



# 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: [gtblmumbai@gtbl.in](mailto:gtblmumbai@gtbl.in)

GTBL: CS: BSE-CORR/2019-20

2<sup>nd</sup> August, 2019

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

Dear Sir/Madam,

**Sub:- ANNUAL REPORT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

- Ref:** 1. Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015  
2. BSE Scrip Code: 506879

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the Annual Report of the Company for the financial year ended 31st March, 2019.

We request you to kindly take the same on record.

This may be taken as compliance under the Listing Regulations.

Thanking you,

Yours Faithfully,

For **Gujarat Themis Biosyn Limited**



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

# 38<sup>TH</sup> ANNUAL REPORT 2018 - 19



**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. Jagdish G. Kaujalgi**

(w.e.f. 9<sup>th</sup> May, 2018)

Chief Executive Officer

**Mr. Bharat Desai**

Chief Financial Officer

**Mr. Abhishek D. Buddhadev**

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

**Dr. Vikram D. Sanghvi**, 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](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.com](http://www.linkintime.com)

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## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the 38<sup>th</sup> Annual General Meeting of Gujarat Themis Biosyn Limited will be held on Tuesday, 27<sup>th</sup> August, 2019 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, 2019 together with Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Sachin D. Patel, (DIN: 00033353) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

3. **Re-appointment of Mr. Vijay Agarwal (DIN: 00058548) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.**

To consider & if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Vijay Agarwal (DIN: 00058548), whose term of office expires at this 38<sup>th</sup> Annual General Meeting, be and is hereby re-appointed as an Independent Director, for a further term of five (5) consecutive years commencing from the conclusion of this 38<sup>th</sup> Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company.

**By Order of the Board of Directors**

### Registered Office

69/C, GIDC Industrial Estate,  
Vapi- 396 195  
Dist. Valsad, Gujarat  
CIN: L24230GJ1981PLC004878  
Place: Mumbai  
Date: 28<sup>th</sup> May, 2019

Sd/-

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

### 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 also 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, Dr. Sachin D. Patel, Director of the Company, retires by rotation at the ensuing Annual General 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 Directors seeking reappointments 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, if any, 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 Wednesday, 21<sup>st</sup> August, 2019 to Tuesday, 27<sup>th</sup> August, 2019 (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 August 24, 2019 at 9:00 am and ends on August 26, 2019 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 (record date) of August 16, 2019 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 / Members
- (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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use 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	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.
<b>OR</b> Date of Birth (DOB)	<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 changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (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 users can download the app from the App Store and the Windows Phone Store respectively. 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.
- (xx) 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:**

As per the provisions of Section 149, Section 152 and Schedule IV of the Companies Act, 2013 read with rules thereunder, the Company had appointed Mr. Vijay Agarwal (DIN: 00058548) as Independent Director as per the requirement of the Companies Act, 2013 at the 33<sup>rd</sup> Annual General Meeting of the Company held on September 29, 2014 for a term of 5 years upto the conclusion of 38<sup>th</sup> Annual General Meeting (Ensuuing AGM).

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

Based on the performance evaluation of the Directors and keeping in view their experience and expertise, re-appointment of Mr. Vijay Agarwal as an Independent Director of the Company is recommended by the Nomination & Remuneration Committee and Board of Directors of the Company at its respective meeting held on May 28, 2019 for a second term as provided in the resolution, and he shall not be liable to retire by rotation at the Annual General Meeting as provided under Section 152(6) of the Companies Act, 2013.

The Company has received declaration from Mr. Vijay Agarwal confirming that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the said Act for reappointment as Independent Director.

The brief profile of all directors seeking appointment/re-appointment is mentioned in the Annexure to the notice under “**Details of directors seeking appointment/re-appointment**” forming part of this Notice and details of remuneration paid/payable are as provided in the Corporate Governance Report forming part of the Annual Report for 2018-19.

The resolution seeks the approval of members by special resolution for the re-appointment of Mr. Vijay Agarwal (DIN: 00058548) as an Independent Director of the Company for a further term of five years commencing from this 38<sup>th</sup> Annual General Meeting till 43<sup>rd</sup> Annual General Meeting of the Company in terms of Section 149 and other applicable provisions of the Act and Rules made there under.

Except Mr. Vijay Agarwal (DIN: 00058548) being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.3.

**By Order of the Board of Directors**

**Registered Office**

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

Place: Mumbai  
Date: 28<sup>th</sup> May, 2019

Sd/-

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





## ANNEXURE TO ITEM NO. 2 and 3 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 Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Name of the Director	Dr. Sachin D. Patel	Mr. Vijay Agarwal
Date of Birth	18/01/1975	29/06/1957
Nationality	Indian	Indian
Date of Appointment on the Board	25/10/2008	31-03-2006
Qualifications	PH.D. CChem., University of Cambridge. (U.K.)	B. Com. (Hons) F.C. A
Expertise in specific functional Area	Business Development	He is a Fellow Chartered Accountant of India. He has several years of experience in Tax Advisory Services. He has been in practice for more than 30+ years.
Number of shares held in the Company	7100	Nil
List of the directorships held in other companies*	Themis Medicare Ltd Artemis Biotech Limited. Pharmaceutical Business Group (India) Ltd.	Themis Medicare Ltd. MEP Infrastructure Developers Limited Birla Machining & Toolings Limited Compuage Infocom Limited Madura Garments Lifestyle Retail Company Limited Aditya Birla Money Mart Limited Aditya Birla Sun Life Pension Management Limited ABNL IT & ITES Limited Aditya Birla Insurance Brokers Limited
Number of Board Meetings attended during the year	5	3
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	<b>Chairman</b> a) Audit Committee – Nil b) Stakeholder Relationship Committee – Gujarat Themis Biosyn Ltd. <b>Member</b> a) Audit Committee – Themis Medicare Ltd, Gujarat Themis Biosyn Ltd. b) Stakeholder Relationship Committee – Themis Medicare Limited	<b>Chairperson:</b> Nil <b>Member</b> 1. Themis Medicare Ltd. –Audit Committee 2. Compuage Infocom Ltd. -Stakeholders Relationship Committee 3. MEP Infrastructure Developers Ltd. – Audit Committee 4. Compuage Infocom Ltd. - Audit Committee 5. Aditya Birla Money Mart Limited – Audit Committee 6. Aditya Birla Sun Life Pension Management Ltd. - Audit Committee 7. ABNL Investment Limited – Audit Committee 8. Aditya Birla Insurance Brokers Limited – Audit Committee
Relationships between Directors inter-se	Dr. Sachin D. Patel is son of Dr. Dinesh S. Patel, Chairman.	Not Applicable
Remuneration details	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 38<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31<sup>st</sup> March, 2019.

#### 1. FINANCIAL STATEMENTS & RESULTS:

##### a. FINANCIAL RESULTS:

The Company's performance during the year ended 31<sup>st</sup> March, 2019 as compared to the previous financial year, is summarized below:

(₹ in Lakhs)

Particular	For the financial year ended 31 <sup>st</sup> March, 2019	For the financial year ended 31 <sup>st</sup> March, 2018
Income	4,326.38	3,896.50
Less: Expenses	3,506.82	3,412.68
Profit/ (Loss) before tax	819.56	483.82
Current Tax	87.00	102.99
Deferred tax	91.66	-5.89
Profit after Tax	640.90	386.72

##### b. OPERATIONS:

Your Company's performance during the year in terms of Turnover was better than the previous year. The Company is doing Job Work for other Pharma Company with fixed contracted price. The Net Profit after Tax increased by 65.73% 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. 3,982.61 Lakhs (previous year Rs.3,680.85 Lakhs) registering increase of 8.20%. The Company also earned Rs.107.75 Lakhs (Previous year Rs. 196.49 Lakhs) from sale of finished goods traded during the year ended 31<sup>st</sup> March, 2019. The Net Profit after tax recorded by the Company for the year under review is Rs.640.90 Lakhs as compared to net profit of Rs.386.72 Lakhs during previous year registering an increase of 65.73%.

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

##### c. SUBSIDIARIES

The Company does not have any subsidiary.

##### d. ASSOCIATES

The Company has no associate Company.

##### e. DIVIDEND:

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

##### f. TRANSFER TO RESERVES:

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

##### g. REVISION OF FINANCIAL STATEMENT:

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



## **h. 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 Relation Committee as contemplated under section 178(1) of the Companies Act, 2013. The Nomination and Remuneration Committee considers 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 2018-19, the Company has paid sitting fees to the Independent Directors only for attending Board and Audit Committee meetings.

Policy on Nomination and Appointment of Directors/Criteria for appointment of Senior Management 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**

There are no qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditors in respect of financial statements as on and for the year ended 31<sup>st</sup> March, 2019.

### **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 2018-19.

Secretarial Audit Report issued by M/s. KRS & Co., Practicing Company Secretaries in Form MR-3 for the financial year 2018-19 forms part to 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. During the year, the Company has not entered into any contracts/arrangements/transactions with related parties which could be considered material in accordance with policy of the Company on material related party transactions or under section 188(1) of the Act. Accordingly, there are no particulars to report in Form AOC-2.

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.gtbl.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 2018-19 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:**

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

#### 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. Jae Hyok Choi, Non-Executive Non-Independent Director of the Company (Representing Yuhan Corporation) resigned as Director of the Company with effect from 4<sup>th</sup> June, 2018. Consequent upon resignation of Mr. Jae Hyok Choi as Director of the Company, the office of Mr. Hinesh R. Doshi (DIN: 00322805), Alternate Director to Mr. Jae Hyok Choi also got vacated pursuant to Section 161 of the Companies Act, 2013 and he ceased to be Alternate Director to Mr. Jae Hyok Choi with effect from 4<sup>th</sup> June, 2018.

Mr. Namjin Seung Park (DIN: 08160572) was appointed as an Additional Director by the Board of Directors with effect from 8<sup>th</sup> August, 2018. He was appointed as Director by members of the Company at the 37<sup>th</sup> Annual General Meeting held on 7<sup>th</sup> September, 2018. Mr. Namjin Seung Park represents Yuhan Corporation (Foreign Promoters) on the Board of the Company. Mr. Hinesh R. Doshi (DIN: 00322805) was appointed as an Alternate Director to Mr. Namjin Park with effect from 8<sup>th</sup> August, 2018.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Dr. Sachin D. Patel (DIN: 00033353), 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 Dr. Sachin D. Patel (DIN: 00033353) as Director in the ensuing Annual General Meeting of the Company.

Necessary resolution for the reappointment of Dr. Sachin D. Patel is included in the Notice convening the ensuing Annual General Meeting.



## **BOARD MEETINGS:**

The Board of Directors met Five times during the financial year ended 31<sup>st</sup> March, 2019 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 one hundred and twenty days 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, 2019, 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, 2019 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, 2019:

- i. Audit and Risk Management 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.

As per SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 which amends SEBI (Prohibition of Insider Trading) Regulation, 2015, the listed company shall have a whistle—blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

Considering the above amendment in SEBI (PIT) Regulations, 2015, the Vigil Mechanism Policy of the Company was amended with effect from 1<sup>st</sup> April, 2019 to enable employees to report instances of leak of unpublished price sensitive information.

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/2019/04/GTBL-Vigil-Mechanism-or-Whistle-Blower-Policy.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 Company was not crossing thresh hold limit for CSR spending during the year under review i.e. 2018-19.

However, the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 became applicable to the Company during the current financial year 2019-20.

The Board of Directors of the Company shall take necessary steps to constitute the Corporate Social Responsibility (CSR) Committee and shall ensure that the Company spends, in every financial year, at least two per cent. of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

**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 8<sup>th</sup> February, 2019 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 as 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 2018-19 and hence disclosure under this section is not applicable.

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

**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 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) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as at March 31, 2019 is uploaded on the website of the Company and can be accessed at <https://www.gtbi.in>

### **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 IV 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 V.

### **d. PREVENTION OF SEXUAL HARASSMENT:**

During the financial year ended 31st March, 2019 your Company has not received any complaint related to sexual harassment.

## **17. MANAGEMENT DISCUSSION & ANALYSIS:**

### **Cautionary Statement**

The statements in the "Management Discussion and Analysis Report" describe your Company's objectives, projections, estimates and expectations which may be "forward-looking statements" within the meaning of the applicable laws and regulations. The actual results could differ materially from those expressed or implied, depending upon the economic and climatic conditions, government policies, taxation and other laws and other incidental factors.

### **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:**

Indian economy was one of the fastest growing economies during the Financial Year 2018-19, despite the growth rate being lower than the previous year. Higher growth was witnessed in sectors such as construction, financial services, real-estate and utilities, whereas, pharmaceutical sector grew at a lower rate. For the next fiscal year, Indian economy is expected to grow at a healthy pace, supported by increase in consumption and investments.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Indian pharmaceutical sector industry supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicines in UK. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic diseases.



The Indian government has taken many steps to reduce costs and bring down healthcare expenses. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies. 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 Indian pharmaceutical industry is well-positioned to reinforce its position as a global pharmaceutical provider. As per industry estimates, India's pharmaceutical industry is expected to expand at a CAGR of 12.89% over 2015–20 to reach USD 55 billion and by 2025 to grow to USD 100 billion. With rising income levels, growing health awareness and better access to healthcare, emerging markets like the one in India offer significant growth potential for the pharmaceutical industry.

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.

The Company is finding new avenues by expanding its existing production capacity.

Also the Company exploring possibilities of changing its business model from contract manufacturing to supply model. Your Company is fully aware of its capabilities and strengths and is going ahead with hand holding strategy with Pharmaceutical majors.

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:**

The global API market witnessed steady growth in 2018 in terms of volume and value despite disruptions from the conventional supplier base i.e. China and India which impacted API availability and economics across the globe and it is expected that this trend will continue..

**(e) Risks and concerns:**

The business of your Company is also exposed to few risks. In the past few years, the Government of India has made frequent changes in the drug pricing and other laws impacting the operations of the Company. Further adverse changes in government policies with respect to essential medicines and pricing with respect to the products may reduce margins 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. The government policies are creating new risks for domestic market by including new molecules to the price control umbrella and also the issuing ban on various Fixed Dose Combinations.

**(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:**

The operational performance during the year under review was one of the best in recent past. The financial performance is getting improved due to better production output as well as reduction of interest.



The Net Profit after Tax increased by 65.73% compared to previous year. The production capacity was utilized to the maximum level during the year. Your Company has generated profit during the year under review as well as in the previous year.

**(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, 2019 the total employee strength was 101.

**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 : 28<sup>th</sup> May, 2019

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, 2019

[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, 2019**, 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, 2019 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 there under;
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 (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period)**;
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period)**;
  - g) 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;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period)**; and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(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.

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 meaning 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: 28/05/2019

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.

**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: 28/05/2019  
Place: Mumbai



## ANNEXURE III

### **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 2018-19:

Name	% Increase in the remuneration	Ratio of the remuneration of each Director / to median remuneration of the employees.
Mr. Jagdish G. Kaujalgi (CEO)	-	-
Mr. Abhishek D. Buddhadev (Company Secretary)	-	-
Mr. Bharat Amratlal Desai (CFO)	6.20	-

**Note:**

Mr. Jagdish G. Kaujalgi was appointed as the Chief Executive Officer of the Company w.e.f 9<sup>th</sup> May, 2018. Therefore, percentage increase in the remuneration disclosure is not applicable for them.

Mr. Abhishek D. Buddhadev was appointed as Company Secretary w.e.f 08.08.2017. He held the office of Company Secretary for the part of the financial year 2017-18. Therefore, the remuneration paid to him for the financial year 2018-19 is not comparable to remuneration paid to him during the year 2017-18 for part of that year. Therefore, percentage Increase in the remuneration disclosure is not applicable.

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 : 60%
3. The number of permanent employees on the rolls of the Company: 101
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:

Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 45.69%, while the average percentile increase in the remuneration of managerial personnel was 89.95%.

Average increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel is in line with the industry practice and is within the normal range.

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 IV

**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	1) Installation of 40 HP Vacuum Pump(40HP pump instead of 75HP) 2) Repairing & startup of 90HP Cooling Tower pump(power shaving of 75HP)
Steps taken by the company for utilizing alternate sources of energy	1) Installed New RVDF – 3 with 40HP Vacuum Pump 2) Started 90HP HP cooling tower pump by taking shut down of fermentor.
Capital investment on energy conservation equipments	Rs. 58.5 lakhs

**(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, 2018 to 31 <sup>st</sup> March, 2019 [Current F.Y.]	1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 [Previous F.Y.]
	Amount in (₹ Lakhs)	Amount in (₹ Lakhs)
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	Nil	Nil



## ANNEXURE V

### 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, 2019.

#### 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	Number of Directorship in other Companies#	Number of Committee positions held in other Companies #	
						Chairman	Member
Dr. Dinesh S. Patel@	Chairman	Non Executive Promoter Director	5	Yes	3	-	0
Dr. Sachin Dinesh Patel@	Director	Non Executive Promoter Director	5	Yes	3	-	2
Mr. Vijay Agarwal	Director	Independent Director	3	No	4	4	8

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM Attended	Number of Directorship in other Companies#	Number of Committee positions held in other Companies #	
						Chairman	Member
Mrs. Preeti K. Trivedi	Director	Independent Director	5	No	2	1	1
Dr. Vikram D. Sanghvi	Director	Independent Director	4	No	1	-	-
Mr. Siddharth Y. Kusumgar	Director	Independent Director	3	No	1	-	-
Mr. S.S. Lee	Director	Non Executive Director - Representative of Yuhan Corporation	1	No	-	-	-
Mr. J. H. Choi*	Director	Non Executive Director - Representative of Yuhan Corporation	Nil	No	1	-	-
Mr. Namjin Seung Park\$	Director	Non Executive Director - Representative of Yuhan Corporation	Nil	No		-	-
Mr. Hinesh Doshi\$\$	Alternate Director Mr. Namjin Park	Non Executive Director	4	No	1	-	-

**Notes:**

- #** Includes only Listed Companies.
- ##** 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.
- \*** Resigned w.e.f 4<sup>th</sup> June, 2018
- \$** Appointed as an Additional Director w.e.f. 08.08.2018 and appointed as Director in the 37<sup>th</sup> AGM held on 07.09.2018.
- \$\$** Appointed as an Alternate Director to Mr. Namjin Park w.e.f 08.08.2018.
- @** Relatives as per provisions of Section 2(77) of The Companies Act, 2013.

❖ **Dates of Board Meetings held during the F.Y. 2018-19**

**Five Board Meetings were held during the year on following dates:**

- 9<sup>th</sup> May, 2018
- 08<sup>th</sup> August, 2018
- 3<sup>rd</sup> September, 2018
- 14<sup>th</sup> November, 2018
- 8<sup>th</sup> February, 2019

❖ **Risk Management**

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.

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

The MD & A report forms part of the Annual Report and provided elsewhere in this report.



## Names of the listed entities where the person is a Director and the category of Directorship.

Name of the Director	Name of the listed entities and category of Directorship
Mr. Vijay Agarwal	1. Themis Medicare Limited, Non-Executive Independent Director 2. Gujarat Themis Biosyn Ltd, Non-Executive Independent Director 3. MEP Infrastructure Developers Limited, Non-Executive Independent Director 4. Compuage Infocom Limited, Non-Executive Independent Director
Dr. Dinesh S. Patel	1. Themis Medicare Limited, Promoter, Executive Director 2. Gujarat Themis Biosyn Ltd, Promoter, Non-Executive Director
Dr. Sachin D. Patel	1. Themis Medicare Limited, Promoter, Executive Director 2. Gujarat Themis Biosyn Ltd, Promoter, Non-Executive Director
Mrs. Preeti Kaushik Trivedi	1. Gujarat Themis Biosyn Ltd, Non-Executive Independent Director 2. Compuage Infocom Limited, Non-Executive Independent Director
Mr. Hinesh R. Doshi	Gujarat Themis Biosyn Ltd, Non-Executive Director
Mr. Siddharth Y. Kusumgar	Gujarat Themis Biosyn Ltd, Non-Executive Independent Director
Mr. Si Sung Lee	Gujarat Themis Biosyn Ltd, Non-Executive Director
Mr. Vikram D. Sanghvi	Gujarat Themis Biosyn Ltd, Non-Executive Independent Director
Mr. Namjin S. Park	Gujarat Themis Biosyn Ltd, Non-Executive Director

## Matrix setting out the Core Skills/Expertise/Competence of the Board of Directors

The board skill matrix provides a guide as to the core skills, expertise, competencies and other criteria (collectively referred to as 'skill sets') considered appropriate by the board of the Company in the context of its business and sector(s) for it to function effectively and those actually available with the Board. The skill sets will keep on changing as the organization evolves and hence the board may review the matrix from time to time to ensure that the composition of the skill sets remains aligned to the Company's strategic direction.

The skill sets identified by the board along with availability assessment is as under:

Core Skills/Experience/Competence	Actual Availability with current board
Industry knowledge/experience in	
Healthcare Industry Knowhow	Available
Creating value through Intellectual Property Rights	Available
Global Operations	Available
Value Spotting and Inorganic Growth	Available
Previous Board Experience on similarly sized or bigger companies	Available
<b>Technical skills/experience</b>	
Strategic planning	Available
Risk and compliance oversight	Available
Marketing	Available
Policy Development	Available
Accounting, Tax, Audit and Finance	Available
Legal	Available
Sales/ Customer Engagement	Available
Public Relations and Liasoning	Available
Information Technology	Available



Core Skills/Experience/Competence	Actual Availability with current board
<b>Behavioural Competencies</b>	
Integrity & ethical standards	Available
Mentoring abilities	Available
Interpersonal relations	Available

#### Confirmation on the independence of the Independent Directors

The Board of Directors hereby confirms that in their opinion, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are Independent of the Management.

#### → Shareholdings of Non – Executive Directors in the Company as on 31<sup>st</sup> March, 2019:

Sr. No.	Name of Director	No. of Equity shares of ₹ 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, 8<sup>th</sup> February, 2019, 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 2018-2019, if any, are available on the website of the Company at <http://www.gtbl.in/wp-content/uploads/2015/08/Familiarisation-Prog.pdf>

## 6. 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 of the Committee. The Audit Committee was re-constituted on 29<sup>th</sup> May, 2019 by inducting Dr. Vikram D. Sanghvi as member of the Audit Committee.

• **Meetings:**

During the period under consideration, 4 (Four) Meetings of the Committee were held as follows. The dates of Audit Committee meetings held during Financial Year 2018-19 are as follows:

- 9<sup>th</sup> May, 2018
- 8<sup>th</sup> August, 2018
- 14<sup>th</sup> November, 2018
- 8<sup>th</sup> February, 2019

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

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	3
Ms. Preeti K. Trivedi	Member	4
Dr. Sachin D Patel	Member	4
Mr. Siddharth Y Kusumgar	Member	3
Dr. Vikram D. Sardar*	Member	NA

Note: \* Dr. Vikram Sanghvi was inducted as member of the Audit Committee w.e.f 28<sup>th</sup> May, 2019.

- **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, 3 (Three) Meetings of the Nomination & Remuneration Committee of the Company were held as follows:

- 9<sup>th</sup> May, 2018
- 8<sup>th</sup> August, 2018
- 8<sup>th</sup> February, 2019

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

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	2
Mrs. Preeti K. Trivedi	Member	3
Dr. Sachin D. Patel	Member	3

- **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 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:

- All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc; : NA
- Details of fixed component and performance linked incentives, along with the performance criteria : NA
- Service contracts, notice period, severance fees: NA.
- 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 2018-19 are as follows:

Sr. No.	Name of Director	Salary	Perquisites	Sitting Fees (Rs.)	Total
1.	Mr. Vijay Agarwal	NA	NA	90,000	90,000
2.	Priti K. Trivedi	NA	NA	1,35,000	1,35,000
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	60,000	60,000
6.	Mr. Siddharth Y. Kusumgar	NA	NA	90,000	90,000
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 Stakeholders Relationship Committee was constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act, 2013. Stakeholders Relationship Committee has been constituted to monitor and review investors' grievances.

The Company Secretary acts as Compliance Officer for redressal of Shareholders/ Invertors' grievances.

- Meetings:**

The Committee met 4 times during the Financial Year 2018-19. 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 D. Buddhadev,  
Company Secretary & Compliance Officer  
11/12 Udyog Nagar,  
S.V. Road, Goregaon (West),  
Mumbai- 400 104.

- Details of investor complaints/request received and redressed during the year 2018-19 are as follows:**

Number of shareholders' complaints/request received	number not solved to the satisfaction of shareholders	number of pending complaints
03	0	0

## 7. 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, 2019 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.

## 8. General Body Meetings:

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

AGM/ EGM	Date & Time	Location	Special Resolution
35 <sup>th</sup> AGM	14.09.2016	Registered Office	NA
36 <sup>th</sup> AGM	27.09.2017	Registered Office	NA
37 <sup>th</sup> AGM	07.09.2018	At the Office of Themis Medicare Ltd. at 69/A, GIDC Industrial Estate, Vapi, Dist-Valsad-396 195.	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

## 9. 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)



## GUJARAT THEMIS BIOSYN LIMITED

- (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.

### 10. General Shareholders Information

Annual General Meeting Date & Time	:	27 <sup>th</sup> August, 2019 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)	:	
First Quarter Results		By 14 <sup>th</sup> August, 2019
Half yearly Results		By 14 <sup>th</sup> November, 2019
Third Quarter Results		By 14 <sup>th</sup> February, 2020
Audited Results for the year		By end of May, 2020
Dividend payment date		The Company has not declared any dividend
Dates of Book Closure/ Record Date	:	21 <sup>st</sup> August, 2019 to 27 <sup>th</sup> August, 2019 (Both days inclusive)
Listing on Stock Exchange at	:	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
Listing Fees paid for 2017-18	:	The Company has paid listing fees to the BSE Ltd.
Stock Code BSE Ltd. Mumbai	:	506879
DEMAT ISIN Number for NSDL & CDSL	:	INE942C01029
Websites	:	www.bseindia.com

### Market Price Data and Performance in comparison to BSE Sensex:

High/low of market price of the Company's shares traded on Bombay Stock Exchange, Mumbai during the financial year 2018-19 is furnished below:

Month	Share Price		BSE Sensex	
	High Price	Low Price	High	Low
Apr-18	52.00	41.00	35,213.30	32,972.56
May-18	43.90	35.00	35,993.53	34,302.89
Jun-18	38.90	31.25	35,877.41	34,784.68
Jul-18	37.00	31.25	37,644.59	35,106.57
Aug-18	41.80	33.00	38,989.65	37,128.99
Sep-18	43.00	33.80	38,934.35	35,985.63
Oct-18	37.90	32.00	36,616.64	33,291.58
Nov-18	34.90	31.40	36,389.22	34,303.38
Dec-18	34.00	28.50	36,554.99	34,426.29
Jan-19	37.35	29.10	36,701.03	35,375.51
Feb-19	31.90	28.15	37,172.18	35,287.16
Mar-19	42.60	29.00	38,748.54	35,926.94

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  
 Web site: 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, 2019				
Holding of shares (In Nos)	No. of Shareholders	% of Shareholders	Shares	% of Share Capital
1 to 500	6552	86.7585	861235	5.9278
501 to 1000	519	6.8724	437990	3.0147
1001 to 2000	214	2.8337	328765	2.2629
2001 to 3000	71	0.9401	188033	1.2942
3001 to 4000	51	0.6753	182967	1.2593
4001 to 5000	36	0.4767	171287	1.1790
5001 to 10000	67	0.8872	489014	3.3658
10001 & Above	42	0.5561	11869411	81.6963
<b>Total</b>	<b>7552</b>	<b>100</b>	<b>14528702</b>	<b>100</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 2019, a total of 14202869 Equity Shares of the Company forming 97.76% 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 D. 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.

## 11. Other Disclosures :

### I. 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 & Risk Management Committee and the Board ensure such transactions are at arm's 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>

### II. Disclosure of Pending Cases/Instances of Non Compliance

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

### III. 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.

### IV. 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.

### V. 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. Audit Qualification

There are no qualifications 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 / discussion at quarterly meetings.
- v. The Company has framed a policy for determining “material” subsidiary. However, the Company does not have any 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 is not applicable.
- vii. Instances of not accepting any recommendation of the Committee by the Board: There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.
- viii. Certificate from Practising Company Secretaries: The Company has received a certificate from M/s. KRS & Co., Practising Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs/Reserve Bank of India or any such statutory authority.
- ix. The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors of the Company is mentioned in Notes to financial statements. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.
- x. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year, no complaint was received by the Company.
- xi. 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.
- xii. 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 : 28<sup>th</sup> May, 2019



## 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, 2019.

For Gujarat Themis Biosyn Limited

Place: Mumbai  
Date: 28<sup>th</sup> May, 2019

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

## 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, 2019, 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 period 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019.

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

Date: 28<sup>th</sup> May, 2019  
Place: Navi Mumbai

Sd/-  
**Mr. Ketan R Shirwadkar**  
ACS No. 37829  
COP No. 15386

**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 2019 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 Audit of the Ind AS Financial Statements

#### Opinion

We have audited the Ind AS financial statements of **GUJARAT THEMIS BIOSYN LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended, and notes to financial statements, including a summary of significant accounting policies (hereinafter referred to as the "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and the profit, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

#### Emphasis of Matter

The outstanding balances as at March 31, 2019 in respect of certain balances of Trade Payables and Advances given 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.

Our Opinion is not modified for the above matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr.No.	Key Audit Matter	How was the matter addressed in our audit
1	<p><b>Revenue recognition [refer note no. 19 to the Ind AS financial statements]</b></p> <p>Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.</p>	<p>Audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.</p>
2	<p><b>Provisions and Contingent Liabilities (including direct and indirect taxes) [ refer note no. 30(B) to the Ind AS financial statements]</b></p> <p>The Company is involved in direct and indirect tax litigation that are pending with various tax authorities. Whether a liability is recognised or disclosed as a contingent liability in the financial statements is inherently judgmental</p>	<p>Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of developments in relation to the litigations, including completeness thereof.</p>

and dependent on a number of significant assumptions and assessments. These include assumptions relating to the likelihood and/or timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute.

Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts.

Performed substantive procedures including tracing from underlying documents / communications from the tax authorities and re-computation of the amounts involved.

Assessed management's conclusions and understanding precedents in similar cases.

### Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient



and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
- c) The company does not have any branches. Hence, the provisions of section 143(3)(c) is not applicable.
- d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) 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 the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position as referred to Note 30(B) to the Ind AS 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  
(FRN:103429W)

Sd/-  
**(CA S. Maheshwari)**  
Partner  
Membership No.:038755

Place : Mumbai  
Date : May 28, 2019





Re: GUJARAT THEMIS BIOSYN LIMITED

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

(Referred to in paragraph 9 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) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which it is verified in a phased manner over a period of three years, 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. As explained to us, management has conducted physical verification of inventory at regular intervals during the year and no material discrepancies were noticed on such physical verification.
- 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 provided any guarantees or security in respect of any loans to any party covered under section 185 and 186 of the Companies Act, 2013. 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, Goods and service 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, 2019 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, 2019, 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 (inRs.)	Forum where dispute is pending	Financial year to which the amount relates
Income Tax Act, 1961	Demand u/s 156	250/-	Income Tax Appellate Tribunal, Ahmedabad	A.Y. 1996-1997

- 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  
(FRN:103429W)

Sd/-  
**(CA S. Maheshwari)**  
Partner  
Membership No.:038755

Place : Mumbai

Date : May 28, 2019



Re:GUJARAT THEMIS BIOSYN LIMITED

## 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, 2019 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.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

For **GMJ & Co**  
Chartered Accountants  
(FRN:103429W)

Sd/-  
**(CA S. Maheshwari)**  
Partner  
Membership No.:038755

Place : Mumbai

Date : May 28, 2019



# GUJARAT THEMIS BIOSYN LIMITED

## BALANCE SHEET AS AT MARCH 31, 2019

(Amount in INR Lakhs)

Particulars	Notes	March 31, 2019	March 31, 2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	1,460.83	1,059.34
(b) Capital Work-in-Progress	4	95.28	16.53
(c) Financial Assets			
(i) Investments	5	-	-
(ii) Other Financial Assets	5	625.62	16.51
(d) Other Non-Current Assets	10	259.27	172.77
		<b>2,441.01</b>	<b>1,265.14</b>
<b>Current assets</b>			
(a) Inventories	6	33.69	46.22
(b) Financial Assets			
(i) Investments	5	0.50	0.50
(ii) Trade Receivables	7	579.83	272.15
(iii) Cash and Cash Equivalents	8	111.66	89.13
(iv) Bank Balances Other than (iii) above	9	92.68	356.74
(v) Loans	5	0.07	0.83
(v) Other Financial Assets	5	11.66	11.36
(c) Other Current Assets	10	4.70	7.11
		<b>834.78</b>	<b>784.03</b>
		<b>3,275.79</b>	<b>2,049.17</b>
<b>TOTAL</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	12	726.40	726.40
(b) Other Equity	13	1,125.55	484.53
		<b>1,851.95</b>	<b>1,210.93</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(b) Provisions	18	50.81	46.40
(c) Deferred Tax liabilities (Net)	11	91.71	-
		<b>142.51</b>	<b>46.40</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	1.00	-
(ii) Trade Payables	16		
Total outstanding dues of Micro enterprises and Small enterprises		7.49	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		552.36	558.11
(iii) Other Financial Liabilities	15	674.94	163.08
(b) Other Current Liabilities	17	37.97	64.69
(c) Provisions	18	7.56	5.96
		<b>1,281.33</b>	<b>791.85</b>
		<b>3,275.79</b>	<b>2,049.17</b>
<b>TOTAL</b>			

Significant Accounting Policies and Notes Forming Part of the Financial Statements 1 to 38

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 28, 2019

For and on behalf of the Board

Sd/-  
**Sachin D. Patel**  
Director  
DIN: 00033353

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

Place: Mumbai  
Date: May 28, 2019

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

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

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

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR Lakhs)

Particulars	Notes	2018-19	2017-18
<b>REVENUE</b>			
Revenue from operations (net)	19	4,104.99	3,879.99
Other income	20	221.39	16.51
<b>Total Revenue (I)</b>		<b>4,326.38</b>	<b>3,896.50</b>
<b>EXPENSES</b>			
Cost of materials consumed	21	33.50	37.97
Purchases of stock-in-trade	22	96.99	177.37
Employee benefits expense	23	519.59	445.84
Finance costs	24	12.96	41.77
Depreciation and amortization expense	25	122.12	114.86
Other expenses	26	2,721.67	2,594.88
<b>Total Expenses (II)</b>		<b>3,506.82</b>	<b>3,412.68</b>
<b>Profit before exceptional items and tax (I-II)</b>		<b>819.56</b>	<b>483.81</b>
Exceptional Items	27	-	-
<b>Profit before tax</b>		<b>819.56</b>	<b>483.81</b>
<b>Tax expense:</b>			
Current tax		87.00	102.99
Deferred tax		91.66	(5.89)
<b>Profit for the period</b>		<b>640.90</b>	<b>386.72</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		0.17	4.03
Income tax effect		(0.05)	(0.82)
<b>Other Comprehensive income for the year, net of tax</b>		<b>0.12</b>	<b>3.21</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<b>641.02</b>	<b>389.93</b>
<b>Earnings per share for profit attributable to equity shareholders</b>	28		
Basic and Diluted EPS		4.41	2.66

Significant Accounting Policies and Notes Forming Part of the Financial Statements 1 to 38

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 28, 2019

For and on behalf of the Board

Sd/-  
**Sachin D. Patel**  
Director  
DIN: 00033353

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

Place: Mumbai  
Date: May 28, 2019

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

Sd/-  
**Jagdish G. Kaujagi**  
Chief Executive Officer

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



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR Lakhs)

Particulars	2018-19	2017-18
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before tax	819.56	483.81
<b>Adjustments for:</b>		
Depreciation and amortisation expense	122.12	114.86
Net loss/(gain) on sale of property, plant and equipment	0.10	0.28
Interest income classified as investing cash flows	(36.33)	(12.54)
Loss Allowance on Trade Receivables	(490.79)	-
Finance costs	12.96	41.77
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	183.11	426.55
(Increase)/Decrease in inventories	12.53	4.70
Increase/(decrease) in trade payables	1.74	(155.77)
(Increase)/ decrease in other financial assets	(599.55)	10.11
(Increase)/decrease in other assets	(56.67)	13.78
Increase/(decrease) in provisions	6.18	(7.59)
(Increase)/Decrease in Other bank balance	264.06	(328.91)
Increase/(decrease) in other financial liabilities	(29.29)	(0.09)
Increase in other current liabilities	(26.72)	26.52
<b>Cash generated from operations</b>	<b>183.01</b>	<b>617.48</b>
Less: Income taxes paid (Net)	(114.42)	(58.83)
<b>Net cash inflow from operating activities</b>	<b>68.59</b>	<b>558.64</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	(1,134.72)	(127.18)
Sale of property, plant and equipment	532.25	19.30
Loans given	(0.36)	(1.45)
Loans repaid	1.12	1.34
Interest received	26.46	5.34
<b>Net cash outflow from investing activities</b>	<b>(575.24)</b>	<b>(102.65)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from Borrowings	1,110.87	-
Repayment of Borrowings	(568.56)	(243.20)
Net change in current borrowings	-	(114.15)
Interest paid	(13.12)	(22.21)
<b>Net cash inflow (outflow) from financing activities</b>	<b>529.19</b>	<b>(379.55)</b>
Net increase (decrease) in cash and cash equivalents	22.53	76.44
Cash and Cash Equivalents at the beginning of the financial year	89.13	12.69
<b>Cash and Cash Equivalents at end of the year</b>	<b>111.66</b>	<b>89.13</b>
<b>Cash and cash equivalents as per above comprise of the following:</b>		
Balances with banks on current accounts	108.19	83.23
Cash on hand	3.47	5.90
<b>Balances per statement of cash flows</b>	<b>111.66</b>	<b>89.13</b>

**Note:**

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.

**Significant Accounting Policies and Notes Forming Part of the Financial Statements** 1 to 38

**As per our report of even date attached  
For GMJ & Co**

Chartered Accountants  
Firm Registration No: 103429W

**For and on behalf of the Board**

Sd/-  
**Sachin D. Patel**  
Director  
DIN: 00033353

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

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

Sd/-  
**CA Sanjeev Maheshwari**  
Partner  
Membership No: 38755

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

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

Place: Mumbai  
Date: May 28, 2019

Place: Mumbai  
Date: May 28, 2019



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

## A Equity Share Capital

(Amount in INR Lakhs)

Particulars	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, 2018</b>			
Numbers	14,528,702	-	<b>14,528,702</b>
Amount	726.44	-	<b>726.44</b>
<b>March 31, 2019</b>			
Numbers	14,528,702	-	<b>14,528,702</b>
Amount	726.44	-	<b>726.44</b>

## B Other Equity

(Amount in INR Lakhs)

Particulars	Reserves and Surplus			
	Capital Reserve	Securities Premium	Retained Earnings	Total
<b>As at March 31, 2017</b>	15.69	216.44	(137.52)	<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>
Profit for the period	-	-	640.90	<b>640.90</b>
Other comprehensive income	-	-	0.12	<b>0.12</b>
<b>Total comprehensive income for the year</b>	-	-	<b>641.02</b>	<b>641.02</b>
<b>As at March 31, 2019</b>	<b>15.69</b>	<b>216.44</b>	<b>893.43</b>	<b>1,125.55</b>

Significant Accounting Policies and Notes Forming Part of the Financial Statements

1 to 38

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 28, 2019

For and on behalf of the Board

Sd/-  
**Sachin D. Patel**  
Director  
DIN: 00033353

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

Place: Mumbai  
Date: May 28, 2019

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

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

Sd/-  
**Jagdish G. Kaujagi**  
Chief Executive Officer



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 1 Corporate Information

These statements comprise financial statements of Gujarat Themis Biosyn Limited (CIN: L24230GJ1981PLC004878) ('the company') for the year ended March 31, 2019. The company is a public company domiciled in India and is incorporated on December 11, 1981 under the provisions of the Companies Act applicable in India. Its shares are listed on a recognised stock exchange in India. The registered office of the Company is located at Plot No 69C, 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 28, 2019.

### 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").

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.

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

**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.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 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 March 31, 2017	6.98	52.46	0.20	1,106.93	5.00	1.03	2.05	0.13	20.29	1,195.08
Additions	-	-	-	107.47	0.17	-	3.76	-	15.78	127.18
Disposals	-	-	-	(0.03)	-	-	-	-	-	(0.03)
Other Adjustments	-	-	-	-	-	-	-	-	(19.55)	(19.55)
As at March 31, 2018	6.98	52.46	0.20	1,214.37	5.17	1.03	5.81	0.13	16.53	1,302.68
Additions	-	64.44	-	458.17	-	-	1.00	-	611.10	1,134.72
Disposals	-	-	-	-	-	-	-	-	(532.35)	(532.35)
Other Adjustments	-	-	-	-	-	-	-	-	-	-
As at March 31, 2019	6.98	116.91	0.20	1,672.54	5.17	1.03	6.81	0.13	95.28	1,905.04
<b>ACCUMULATED (DEPRECIATION/IMPAIRMENT)</b>										
As at March 31, 2017	0.14	3.35	0.01	105.89	0.67	0.89	0.89	0.13	-	111.96
Depreciation for the year	0.14	3.35	0.01	105.98	3.59	0.12	1.67	0.00	-	114.86
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	0.27	6.69	0.02	211.87	4.26	1.01	2.56	0.13	-	226.81
Depreciation for the year	0.14	5.66	0.01	114.11	0.72	-	1.48	0.00	-	122.12
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2019	0.41	12.36	0.03	325.98	4.99	1.01	4.04	0.13	-	348.93
Net Carrying value as at March 31, 2019	6.58	104.55	0.17	1,346.56	0.18	0.02	2.77	-	95.28	1,556.11
Net Carrying value as at March 31, 2018	6.71	45.77	0.18	1,002.50	0.91	0.02	3.25	-	16.53	1,075.86

#### 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, 2019	March 31, 2018
<b>Land</b>		
Cost	6.98	6.98
Accumulated Depreciation	(0.41)	(0.27)
<b>Net carrying amount</b>	<b>6.58</b>	<b>6.71</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.





## 7. TRADE RECEIVABLES

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
Trade Receivables from customers	579.83	272.15
	<b>579.83</b>	<b>272.15</b>
<b>Breakup of Security details</b>		
Secured, considered good	-	-
Unsecured, considered good	579.83	272.15
Which have significant increase in credit risk	52.01	542.80
Credit Impaired	-	-
	<b>631.84</b>	<b>814.95</b>
<b>Loss Allowance (allowance for bad and doubtful debts)</b>		
Loss Allowance	52.01	542.80
	<b>52.01</b>	<b>542.80</b>
<b>Total</b>	<b>579.83</b>	<b>272.15</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 132.23 Lakhs (Previous year INR 102.45 Lakhs)

## 8. CASH AND CASH EQUIVALENTS

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Balances with banks on current accounts	108.19	83.23
Cash on hand	3.47	5.90
<b>Total</b>	<b>111.66</b>	<b>89.13</b>

## 9. OTHER BANK BALANCES

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Margin money deposits with original maturity for more than 12 months *	24.40	18.99
Margin money deposits with original maturity for more than 12 months* (Margin money to secure Bank Guarantee)	28.03	28.03
Bank Deposits with less than 12 months maturity	40.25	-
Other deposits	-	309.72
<b>Total</b>	<b>92.68</b>	<b>356.74</b>

\*Margin money deposits amounted to INR 24.40 Lakhs (March 31, 2018: INR 18.99 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, 2018 INR 28.03 Lakhs) are lien marked against secure Bank Guarantee.



**10. OTHER ASSETS**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Non Current</b>		
Capital Advances	40.36	-
<b>Advances other than Capital advances</b>		
- Security Deposits	2.60	2.60
- Advances to creditors	30.36	14.83
<b>Others</b>		
Prepaid expenses	14.13	10.93
Payment of taxes (net of provisions)	171.82	144.40
<b>Total</b>	<b>259.27</b>	<b>172.77</b>
<b>Current</b>		
Prepaid expenses	-	2.41
Balances with Statutory, Government Authorities	4.70	4.70
<b>Total</b>	<b>4.70</b>	<b>7.11</b>

**11. INCOME TAX****Deferred Tax**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Deferred tax relates to the following:</b>		
Temporary difference in the carrying amount of property, plant and equipment	(125.65)	(107.99)
Temporary difference in the carrying amount of financial instruments at amortised cost	-	-
Provision for employee benefits	18.47	25.20
Loss allowances on financial assets	15.47	82.79
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>(91.71)</b>	<b>0.00</b>

**Movement in deferred tax liabilities/assets**

Particulars	March 31, 2019	March 31, 2018
<b>Opening balance as of April 1</b>	-	<b>(5.07)</b>
Tax income/(expense) during the period recognised in profit or loss	(91.66)	5.89
Tax income/(expense) during the period recognised in OCI	(0.05)	(0.82)
<b>Closing balance as at March 31</b>	<b>(91.71)</b>	-

Particulars	March 31, 2019	March 31, 2018
<b>Unrecognised deferred tax assets</b>		
Unrecognised tax losses	-	82.79

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, 2019 and March 31, 2018 are as follows:

i. Income tax recognised in profit or loss		(Amount in INR Lakhs)	
Particulars	2018-19	2017-18	
Current income tax charge	87.00	102.99	
Adjustment in respect of current income tax of previous year	-	-	
<b>Deferred tax</b>			
Relating to origination and reversal of temporary differences	91.66	(5.89)	
<b>Income tax expense recognised in profit or loss</b>	<b>178.66</b>	<b>97.10</b>	

ii. Income tax recognised in OCI		
Particulars	March 31, 2019	March 31, 2018
Net loss/(gain) on remeasurements of defined benefit plans	(0.05)	(0.82)
<b>Income tax expense recognised in OCI</b>	<b>(0.05)</b>	<b>(0.82)</b>

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2019 and March 31, 2018		
Particulars	March 31, 2019	March 31, 2018
<b>Accounting profit before income tax</b>	<b>819.56</b>	<b>483.81</b>
Enacted tax rate in India	20.59%	20.39%
<b>Income tax on accounting profits</b>	<b>168.75</b>	<b>98.64</b>
<b>Tax Effect of</b>		
Depreciation	6.38	(2.17)
Expenses not allowable or considered separately under Income Tax	(12.12)	(2.37)
MAT provisions	87.00	102.99
Carried forward losses & tax adjusted	(71.39)	(103.97)
Other Adjustments	0.04	3.99
<b>Tax at effective income tax rate</b>	<b>178.66</b>	<b>97.10</b>

## 12. SHARE CAPITAL

i. Authorised Share Capital		(Amount in INR Lakhs)			
Particulars	Equity Shares of INR 5 each		Preference Shares of INR 100 each		
	Number	Amount	Number	Amount	
<b>At March 31, 2017</b>	27,200,000	1,360.00	30,000	30.00	
Increase/(decrease) during the year	-	-	-	-	
<b>At March 31, 2018</b>	27,200,000	1,360.00	30,000	30.00	
Increase/(decrease) during the year	-	-	-	-	
<b>At March 31, 2019</b>	<b>27,200,000</b>	<b>1,360.00</b>	<b>30,000</b>	<b>30.00</b>	

Particulars	Unclassified Shares of INR 5 each	
	Number	Amount
<b>At March 31, 2017</b>	22,200,000	1,110.00
Increase/(decrease) during the year	-	-
<b>At March 31, 2018</b>	22,200,000	1,110.00
Increase/(decrease) during the year	-	-
<b>At March 31, 2019</b>	<b>22,200,000</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.

#### ii. Issued, Subscribed and Paid up Capital

(Amount in INR Lakhs)

Particulars	Number	Amount
<b>Equity shares of INR 5 each issued</b>		
<b>At March 31, 2017</b>	14,528,702	726.44
Issued during the period	-	-
<b>At March 31, 2018</b>	14,528,702	726.44
Issued during the period	-	-
<b>At March 31, 2019</b>	<b>14,528,702</b>	<b>726.44</b>

Particulars	Number	Amount
<b>Equity shares of INR 5 each subscribed and paid up</b>		
<b>At March 31, 2017</b>	14,528,702	726.44
Less: Calls unpaid (other than directors)	-	(0.04)
	<b>14,528,702</b>	<b>726.40</b>
<b>At March 31, 2018</b>	14,528,702	726.44
Less: Calls unpaid (other than directors)	-	(0.04)
	<b>14,528,702</b>	<b>726.40</b>
<b>At March 31, 2019</b>	14,528,702	726.44
Less: Calls unpaid (other than directors)	-	(0.04)
	<b>14,528,702</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, 2019		As at March 31, 2018	
	Number	% holding	Number	% holding
<b>Equity shares of INR 5 each fully paid</b>				
Yuhan Corporation	3,850,000	26.50%	3,850,000	26.50%
Pharmaceutical Business Group India Limited	3,582,000	24.65%	3,582,000	24.65%
Themis Medicare Limited	3,369,605	23.19%	3,369,605	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.

## 13. OTHER EQUITY

Reserves and Surplus			(Amount in INR Lakhs)	
Particulars	March 31, 2019		March 31, 2018	
Capital Reserve	15.69		15.69	
Securities Premium	216.44		216.44	
Retained Earnings	893.43		252.41	
<b>Total</b>	<b>1,125.55</b>		<b>484.53</b>	

(a) Capital Reserve			(Amount in INR Lakhs)	
Particulars	March 31, 2019		March 31, 2018	
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			(Amount in INR Lakhs)	
Particulars	March 31, 2019		March 31, 2018	
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.

<b>(c) Retained Earnings</b>		<b>(Amount in INR Lakhs)</b>	
<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	
Opening balance	252.41	(137.52)	
Net Profit for the year	640.90	386.72	
Add/(Less):			
Prior period items adjusted	-	-	
<i>Items of Other Comprehensive Income directly recognised in Retained Earnings</i>			
Remeasurement of post employment benefit obligation, net of tax	0.12	3.21	
<b>Closing balance</b>	<b>893.43</b>	<b>252.41</b>	

**14. BORROWINGS**

		<b>(Amount in INR Lakhs)</b>	
<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	
<b>Non Current Borrowings</b>			
<b>Secured</b>			
(a) Term Loans From Banks			
Indian rupee loan (Refer Note 1)	-	38.05	
<b>Unsecured</b>			
(b) Term Loans From Others			
Loan from Themis Medicare Limited (Refer Note 2)	-	-	
Loan from Lupin Limited (Refer Note 3)	600.00	20.64	
	(A)	<b>600.00</b>	<b>58.6s9</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	
<b>Unsecured</b>			
(b) Term Loans From Others			
Loan from Lupin Limited (Refer Note 3)	600.00	20.64	
	(B)	<b>600.00</b>	<b>58.69</b>
	<b>Total (A-B)</b>	-	-
<b>Current Borrowings</b>			
<b>Secured</b>			
Loans repayable on demand from Banks			
- Cash Credit	1.00	-	
	<b>Total</b>	<b>1.00</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, 2018: ranging from 9.60% p.a. to 9.65% 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 598.70 Lakhs for utilization exclusively towards the purchase of new equipment by the Company. As per the agreement, the Company was to complete all the documents and procedures necessary to hypothecate the equipment as and by way of first charge in favour of Lupin Limited. However, the first charge in favour of Lupin Limited in respect of the said loan is now not required as the entire loan has been repaid by the Company after the end of financial year but before the date of signing of this Balance Sheet.

## CURRENT BORROWINGS

### CASH CREDIT FROM BANK

Cash Credit from Bank (Secured) are repayable on demand and carries interest at (base rate + 1.30%) i.e. ranging 10.65% p.a. to 11.25% p.a. (March 2018: 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, 2019	March 31, 2018
Current Borrowings	1.00	-
Non-current Borrowings	600.00	58.69
Interest accrued	-	0.17
<b>Net Debt</b>	<b>601.00</b>	<b>58.86</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	<b>400.39</b>
Cash Inflow	-	-	-
Cash Outflow	(243.20)	-	(243.20)
Net change in current borrowings		(114.89)	(114.89)
Interest Expense	22.18	16.58	<b>38.76</b>
Interest Paid	(5.63)	(16.58)	<b>(22.21)</b>
<b>Net Debt as at March 31, 2018</b>	<b>58.86</b>	-	<b>58.86</b>
Cash Inflow	610.00	500.87	1,110.87
Cash Outflow	(68.69)	(499.87)	(568.56)
Net change in current borrowings		-	-
Interest Expense	0.20	3.16	3.36
Interest Paid	(0.37)	(3.16)	(3.53)
<b>Net Debt as at March 31, 2019</b>	<b>600.00</b>	<b>1.00</b>	<b>601.00</b>

**15. OTHER FINANCIAL LIABILITIES**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
<b>Financial Liabilities at amortised cost</b>		
Current maturities of long term debts	600.00	58.69
Interest accrued but not due on borrowings	-	0.17
Sundry creditors for capital asset	0.50	5.03
Liability for expenses	74.44	99.19
<b>Total</b>	<b>674.94</b>	<b>163.08</b>

**16. TRADE PAYABLES**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
Trade Payables to Micro enterprises and Small enterprises	7.49	-
Trade Payables to Creditors other than micro enterprises and small enterprises	552.36	558.11
<b>Total</b>	<b>559.85</b>	<b>558.11</b>

**17. OTHER LIABILITIES**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
Advance received from Customers	0.28	0.90
Statutory Liabilities*	37.69	63.79
<b>Total</b>	<b>37.97</b>	<b>64.69</b>

\* Includes Goods and service tax, Excise duty, Service tax and TDS, etc.





## 18. PROVISIONS

(Amount in INR Lakhs)		
Particulars	March 31, 2019	March 31, 2018
<b>Non Current</b>		
Provision for employee benefits (Refer Note 29)		
Gratuity	35.54	33.04
Leave encashment	15.27	13.36
<b>Total</b>	<b>50.81</b>	<b>46.40</b>
<b>Current</b>		
Provision for employee benefits (Refer Note 29)		
Gratuity	5.96	4.32
Leave encashment	1.60	1.64
<b>Total</b>	<b>7.56</b>	<b>5.96</b>

## 19. REVENUE FROM OPERATIONS

(Amount in INR Lakhs)		
Particulars	2018-19	2017-18
<b>Sale of products</b>		
Finished Products	107.75	196.49
<b>Operating Revenues</b>		
Conversion / Job Work Charges Received	3,982.61	3,680.85
<b>Other Operating Revenues</b>		
Scrap sales	14.62	2.64
<b>Total</b>	<b>4,104.99</b>	<b>3,879.99</b>

## 20. OTHER INCOME

(Amount in INR Lakhs)		
Particulars	2018-19	2017-18
Interest income		
- On Deposits including margin money	36.33	12.47
- On investment	-	0.07
Excess provision written back	176.72	0.46
Scrap sale	-	1.20
Notice pay recovery	2.69	2.31
Insurance claim	5.40	-
Miscellaneous Income	0.25	-
<b>Total</b>	<b>221.39</b>	<b>16.51</b>

**21. COST OF MATERIALS CONSUMED**

(Amount in INR Lakhs)

Particulars	2018-19	2017-18
<b>Raw Material</b>		
Laboratory consumables and chemicals	26.45	31.28
Freight on raw materials	6.75	6.36
Packing material consumed	0.31	0.33
<b>Total</b>	<b>33.50</b>	<b>37.97</b>

**22. PURCHASES OF STOCK-IN-TRADE**

(Amount in INR Lakhs)

Particulars	2018-19	2017-18
Lova Boronate	96.99	177.37
<b>Total</b>	<b>96.99</b>	<b>177.37</b>

**23. EMPLOYEE BENEFITS EXPENSE**

(Amount in INR Lakhs)

Particulars	2018-19	2017-18
Salaries, wages and bonus	480.32	406.13
Contribution to provident and other funds	22.51	18.60
Gratuity Expense	6.45	3.39
Staff welfare expenses	10.31	17.73
<b>Total</b>	<b>519.59</b>	<b>445.84</b>

**24. FINANCE COST**

(Amount in INR Lakhs)

Particulars	2018-19	2017-18
Interest Expenses		
- Interest paid on Term loans	0.20	5.04
- Interest paid on Other borrowings	3.16	6.82
- Unwinding of finance cost on interest free loan	-	17.14
- Interest cost on gratuity	-	3.00
Bank and other finance Charges	5.94	5.18
Other Borrowings costs	3.66	4.58
<b>Total</b>	<b>12.96</b>	<b>41.77</b>

**25. DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	2018-19	2017-18
Depreciation on tangible assets	122.12	114.86
<b>Total</b>	<b>122.12</b>	<b>114.86</b>

**26. OTHER EXPENSES****(Amount in INR Lakhs)**

Particulars	2018-19	2017-18
Consumption of stores and spares	308.95	256.88
Power charges	1,558.95	1,485.85
Fuel charges	387.95	382.12
Water charges	72.71	64.81
Insurance	8.49	10.84
Rates and taxes	15.67	8.51
Donation	1.05	11.00
Legal and professional fees	17.55	20.97
Repairs and maintenance		
Building	23.51	8.25
Plant and Machinery	58.40	69.24
Others	1.51	0.33
Disposal Charges for removal of waste material	95.33	112.72
Central Effluent Treatment Charges	40.82	40.21
Drainage Cess Charges	6.79	6.78
Vehicle Expenses	2.89	2.85
Payments to auditors (Refer note below)	4.35	4.40
Security Charges	15.77	19.39
Testing and Analytical Charges	1.98	4.25
Printing and Stationary Expenses	5.90	3.39
Penalty	-	0.01
Travelling and conveyance expenses	5.35	2.18
Hire Charges	6.66	5.77
Postage and Telegram Charges	1.47	0.84
Telephone and Telex Charges	1.00	1.67
Net loss on sale of investments	0.10	0.28
Sundry balances written off	16.90	9.94
Research and Development Expense	3.04	2.80
Settlement of Disposal charges	12.78	15.60
Miscellaneous expenses	45.80	43.03
<b>Total</b>	<b>2,721.67</b>	<b>2,594.88</b>

## Details of Payments to auditors

(Amount in INR Lakhs)

	2018-19	2017-18
<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	0.05	0.10
<b>Total</b>	<b>4.35</b>	<b>4.40</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, 2019 is INR 0.36 Lakhs (March 31, 2018: 2.80 Lakhs) details of which are as follows:

(Amount in INR Lakhs)

Particulars	2018-19	2017-18
<b>To outside agencies</b>		
- Quantumzyme Lip	-	2.00
- Kailash Cancer Hospital - Baroda	0.36	0.80
<b>Total Research and Development Expenditure</b>	<b>0.36</b>	<b>2.80</b>

**28. EARNINGS PER SHARE**

(Amount in INR Lakhs)

Particulars	2018-19	2017-18
<b>(a) Basic and Diluted earnings per share (INR)</b>	<b>4.41</b>	<b>2.66</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	640.90	386.72
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>640.90</b>	<b>386.72</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	14,528,702	14,528,702
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>14,528,702</b>	<b>14,528,702</b>



## 29. EMPLOYEE BENEFIT OBLIGATIONS

(Amount in INR Lakhs)

	March 31, 2019			March 31, 2018		
	Current	Non Current	Total	Current	Non Current	Total
<b>Provisions</b>						
Leave Encashment	1.60	15.27	<b>16.87</b>	1.64	13.36	<b>15.00</b>
Gratuity	5.96	35.54	<b>41.50</b>	4.32	33.04	<b>37.36</b>
<b>Employee Benefit Obligations</b>	<b>7.56</b>	<b>50.81</b>	<b>58.37</b>	<b>5.96</b>	<b>46.40</b>	<b>52.36</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 1.60 Lakhs (March 31, 2018: INR 1.64 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 March 31, 2017</b>	39.78
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>
Current service cost	3.56
Interest expense/(income)	2.89
<b>Total amount recognised in profit or loss</b>	<b>6.45</b>
<i>Remeasurements</i>	
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.40)
Actuarial (Gain)/Loss on arising from Experience Adjustment	0.23
<b>Total amount recognised in other comprehensive income</b>	<b>6.27</b>
Employer contributions	-
Benefit payments	(2.13)
<b>As at March 31, 2019</b>	<b>41.50</b>

The significant actuarial assumptions were as follows:

	March 31, 2019	March 31, 2018
Discount rate	7.65%	7.74%
Salary growth rate	5.00%	5.00%
Retirement Age	58 years	58 years

A quantitative sensitivity analysis for significant assumption as at March 31, 2018 and March 31, 2019 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, 2019</b>				
Impact on defined benefit obligation	(1.14)	1.20	1.22	(1.17)
% Impact	-2.74%	2.88%	2.94%	-2.82%
<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%

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

(Amount in INR Lakhs)

	March 31, 2019	March 31, 2018
1st following year	7.69	7.08
2nd following year	15.62	5.83
3rd following year	5.23	14.67
4th following year	4.83	7.50
5th following year	7.05	9.97
<b>Total expected payments</b>	<b>40.42</b>	<b>45.05</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 21.67 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 13.09 Lakhs (March 31, 2018: INR 11.86 Lakhs).

### 30. COMMITMENTS AND CONTINGENCIES

#### A. Commitments

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	37.06	-
<b>Total</b>	<b>37.06</b>	<b>-</b>



## B. Contingent Liabilities

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>i. Claim against the company not acknowledged as debt</b>		
Civil cases liabilities	28.16	51.93
<b>ii. Guarantees excluding financial guarantees</b>		
Bank Guarantee given by UBI to DGVCL	197.75	155.00
<b>ii. Other money for which the company is contingently liable</b>		
(i) Income tax under dispute	-	
(ii) TDS default payment	-	
(iii) Fringe benefit tax under dispute	2.02	2.02
(iv) Disputed Labour Dues	136.23	84.05
	<b>364.16</b>	<b>208.95</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

Name of Related Party	Country of Incorporation
<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
Themis Lifestyle Private Limited	India
Long Island Nutritionals Private Limited	India
Richter Themis Medicare (India) Private Limited	India
<b>Venturer in Joint Venture</b>	
Yuhan Corporation	South Korea
<b>Directors</b>	
Dinesh Shantilal Patel	
Sachin Dinesh Patel	
Vijay Gopi Kishan Agarwal (Independent)	



Preeti Kaushik Trivedi (Independent)  
 Siddharth Yogesh Kusumgar (Independent)  
 Vikram Dulerai Sanghvi (Independent)  
 Si Sung Lee  
 Namjin Seung Park (W.e.f 08.08.2018)  
 J. H. Choi (Upto 04.06.2018)  
 Hinesh Rameshchandra Doshi, Alternate To Mr. Namjin Seung Park (W.e.f 08.08.2018)

#### Key Management Personnel

Rajneesh Anand (Technical and Management Consultant)  
 Jagdish G. Kaujalgi (Chief Executive Officer) W.e.f 09.05.2018  
 Bharat A. Desai (Chief Finance Officer)  
 Abhishek D. Buddhadev (Company Secretary)  
 Vikas P. Tarekar (Company Secretary) Upto 12.06.2017  
 Tapas Guha (Chief Executive Officer) Upto 12.12.2017

#### (ii) Transactions with related parties

(Amount in INR Lakhs)

Name	Nature of Transaction	2018-19	2017-18
Themis Medicare Limited	Purchase of Raw Material for Lova Boronate	114.44	208.75
	Sales of Lova Boronate	127.150	230.21
	Purchase Inaculum Reactor	4.72	-
	Sales Inaculum Reactor	4.72	-
	Purchase of Membrane Filter Press	4.2	10.62
Vividh Distributors Private Limited	Deposit Received	-	1.00
	Deposit Repayment	-	1.00
Rajneesh Anand	Remuneration (including reimbursement)	29.40	29.40
Tapas Guha	Remuneration (including reimbursement)	-	5.62
Bharat A Desai	Remuneration (including reimbursement)	6.92	6.52
Vikas P Tarekar	Remuneration (including reimbursement)	-	1.52
Abhishek Buddhadev	Remuneration (including reimbursement)	5.39	2.85
Jagdish G Kaujalgi	Remuneration (including reimbursement)	10.78	-



### (iii) Outstanding trade related balances

Name	March 31, 2019	March 31, 2018
<b>Trade Receivables</b>		
Themis Medicare Limited (Artemis Biotech)	132.23	102.45
<b>Trade Payables</b>		
Themis Medicare Limited	85.54	80.78

### (iv) Outstanding balances

(Amount in INR Lakhs)

Name	March 31, 2019	March 31, 2018
<b>Other receivables</b>		
Pharmaceutical Business Group (India) Limited	0.19	0.19
<b>Remuneration Payable</b>		
Rajneesh Anand	2.45	1.63
Jagadish G Kaujalgi	0.91	-
Bharat A. Desai	0.51	0.49
Abhishek Buddhadev	0.41	0.35

### (v) Key management personnel compensation

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Short term employee benefits	52.49	45.61
Post-employment benefits*	-	-
Long term employee benefits*	-	-
Directors' sitting fees	3.75	3.60
	<b>56.24</b>	<b>49.21</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, 2019, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2018: 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, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>FINANCIAL ASSETS</b>				
<b>Amortised cost</b>				
Investments in Government Securities	0.50	0.50	0.50	0.50
Trade Receivables	579.83	272.15	579.83	272.15
Cash and Cash Equivalents	111.66	89.13	111.66	89.13
Other Bank Balances	92.68	356.74	92.68	356.74
Other Financial Assets	637.28	27.87	637.28	27.87
<b>Total</b>	<b>1,421.95</b>	<b>746.38</b>	<b>1,421.95</b>	<b>746.38</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Amortised cost</b>				
Borrowings	601.00	58.69	601.00	58.69
Trade Payables	559.85	558.11	559.85	558.11
Other financial liabilities	74.94	104.39	74.94	104.39
<b>Total</b>	<b>1,235.79</b>	<b>721.19</b>	<b>1,235.79</b>	<b>721.19</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, 2017</b>	<b>542.80</b>
Changes in loss allowance	-
<b>Loss allowance on March 31, 2018</b>	<b>542.80</b>
Changes in loss allowance	(490.79)
<b>Loss allowance on March 31, 2019</b>	<b>52.01</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)

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, 2019</b>					
Borrowings	601.00	601.00	601.00	-	-
Trade payables	559.85	559.85	559.85	-	-
Other financial liabilities	74.94	74.94	74.94	-	-
<b>Total financial liabilities</b>	<b>1,235.79</b>	<b>1,235.79</b>	<b>1,235.79</b>	-	-
<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>	-	-

#### (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, 2019	March 31, 2018
Borrowings	601.00	58.69
Trade payables	559.85	558.11
Other Financial Liabilities	74.94	104.39
Less: Cash and cash equivalents	(111.66)	(89.13)
Less: Other Bank Balance	(92.68)	(356.74)
<b>Net Debt</b>	<b>1,031.45</b>	<b>275.32</b>
Equity Share capital	726.40	726.40
Other Equity	1,125.55	484.53
<b>Total Capital</b>	<b>1,851.94</b>	<b>1,210.93</b>
<b>Capital and net debt</b>	<b>2,883.39</b>	<b>1,486.25</b>
<b>Gearing ratio</b>	<b>35.77</b>	<b>18.52</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, 2019	March 31, 2018
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	1,457.86	1,059.34
<b>Total non current assets</b>	<b>1,457.86</b>	<b>1,059.34</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, 2019	March 31, 2018
Principal amount due to suppliers under MSMED Act, 2006*	5.01	-
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	-	-

\*Note- The Company makes payment to all the Parties (Including MSMEs) as per the payment terms negotiated with each party.

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

The amendment to standard issued up to the date of issuance of the Company's financial statements, but not yet effective as of the date of the Company's financial statements is disclosed below. The Company intends to adopt the amendment to standard when it becomes effective.

**Amendment to Ind AS 12, Income taxes :**

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments :**

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition :

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight, and • Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives





The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

### **Amendment to Ind AS 19, plan amendment, curtailment or settlement :**

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity :

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment

### **Ind AS 116-Leases:**

Ind AS 116, Leases : On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition :

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as :

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

## **Significant Accounting Policies and Notes Forming Part of the Financial Statements**

**1 to 38**

### **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 28, 2019

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

Sd/-  
**Sachin D. Patel**  
Director  
DIN: 00033353

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

Place: Mumbai  
Date: May 28, 2019

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

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

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



## GUJARAT THEMIS BIOSYN LIMITED

CIN : L24230GJ1981PLC004878

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

Website : [www.gtbl.in](http://www.gtbl.in) E-mail : [gtblmumbai@gtbl.in](mailto:gtblmumbai@gtbl.in)

### Proxy Form for 38<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 38<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, 27<sup>th</sup> August, 2019 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 31st March, 2019 together with Reports of the Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Dr. Sachin D. Patel, (DIN: 00033353) who retires by rotation and being eligible, offers himself for re-appointment.			
<b>Special business</b>				
3.	Re-appointment of Mr. Vijay Agarwal (DIN: 00058548) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.			

Signed this ..... day of ..... 2019.

.....  
Signature of the member

.....  
Signature of the proxy holder(s)

Affix  
revenue  
stamp of not  
less than ₹1

#### Notes :

1. 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 August 25, 2019 at 12:00 Noon IST).
2. 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.in](http://www.gtbl.in) E-mail : [gtblmumbai@gtbl.in](mailto:gtblmumbai@gtbl.in)**Attendance Slip for 38<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 38<sup>th</sup> Annual General Meeting of the Company on Tuesday, the 27<sup>th</sup> August, 2019 at 12.00 Noon at the Office of Themis Medicare Limited, at 69/A, GIDC Industrial Estate, Vapi-396 195, Dist. Valsad, Gujarat.

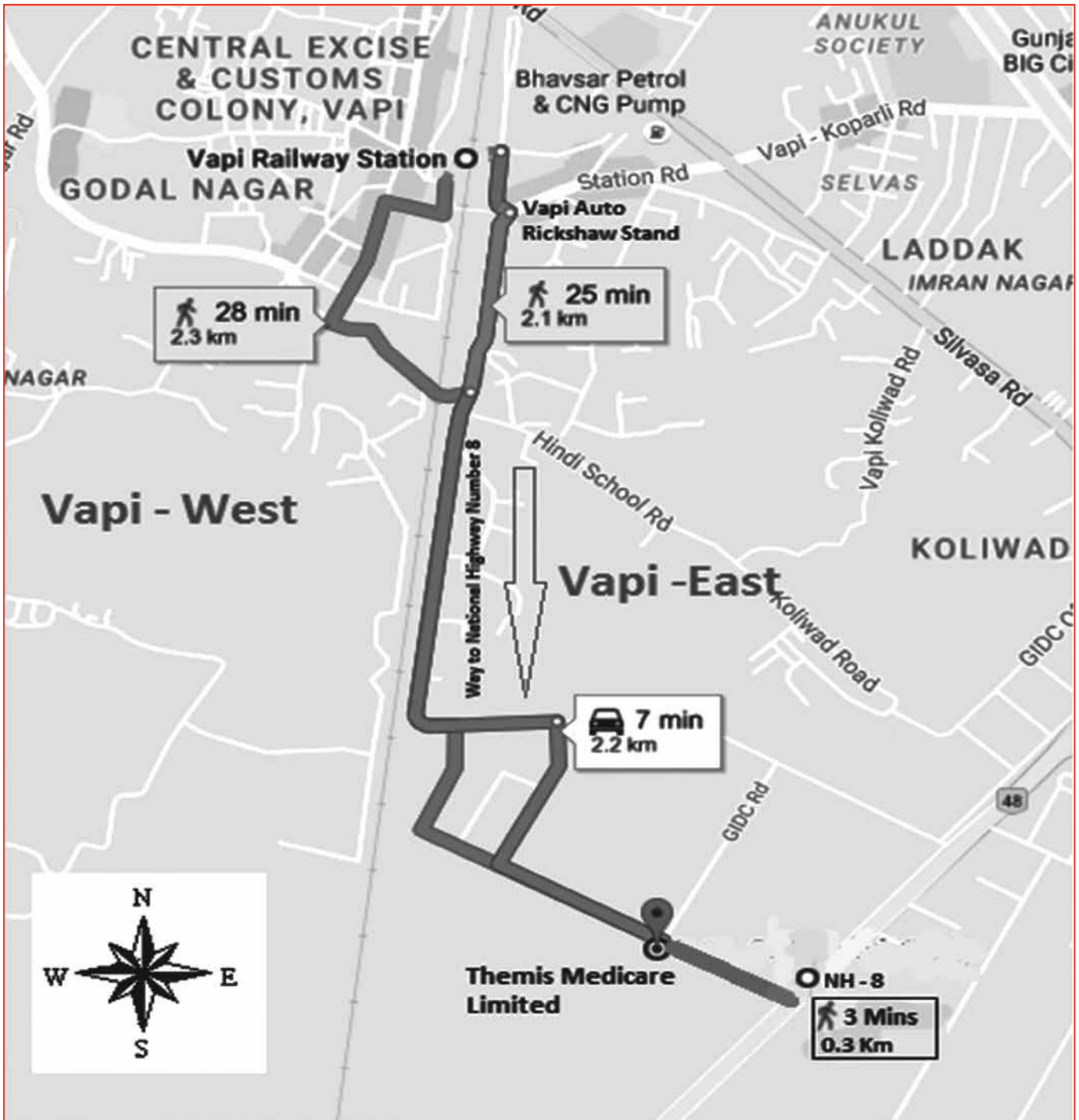
\_\_\_\_\_  
First / Sole holder / Proxy\_\_\_\_\_  
Second holder / Proxy\_\_\_\_\_  
Third holder / Proxy\_\_\_\_\_  
Fourth holder / Proxy**Note :**

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. 16<sup>th</sup> August, 2019.**



# GUJARAT THEMIS BIOSYN LIMITED

**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.