assets given as collateral security for current and non current borrowings are:

(Amount in INR Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	1,059.34	1,062.83	937.00
<b>Total non current assets</b>	<b>1,059.34</b>	<b>1,062.83</b>	<b>937.00</b>

**37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)**

(Amount in INR Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Principal amount due to suppliers under MSMED Act, 2006*	-	-	-
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-	-
Payment made to suppliers ( other than interest ) beyond the appointed day, during the year	-	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16 )	-	-	-
Interest paid to suppliers under MSMED Act, (Section 16 )	-	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-	-



### **38. STANDARDS ISSUED BUT NOT YET EFFECTIVE**

#### **Appendix B to Ind AS 21- Foreign currency transactions and advance consideration**

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

#### **Ind AS 115 - Revenue from Contracts with Customers**

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

### **39. FIRST TIME ADOPTION OF IND AS**

These are the company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

#### **A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

##### **i. Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets covered by Ind AS 38 - Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

##### **ii. Estimates**

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from

Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation:

The estimates used by the company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS and as of March 31, 2017.

### 39. FIRST TIME ADOPTION OF IND AS

#### B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

##### i. Reconciliation of equity as at date of transition (April 1, 2016)

(Amount in INR Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipment		937.00	-	937.00
(b) Capital Work-in-Progress		4.08	-	4.08
(c) Financial Assets				
(i) Investments		0.50	-	0.50
(ii) Other Financial Assets		29.46	-	29.46
(d) Other Non-Current Assets		183.80	-	183.80
		<b>1,154.85</b>	-	<b>1,154.85</b>
<b>Current assets</b>				
(a) Inventories		41.63	-	41.63
(b) Financial Assets				
(i) Trade Receivables		216.48	-	216.48
(ii) Cash and Cash Equivalents		2.95	-	2.95
(iii) Bank Balances Other than (ii) above		16.01	-	16.01
(iv) Loans		0.35	-	0.35
(c) Other Current Assets		35.58	-	35.58
		<b>313.01</b>	-	<b>313.01</b>
<b>TOTAL</b>		<b>1,467.86</b>	-	<b>1,467.86</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		726.40	-	726.40
(b) Other Equity		(342.00)	-	(342.00)
		<b>384.40</b>	-	<b>384.40</b>
<b>Liabilities</b>				
<b>Non Current Liabilities</b>				
(a) Financial Liabilities				
Borrowings		105.15	-	105.15
(b) Provisions		46.68	-	46.68
		<b>151.83</b>	-	<b>151.83</b>

<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		58.31	-	58.31
(ii) Trade Payables				
Micro, Small and Medium Enterprises				-
Others		550.62	-	550.62
(iii) Other Financial Liabilities		306.65	-	306.65
(b) Other Current Liabilities		8.36	-	8.36
(c) Provisions		7.70	-	7.70
		<b>931.64</b>	-	<b>931.64</b>
<b>TOTAL</b>		<b>1,467.86</b>	-	<b>1,467.86</b>

**ii. Reconciliation of equity as at March 31, 2017**
**(Amount in INR Lakhs)**

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipment		1,062.83	-	1,062.83
(b) Capital Work-in-Progress		20.29	-	20.29
(c) Financial Assets				
(i) Investments		0.50	-	0.50
(ii) Other Financial Assets		26.60	-	26.60
(d) Other Non-Current Assets		207.98	-	207.98
		<b>1,318.20</b>	-	<b>1,318.20</b>
<b>Current assets</b>				
(a) Inventories		50.92	-	50.92
(b) Financial Assets				
(i) Trade Receivables		698.70	-	698.70
(ii) Cash and Cash Equivalents		12.69	-	12.69
(iii) Bank Balances Other than (ii) above		27.83	-	27.83
(iv) Loans		0.72	-	0.72
(v) Other Financial Assets		4.17	-	4.17
(c) Other Current Assets		29.84	-	29.84
		<b>824.87</b>	-	<b>824.87</b>
<b>TOTAL</b>		<b>2,143.06</b>	-	<b>2,143.06</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		726.40	-	726.40
(b) Other Equity	4	82.53	12.07	94.60
		<b>808.93</b>	<b>12.07</b>	<b>821.00</b>

<b>Liabilities</b>				
<b>Non Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		71.85	-	71.85
(b) Provisions		55.24	-	55.24
(c) Deferred Tax liabilities (Net)	2	-	5.07	5.07
		<b>127.09</b>	<b>5.07</b>	<b>132.16</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		114.15	-	114.15
(ii) Trade Payables				
Micro, Small and Medium Enterprises				-
Others		713.88	-	713.88
(iii) Other Financial Liabilities		317.96	-	317.96
(b) Other Current Liabilities	1	55.32	(17.14)	38.18
(c) Provisions		5.74	-	5.74
		<b>1,207.05</b>	<b>(17.14)</b>	<b>1,189.91</b>
<b>TOTAL</b>		<b>2,143.06</b>	<b>-</b>	<b>2,143.06</b>

iii. Reconciliation of total comprehensive income for the year ended March 31, 2017

(Amount in INR Lakhs)

Particulars	Notes	IGAAP	Adjustments	IND AS Balance
<b>REVENUE</b>				
Revenue from operations (net)		3,569.16	-	3,569.16
Other income	1	16.86	19.61	36.47
<b>Total Revenue (I)</b>		<b>3,586.02</b>	<b>19.61</b>	<b>3,605.63</b>
<b>EXPENSES</b>				
Cost of materials consumed		33.38	-	33.38
Purchases of stock-in-trade		115.38	-	115.38
Employee benefits expense	3	442.48	(0.74)	441.74
Finance costs	1	38.37	2.47	40.84
Depreciation and amortization expense		111.96	-	111.96
Other expenses		2,373.84	-	2,373.84
<b>Total Expenses (II)</b>		<b>3,115.41</b>	<b>1.73</b>	<b>3,117.14</b>
<b>Profit before exceptional items and tax</b>		<b>470.61</b>	<b>17.88</b>	<b>488.49</b>
Exceptional Items		-	-	-
<b>Profit before tax</b>		<b>470.61</b>	<b>17.88</b>	<b>488.49</b>
<b>Tax expense:</b>				
Current tax		45.44	-	45.44
Adjustment of tax relating to earlier periods		-	-	-
Deferred tax	2	-	5.30	5.30
<b>Profit for the period</b>		<b>425.17</b>	<b>12.58</b>	<b>437.75</b>
			-	-

-				
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>				
Remeasurement of gains (losses) on defined benefit plans	3, 5	-	(0.74)	(0.74)
Income tax effect	2	-	0.23	0.23
<b>B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:</b>				
<b>Other Comprehensive income for the year, net of tax</b>		-	(0.51)	(0.51)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<b>425.17</b>	<b>12.07</b>	<b>437.24</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**iv. Reconciliation of total equity as at March 31, 2017 and April 1, 2016 (Amount in INR Lakhs)**

Particulars	Note	March 31, 2017	April 1, 2016
<b>Total equity (shareholder's funds) as per previous GAAP</b>		<b>808.93</b>	<b>384.40</b>
Adjustments:			
Fair valuation of financial instruments	1	17.14	-
Adjustment for deferred tax	2	(5.07)	-
<b>Total adjustments</b>		<b>12.07</b>	<b>-</b>
<b>Total equity as per Ind AS</b>		<b>821.00</b>	<b>384.40</b>

**v. Reconciliation of total comprehensive income for the year ended March 31, 2017 (Amount in INR Lakhs)**

Particulars	Note	March 31, 2017
<b>Profit after tax as per previous GAAP</b>		<b>425.17</b>
Adjustments:		
Fair valuation of financial instruments	1	17.14
Actuarial (gain)/ Loss on employee defined benefit fund recognised in Other Comprehensive Income	3	0.74
Effect of deferred tax on adjustments	2	(5.30)
<b>Total adjustments</b>		<b>12.58</b>
<b>Profit after tax as per Ind AS</b>		<b>437.75</b>
Other comprehensive income	3, 5	(0.51)
<b>Total comprehensive income as per Ind AS</b>		<b>437.24</b>

**vi. Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017**

There are no material adjustments to the Statement of Cash flows as reported under the previous GAAP.

**C. Notes to first-time adoption:****Note 1: Borrowings**

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred.

Under the previous GAAP, below market rate borrowings are recorded at their transaction value. Under Ind AS, all financial liabilities are required to be recognised at fair value on initial recognition. Accordingly, the company has fair valued the below market rate borrowings and the difference between the fair value and transaction value has been recognised in retained earnings on the date of transition.

**Note 2: Deferred tax**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

**Note 3: Remeasurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

**Note 4: Retained earnings**

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

**Note 5: Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

**40. PRIOR PERIOD ITEMS**

Particulars	2017-18	2016-17
<b>Income</b>		
Interest Income	-	0.12
<b>Total</b>		<b>0.12</b>
<b>Expenses</b>		
Printing and stationery	-	0.74
Other expenses	-	0.02
<b>Total</b>	-	<b>0.76</b>
<b>Net Impact</b>	-	<b>0.64</b>

41. The outstanding balances as at March 31, 2018 in respect of certain balances of Trade receivables, liability for expenses, trade payables, creditors for capital expenditure and other liabilities are subject to confirmation from respective parties and consequential reconciliation and adjustment arising there from, if any, consequential impact thereof in the financial statements is not ascertainable. The Management does not expect any material variation in the financial statements.
42. In view of Company's net worth turning positive during the financial year 2015-16, the Company had filed a miscellaneous application before the Honorable Board for Industrial and Financial Reconstruction (BIFR) on February 5, 2016 for deregistration of the Company from BIFR under Sick Industrial Companies Act, 1985 (SICA). The Company has been legally advised that the requirement of deregistration was under SICA and since SICA has been repealed, the application technically becomes infructuous and the very fact that Company's net worth has become positive, no further action is required to be taken.
43. Previous year figures have been regrouped / rearranged wherever necessary to conform to the current years' presentation
- 

Significant Accounting Policies and Notes Forming Part of the Financial Statements 1 to 43

**As per our report of even date attached**

**For GMJ & Co**

Chartered Accountants  
Firm Registration No: 103429W

Sd/-

**CA Sanjeev Maheshwari**

Partner  
Membership No: 38755

Place: Mumbai  
Date: May 9, 2018

**For and on behalf of the Board**

Sd/-

**Dinesh S. Patel**

Chairman  
DIN: 00033273

Sd/-

**Bharat A. Desai**

Chief Financial Officer

Place: Mumbai  
Date: May 9, 2018

Sd/-

**Sachin D. Patel**

Director  
DIN: 00033353

Sd/-

**Abhishek D. Buddhadev**

Company Secretary  
Membership No. A40267

**GUJARAT THEMIS BIOSYN LIMITED**

CIN : L24230GJ1981PLC004878

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

Website : www.gtbl.co.in E-mail : hrm@gtbl.co.in

**Proxy Form for 37<sup>th</sup> Annual General Meeting**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : .....

Registered address : .....

E-mail Id: .....Folio No. / Client ID No. : .....DP ID No.....

I / We, being the member(s) of ..... Shares of GUJARAT THEMIS BIOSYN LIMITED, hereby appoint

1. Name: ..... E-mail Id: .....

Address:..... Signature: ..... or failing him

2. Name: ..... E-mail Id: .....

Address:..... Signature: ..... or failing him

3. Name: ..... E-mail Id: .....

Address:..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company to be held on Friday, 7<sup>th</sup> September, 2018 at 12.00 Noon at the Office of Themis Medicare Limited, at 69/A, GIDC Industrial Estate, Vapi-396 195, Dist. Valsad, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary business</b>				
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March 2018, together with the Auditors' Report and Directors' Report thereon.			
2.	To appoint a Director in place of Mr. S.S. Lee, (DIN: 01933988) who retires by rotation and being eligible, offers himself for re-appointment.			
<b>Special business</b>				
3.	To appointment Mr. Namjin Seung Park (DIN: 08160572) as a Non Executive Director, liable to retire by rotation.			

Signed this ..... day of ..... 2018.

.....  
Signature of the member.....  
Signature of the proxy holder(s)

Affix  
revenue  
stamp of not  
less than ₹1

**Notes :**

- This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting (on or before September 5, 2018 at 12:00 Noon IST).
- It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



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**GUJARAT THEMIS BIOSYN LIMITED**

CIN : L24230GJ1981PLC004878

**Regd. Office** : 69/C, GIDC Industrial Estate, Vapi – 396 195, Dist. Valsad, Gujarat, India.  
Website : www.gtbl.co.in E-mail : hrm@gtbl.co.in

**Attendance Slip for 37<sup>th</sup> Annual General Meeting**

Name of Shareholder	:	_____
Reg. Folio No. / Client ID No.:		_____
No. of Shares held	:	_____

I hereby record my presence at the **37<sup>th</sup> Annual General Meeting** of the Company on Friday, the 7<sup>th</sup> September, 2018 at 12.00 Noon at the Office of Themis Medicare Limited, at 69/A, GIDC Industrial Estate, Vapi-396 195, Dist. Valsad, Gujarat.

\_\_\_\_\_  
First / Sole holder / Proxy

\_\_\_\_\_  
Second holder / Proxy

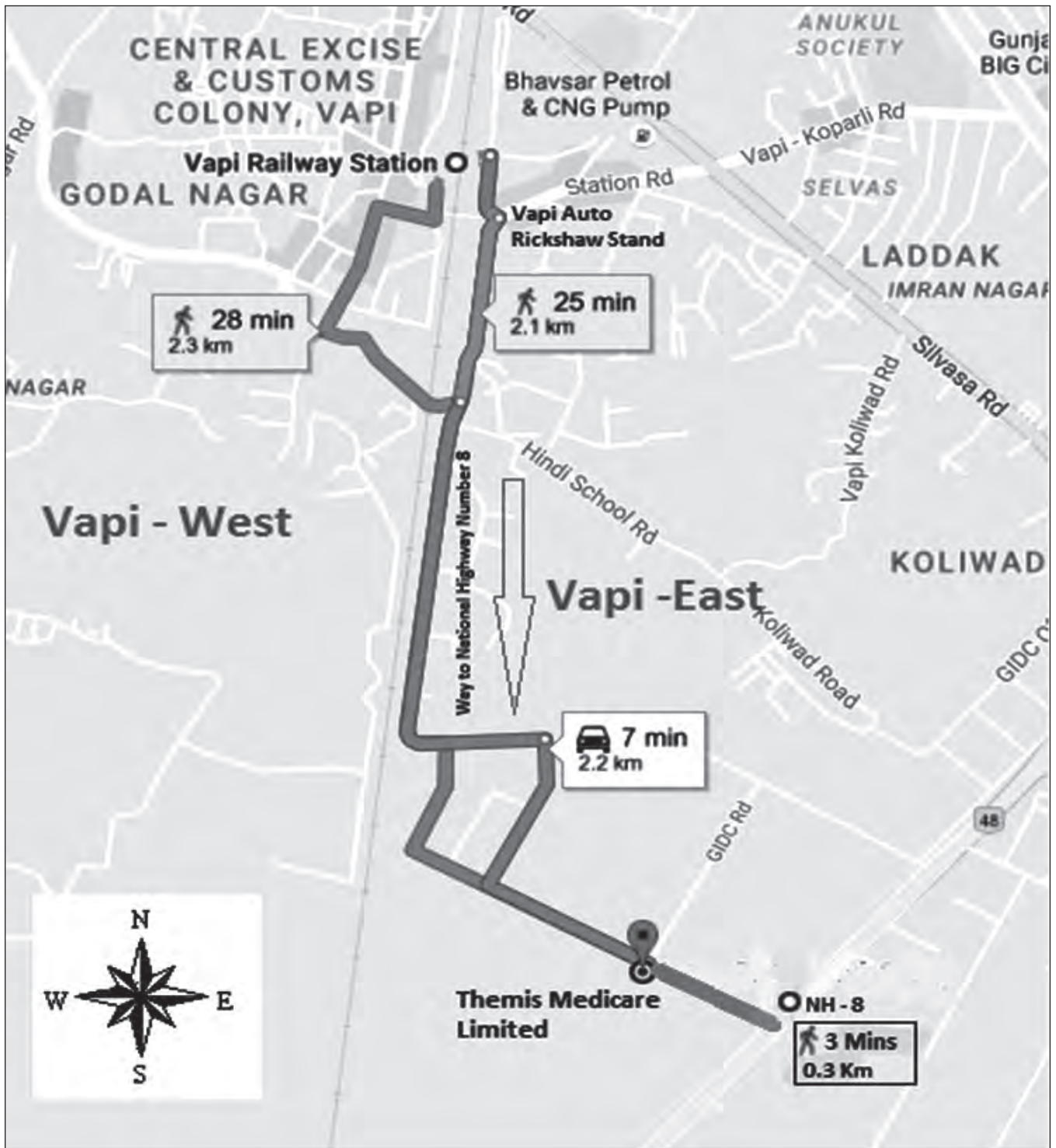
\_\_\_\_\_  
Third holder / Proxy

\_\_\_\_\_  
Fourth holder / Proxy

**Note :**

1. Please fill this Attendance Slip and hand it over at the meeting hall.
2. Shareholder/Proxy Holder/Auth. Representatives are requested to show their Photo ID proof for attending the meeting. Joint shareholders may obtain additional attendance slip on request.
3. Auth. Representatives of Corporate members shall produce proper authorisation issued in their favour.
4. **This Attendance Slip is valid only in case shares are held as on the cut-off date i.e. 31<sup>st</sup> August, 2018.**

**Venue:** Themis Medicare Limited, Plot No. 69-A, G.I.D.C. Industrial Estate, Vapi, Dist-Valsad-396 195, Gujarat.



**Landmark :** Next to Richter Themis Medicare (I) Pvt. Ltd.

Distance from Vapi Railway Station: 2.2 Km



**Book-Post / Printed Matter**

*If not delivered; please return to :*

**GUJARAT THEMIS BIOSYN LIMITED**

69/C, GIDC Industrial Estate,

Vapi-396 195, District-Valsad.

Gujarat State.