

VISTA PHARMACUTICALS LIMITED

BOARD OF DIRECTORS

Dr. Dhananjaya Alli

Dr. Stanley Prabhakar Reddy

Mr. G. Narendra

Mr. M. H. Rao

Smt. Vani Vatti

Mr. K. Rajendra Prasad

Managing Director

Director

Director

Director

Director

Director (APIDC Nominee)

CORPORATE OFFICE

7-1-212/A/70 1st Floor, Plot No. 85 Shivbagh,

Ameerpet Hyderabad - 500 016

Ph. 040-65581585 Fax 040-23741585

E-mail: admin.hyd@vistapharmaceuticals.com

REGD. OFFICE & FACTORY

Plot Nos.10 to 14 And 16 To 20,

APIIC Industrial Estate, Chityal,

Gopalaipalli Village Narketpally Mandal

Nalgonda District Andhra Pradesh

Ph. 09291015956 Fax 08682-272551

E-mail: admin.nkp@vistapharmaceuticals.com

BANKERS

State Bank of India

Balkampet branch,

Hyderabad - 500 038.

State Bank of Hyderabad

Punjagutta, Hyderabad - 500 082.

AUDITORS

M/s. PRV Associates

3-6-203, Himayatnagar

Hyderabad - 500 029

State Bank of Hyderabad,

Chityal Branch, Chityal

Nalgonda (District)

COMPLIANCE OFFICE

Mr. G. Narendra

SHARE TRANSFER AGENTS & DEMAT REGISTRARS

M/s. Aarathi Consultants Private Ltd. H.No. 1-2-285, Domalguda Hyderabad - 500 029

Ph.Nos. 040-27634445 / 27638111 / 27642217 Fax No.040-27632184

E-mail: info@aarthiconsultants.com

IMPORTANT COMMUNICATION TO MEMBERS

1. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of the notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the following addresses.

Corporate Office:

7-1-212/A/70, 1st Floor, Plot No. 85
Shivbagh, Ameerpet
Hyderabad 500 016
Ph. 040-65581585
Fax 040-23741585
Email: admin.hyd@vistapharmaceuticals.com

Aarhi Consultants Private Ltd

Registered Office :
H.No. 1-2-285, Domalguda
Hyderabad 500029
Ph. Nos. 040-27634445/27638111/27642217
Fax No. 040-27632184
E-mail: info@aarhiconsultants.com

2. SEBI has made it mandatory for every participant in the Securities/Capital Market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with photocopy of both sides of PAN card, duly attested to the Demat Registrar and Share Transfer Agent of the Company, M/s Aarhi Consultants Private Ltd as above.

VISTA PHARMACUTICALS LIMITED

NOTICE:

NOTICE is hereby given that the **22nd Annual General Meeting** of the Members of the Company will be held on Saturday, the 28th day of September, 2013 at 11.30 AM at the Registered Office of the Company i.e., Plot Nos. 10 to 14 And 16 To 20 APIIC Industrial Estate, Gopalaipalli Village, Narketpally Mandal, Nalgonda District, Andhra Pradesh, to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Profit and Loss Account for the year ended 31st March, 2013 and Balance Sheet as on that date and the report of Auditors' and Directors' thereon.
2. To appoint a Director in Place of Dr.Stanley Prabhakar Reddy, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in Place of Ms.Vani Vatti, who retires by rotation and being eligible offers herself for re-appointment.
4. To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to section 224 and other applicable provisions of the Companies Act,1956 **M/s PRV Associates, Chartered Accountants**, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting, at such remuneration as may be determined by the Board Directors of the Company”.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to

attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting. Completion and return of the form of proxy will not prevent a member attending the meeting and voting in person if he or she wishes. A form of proxy is given at the end of this Annual report.

2. The register of members and share transfer books of the Company will remain closed from 26.09.2013 to 28.09.2013 (both days inclusive).
3. Members are requested to notify immediately any change in their address to the Company's Registered Office.
4. Members/Proxies are requested to bring duly filled in attendance slips to the meeting. The form of attendance slip is given at the end of this Annual Report.

While members holding shares in the physical form may write to the Company for any change in their addresses and bank mandates, members holding shares in electronic form may write to their depository participants for immediate updation.

**FOR AND ON BEHALF OF THE BOARD OF
VISTA PHARMACEUTICALS LIMITED**

Mr. G. NARENDRA
Director

Date: 14.08.2013
Place: Hyderabad

Brief profile of Directors Retiring at the Annual General Meeting of the Company (As per Clause 49 of the Listing Agreement)

Name of the Director	Dr. Stanely Prabhakar Reddy	Ms. Vani Vatti
Date of Birth	14.03.1950	27.07.1971
Date of Appointment	17.02.1994	17.08.2005
Expertise in specific functional areas	Psychiatrist Expert in human clinical studies	HR Experience in India and USA
Qualifications	M.B.B.S.	B.Com, LLB
List of other companies in which directorship is held as on March 31, 2013	Vista Pharmaceuticals Inc. USA American Generics, USA	NIL
Chairman/Member of the Committees of the Board of the Companies in which he/she is a director as on March 31, 2013	NIL	NIL
Equity Shares held in the Company	NIL	NIL

VISTA PHARMACEUTICALS LIMITED

DIRECTORS' REPORT

To
The Members
Vista Pharmaceuticals Limited

Your Directors have pleasure in presenting the 22nd Annual Report together with the Audited Statements of Account for the year ended 31st March, 2013.

FINANCIAL RESULTS:

	Current Year 2012-13 (Rs)	Previous Year 2011-12(Rs)
Income	7,47,73,240	3,62,23,141
Expenditure	6,66,20,652	4,53,35,139
Depreciation	64,48,437	63,68,603
Profit/(Loss) for the year (Before Tax)	17,04,151	(-)1,54,10,117
Profit/(Loss) for the year (After Tax)	8,05,354	(-)1,66,30,208
(Loss) Brought forward	10,99,91,165	(-)9,33,60,957
(Loss) carried forward	10,91,85,811	(-)10,99,91,165

Operational Performance

During the financial year, your Company has registered a turnover of Rs. 746.89 lakhs as against Rs.362.23 lakhs in the previous year. The Company earned the profit after tax of Rs. 8.05 lakhs as against the loss in the previous year of Rs. 166.30 lakhs.

Dividend

No dividend has been recommended by Board of Directors during the financial year 2012-13.

Transfer to reserve

There were no transfers to Reserves during the financial year 2012-2013.

Share Capital

The authorised share capital of the company as on March 31, 2013 is Rs. 150,000,000/- divided into 1,50,00,000 equity shares of Rs.10/- each.

Issued, subscribed and paid up capital of the company as on March 31, 2013 is Rs. 150,000,000 /- divided into 1,50,00,000 equity shares of Rs.10/- each.

Scheme of Arrangement for reduction of capital

The Company proposed Scheme of Reduction of Capital involving fully paid up equity share capital from Rs. 15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000(One Crore Fifty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 5,00,00,000 (Rupees Five Crores) divided into 50,00,000(Fifty Lakhs

only) equity shares of Rs.10/- (Rupees Ten only) each, whereby 2/3rd of shares are extinguished out of total paid up capital of the company and splitting of par value of the share from Rs.10/- to Rs.2/- each which was approved by the members on the Extra-ordinary meeting held on 15.11.2012. The company filed the application for obtaining NOC under Clause 24(f) Listing Agreement for Draft Scheme of Reduction of Equity Share Capital with the BSE Ltd. / SEBI.

Since the SEBI issued the circular CIR/CFD/DIL/5/2013 dated 04.02.2013 regarding revised requirements for the Stock exchanges and listed companies relating the Scheme of Arrangement/ Amalgamation, the company filed the revised application with the stock exchange and the approval is pending.

Directors

In accordance with the Companies Act, 1956 read with Articles of Association of the company Mr. Stanely Prabhakar Reddy and Ms. Vani Vatti are retiring by rotation at this Annual General Meeting and being eligible offer themselves for reappointment.

Your Board recommends the re-appointment of the Directors above.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, Your Directors wish to confirm:

1. That in the preparation of the Annual Accounts for the financial year ending 31st March, 2013 the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
2. That such Accounting policies have been selected and applied consistently and judgments and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
3. That proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting any fraud or other irregularities has been taken.
4. That accounts for the financial year ended on 31st March 2013 are prepared on a going-concern basis.

Auditors

M/s PRV Associates, Chartered Accountants, Hyderabad, who retire at this Annual General Meeting, have signified their willingness for reappointment and accordingly Directors have recommended the reappointment of M/s PRV Associates, Chartered Accountants Hyderabad, who confirmed their eligibility under Section 224(1B) of the Companies Act, 1956.

Replies to Auditors' Report

Observations made by the auditor are suitably replied in the notes and accounts wherever required.

Fixed Deposits

Your Company has not accepted any deposits falling within the meaning of Sec. 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

Particulars of Employees

In pursuance of section 217(2A) of the Companies Act, 1956 none of the employees of the Company was drawing a remuneration exceeding the limits stated in section 217(2A) of the Act.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

The required information as per Sec.217 (1) (e) of the Companies Act 1956 is provided hereunder:

A) CONSERVATION OF ENERGY 2012-13:

POWER AND FUEL CONSUMPTION	2012-13	2011-12
1. ELECTRICITY		
a. Purchased units (KWH)	3,00,308	3,11,076
Total Amount (in Rs.)	23,36,897	18,86,243
Unit Rate (in Rs.)	7.78	6.06
b. Own Generation (Through Diesel Generator)	1,19,050	57,768
Units Unit per litre of diesel oil	5.78	5.21
Cost / Unit (Rs.)	8.69	8.22
2. COAL	---	
3. FURNACE OIL (Diesel Oil for Boiler) Quantity (in Litres)	28,000	15,200
Total Amount (in Rs.)	13,45,880	6,64,880
Average Rate / Litre (in Rs.)	48.06	43.74
4 OTHERS / INTERNAL GENERATION		

B. Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company:
Development of generic products for US market.
Improvement & cost reduction of existing products.
Stability studies on all of the above products.
2. Benefits derived as a result of the above R & D:

Developed OTC as well as prescription products for USA market and also products for South American, African and European markets.

Technology Absorption, Adoption and innovation:

1. Efforts in brief made towards technology absorption, adoption and innovation:

The Company has neither absorbed nor adopted any new technology. The Company has also not made any innovation in technology other than the R & D activates.

2. Benefits derived as a result of the above efforts. No benefits derived in the year under review.
3. In case of imported technology following information may be furnished. No Technology is imported during financial year 2012-13.

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C. TOTAL FOREIGN EXCHANGE USED AND EARNED

Sl. No.	Particulars of the transaction	2012 - 13 (Rs. in lakhs)	2011 - 12 (Rs. in lakhs)
	Foreign Exchange earnings against sales	746.89	362.23
	Foreign Exchange Inflow on account of application money for issue of warrants	NIL	NIL
	Foreign Exchange Inflow on account of application money for conversion of warrants	NIL	NIL
1.	Total Foreign Exchange inflow	746.89	362.23
2.	Total Foreign Exchange outgo	NIL	NIL

Listing

The shares of the Company are listed on Bombay Stock Exchange.

Corporate Governance

In pursuance of Clause 49 of the Listing Agreement entered into with the Stock Exchange, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the shareholders.

A certificate from the Auditors of the Company regarding the Compliance of the conditions of Corporate Governance as stipulated under the said Clause 49 also forms a part of this Annual Report.

Management's Discussion and Analysis

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement, forms part of this report and same is annexed.

Personnel

Your Directors place on record their appreciation for the services rendered by the employees. The relation between the management and the employees has been cordial throughout the year.

Acknowledgements

Your Directors wish to express their thanks for the guidance and assistance received from various departments of State and Central Government and their bankers. Your Directors also wish to thank all the Shareholders for their confidence reposed in the Company.

FOR AND ON BEHALF OF THE BOARD OF
VISTA PHARMACEUTICALS LIMITED

Mr. G. NARENDRA
Director

Date: 14.08.2013
Place: Hyderabad

Ms. VANI VATTI
Director

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments:

Generic Pharmaceuticals Industry is positioned to perform very well in comparison to high cost branded drugs, especially in the weak world economic conditions.

US Generic Drug Industry is expected to reach \$140 Billion sales by 2015. US accounts for almost \$90 billions of world sales.

Vista is targeting US Generic market, which accounts for 80% of prescriptions dispensed in the United States.

Company Performance, strength and weakness:

During the year under review, the Company could register an export turnover of Rs. 746.89 lakhs as against Rs.362.23 lakhs in the previous year.

Future:

The Company obtained US FDA approval for the manufacture of Bactrim generic product for US market and expecting a sizable market penetration.

The company is also evaluating few ANDAs for future US market.

ANNEXURE TO THE DIRECTORS' REPORT

Corporate Governance

1. Company's Philosophy

The Board of Directors of the company believes in and fully supports the principles of Corporate Governance. While striving to achieve the financial targets, the company seeks to follow the business principles and ethics and in all its dealings. The company has been regularly implementing the best practices of corporate governance in order to attain total transparency, accountability and integrity.

2. Board of Directors:

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information is placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

Composition:

The Board of Vista Pharmaceuticals Limited comprises of 6 directors. The following is in accordance with the requirement of Stock Exchange Regulations and the provisions of the Listing Agreement, the compliance report on the corporate governance is reproduced here under:

Composition of the Board as on 31 March 2013.

Sl. No.	Name and category of directors	No. of directorships held in other Public companies	No. of Memberships/ Chairmanships held in Committees of other Companies
1.	Dr. Dhananjaya Alli Promoter, Executive	Vista Pharmaceuticals Inc. USA American Generics, USA	Nil
2.	Dr. Stanely Prabhakar Reddy Promoter, Non executive	Vista Pharmaceuticals Inc. USA American Generics, USA	Nil
3.	Mr. M.H. Rao Promoter, Non executive	Jagruti Co-operative Urban Bank Ltd.	1
4.	Mr. G. Narendra Independent, Non executive	Nil	Nil
5.	Ms. Vani Vatti Independent, Non executive	Nil	Nil
6.	Mr. K. Rajendra Prasad Independent, Non Executive	M/s. Restile Ceramics Ltd.	Nil

Board Meetings

During the Financial Year 2012-2013, the Board of Directors met 6 times on the following dates: 14.05.2012,14.08.2012,01.10.2012,09.10.2012,14.11.2012 and 12.02.2013.

The Attendance of Directors at these Board Meetings and at the previous Annual General Meeting was under.

Name of the directors	No. of meetings held during the tenure of the Director	No of meetings attended by the Director	Whether present at the previous AGM	No. of shares held in the company
Dr. Dhananjaya Alli	6	2	YES	20
Dr. Stanley Prabhakar Reddy	6	1	YES	NIL
Mr. G. Narendra	6	4	NO	NIL
Mr. M.H. Rao	6	6	YES	20000
Ms. Vani Vatti	6	1	YES	NIL
Mr. K. Rajendra Prasad	6	3	YES	NIL

3. Audit Committee

The Audit Committee was formed by the Board of Directors. The terms of reference of this committee cover the matters specified in the clause 49 of the Listing Agreement and as may be referred to the committee by the Board of Directors of the company such as:

Terms of Reference

Overseeing the company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and fixation of audit fees;

Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

Reviewing with management the annual financial statements before submission to the Board for approval, with particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report; changes, if any, in accounting policies and practices and reasons for the same; major accounting entries involving estimates based on the exercise of judgment by management; significant adjustments made in the financial statements arising out of audit findings; compliance with listing and other legal requirements relating to financial statements; disclosure of any related party transactions; and qualifications in the draft Audit Report;

Reviewing with management, the quarterly financial statements before submission to the Board for approval;

Reviewing with management, performance of statutory and internal auditors, and adequacy of internal systems;

Reviewing adequacy of internal audit functions, if any, including the structure of the internal audit department staffing and seniority of the officials heading the department, reporting structure, coverage and frequency of internal audit;

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Discussions with internal auditors, any significant findings and follow-up thereon; 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;

Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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; and To review the functioning of the Whistle Blower mechanism, in case the same exists.

Constitution and Composition

Name	Designation	Category
Mr. G. Narendra	Chairman	Independent, Non- executive
Mr. M.H.Rao	Member	Promotor, Non- executive
Ms. Vani Vatti	Member	Independent, Non- executive

Statutory Auditors are invitees to the meeting. The total number of meetings held is 4 on 14.05.2012,14.08.2012,14.11.2012 and 12.02.2013.

Meetings and attendance during the year

Name	No. of meetings held during the year	Attendance
Mr. G. Narendra	4	2
Mr. M.H.Rao	4	4
Ms. Vani Vatti	4	1

4. Compensation Committee

The committee was constituted with the following Directors for determining the remuneration packages of Executive / Non- Executive Directors. The Committee met 1 time during the year on 09.11.2013.

The Company is having a remuneration committee comprising of the following.

Name	Designation
Mr. G. Narendra	Chairman
Mr. M.H. Rao	Member
Ms. Vani Vatti	Member

Details of remuneration for the year ended 31.03.2013

Managing Director has not drawn any remuneration during the year though the Government of India has approved for payment of US \$ 2500 per month.

5. Shareholders/Investors Grievance Committee

Shareholders/Investors Grievance Committee was formed by the Board of Directors in terms of clause 49 of the Listing Agreement.

Share Transfer Committee

The Share Transfer Committee was constituted on September 15, 2006. This Committee has been constituted to specifically look into the transfer and/or transmission of shares lodged by the investors and any other matter related thereto. It has the following terms of reference and composition.

Terms of Reference

To look into the shareholder complaints, if any, and to redress the same expeditiously; and to do all the necessary things as may be required from time to time under the Companies Act, 1956 and other related enactment.

Terms of Reference

To accept the share application along with the share application money and reject the application as may be deemed fit and proper.

To do all work relating to transfer, transmission, consolidation, split and issue of duplicate shares of the company.

To do all the necessary things as may be required from time to time under the Companies Act, 1956 and other related enactment; and

To take on record the transfer/transmission effected by the RTA and/or the person to whom the power to approve the transfer/transmission has been delegated.

The Shareholders/Investors Grievance Committee was constituted with the following persons.

Mr. G. Narendra	Chairman
Mr. M.H. Rao	Member
Ms. Vani Vatti	Member

The committee looks into the matters relating to the shareholder's complaints, grievances, various requests in the nature of transfer, transmission, etc., and also overseeing the performance of the Registrar & Transfer agents to improve the quality of investor services. During the year no investor complaint was received.

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6. Information on General Body Meetings:

a. The details of Annual General Meeting held in the last 3 years are as under:

Date	Time	Venue
15.11.2012	11.30 A.M	APIIC Industrial Estate, Gopalaipalli Village, Narketpally Mandal, Nalgonda District, A.P.
08.06.2011	11.30 A.M	APIIC Industrial Estate, Gopalaipalli Village, Narketpally Mandal, Nalgonda District, A.P.
30.09.2010	11.30 A.M	APIIC Industrial Estate, Gopalaipalli Village, Narketpally Mandal, Nalgonda District, A.P.

b. The Extra-ordinary General Meeting was held on 15.11.2012 for approving the scheme of reduction of capital

c. During the year, the Company has not passed any resolution through Postal Ballot.

7. Disclosures

a) There are no materially significant related party transactions (i.e., transactions of the Company of material nature, with its promoters, the Directors or the Management, their Relatives, etc.,) that may have potential conflict with the interest of the Company at large

b) The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as the regulations and guidelines of SEBI. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by stock exchanges or SEBI, or any Statutory Authority, on any matter related to Capital markets, during the last three years is NIL.

(c) Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

(d) The information on Directors seeking appointment/ re-appointment is provided in the notes to the notice of the Annual General Meeting under the heading "Additional information on Directors seeking Appointment/Re-appointment at the ensuing Annual General Meeting".

(e) The Company has complied with all the mandatory requirements of Clause 49 of Listing Agreement.

8. Means of Communication

As per the listing requirements quarterly, half yearly and yearly financial results of the Company are published in leading English and regional newspapers for public information.

9. General Shareholder Information

- i) Annual General Meeting:
 - Date : 28.09.2013
 - Time : 11.30 A.M.
 - Venue : APIIC Industrial Estate, Gopalaipalli Village,
Narketpally Mandal, Nalgonda District, A.P.
Tel: 092910 15956, Fax:08682-272552
- ii) The Financial year of the Company is from 1st April to 31st March
- iii) Financial Calendar:

Financial Reporting for	2013-2014 (tentative)
The first quarter results	31.07.2013
The second quarter results	31.10.2013
The third quarter results	31.01.2014
The Fourth quarter results	30.04.2014
- iv) Book Closure:
26.09.2013 to 28.09.2013 (Both dates inclusive) in connection with the Annual General Meeting
- v) Dividend payment: The Board has not recommended any dividend for the financial year 2012-13
- vi) Listing on Stock Exchanges
Shares of the Company are listed on the Bombay Stock Exchange Limited. The Company has paid Annual Listing Fees for the year 2012-13
- vii) Demat ISIN no for CDSL and NSDL: INE427C01013:
- viii) All time high of company's Share on Stock Exchange Bombay:

Month	High (Rs.)	Low (Rs.)
April, 2012	7.23	6.02
May, 2012	7.15	6.01
June, 2012	7.60	5.94
July, 2012	8.09	6.17
August, 2012	7.60	5.44
September, 2012	6.82	5.43
October, 2012	7.10	5.62
November, 2012	6.50	5.00
December, 2012`	6.02	5.07
January, 2013	6.05	5.12
February, 2013	5.62	4.57
March, 2013	4.92	3.53

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ix) Dematerialization of shares

The Company's shares are dematerialized on NSDL & CDSL and the company's ISIN is INE427C01013.

Particulars	No. of shares	% of Total issued Capital
Held in Dematerialized form in CDSL	5,111,953	34.08
Held in Dematerialized form in NSDL	8,102,962	54.02
Held in Physical	1,785,085	11.90
Total No. of shares	15,000,000	100.00

x) Shareholding pattern as on 31st March, 2013

Particulars	Category	No. of shares Held	Percentage of Shareholding
A	Shareholding of Promoter and Promoter Group		
	Promoters and Persons acting in concert	40,30,477	26.87
1	Total	40,30,477	26.87
B	Public Shareholding		
1	Institutions	8,600	0.06
2	Non Institutions		
	a. Bodies Corporate	2,56,796	1.71
	b. Indian Public and others	51,42,314	34.28
	c. Non resident Indian	55,61,813	37.08
	Total	1,09,60,923	73.07
	Grand Total (A+B)	1,50,00,000	100.00

xi) Distribution of Shareholding as on 31st March, 2013:

Distribution	Total Shareholders	% of Shareholders	Total Shares	% to Total
1 - 5000	9723	90.38	1325170	8.83
5001 - 10,000	510	4.74	438163	2.92
10,001 - 20,000	233	2.17	374607	2.50
20,001 - 30,000	77	0.72	198223	1.32
30,001 - 40,000	48	0.45	170635	1.14
40,001 - 50,000	36	0.33	169069	1.13
50,001 - 1,00,000	61	0.57	436143	2.91
1,00,001 & above	70	0.65	11887990	79.25
TOTAL	10758	100	15000000	100

xii) Registrars and Transfer Agents

M/s. Aarathi Consultants Private Limited
 1-2-285, Domalguda, Hyderabad 500029
 Ph. Nos. 040-27638111/27634445

xiii) Delegation of Share Transfer Formalities

The Board has delegated share transfer formalities to the Registrars and Transfer Agents:
M/s. Aarathi Consultants Private Limited
1-2-285, Domalguda, Hyderabad 500029
Ph. Nos. 040-27638111/27634445

All communications regarding share transfers, Transmissions, change in Address and any other correspondence etc. may be addressed to the Registrars & Transfer Agents. The Company has constituted share Transfer committee, which meets 2 times in a month. Physical transfers are effected within the statutory period of one month. The Board has designated Mr. G. Narendra as the compliance officer. Hence, in case of any grievances the shareholders are free to approach the share transfer committee for due redressal of their grievances.

xiv) Address for correspondence

The shareholders may correspond with the company for the redressal of their grievances, if any to the corporate office of the company as detailed below:
7-1-212/A/70, 1st Floor, Plot No. 85 , Shivbagh,
Ameerpet, Hyderabad 500 016
Ph. 040-65581585, Fax 040-23741585
Email: admin.hyd@vistapharmaceuticals.com

xv) CEO/ MD Certification:

As required by the clause 49 (V) of the Listing Agreement, the certificate from CEO was placed before the Board of Directors at their meeting held on 14.08.2013.

xvi) Compliance Certificate of the Auditors:

The Statutory Auditor has certified that the company has complied with the conditions of the Corporate Governance as stipulated in clause 49 of the listing agreement and the same forms part of the Annual Report. The Certificate from the statutory auditor will be sent to the stock exchange along with the Annual Report of the Company.

10. Code of Conduct

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A Declaration signed by the Managing Director is furnished here under.

DECLARATION

I, Dr. Dhananjaya Alli, Managing Director of the company do hereby declare that the Directors and senior management of the company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

By the order of the Board
for Vista Pharmaceuticals Limited

Place: Hyderabad
Date: 14.08.2013

Dr. Dhananjaya Alli
Managing Director

CERTIFICATION BY CEO/ CFO OF THE COMPANY

I, Dr. Dhananjaya Alli, Managing Director of Vista Pharmaceuticals Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet, Profit and Loss Account, its schedule & notes to the accounts and cash flow statement for the year ended 31st March 2013 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the Company's and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a) Significant changes in internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place : Hyderabad

Date : 14.08.2013

Dr. Dhananjaya Alli

Managing Director

**COMPLIANCE CERTIFICATE OF THE AUDITORS AS STIPULATED UNDER CLAUSE 49
OF THE LISTING AGREEMENT OF THE STOCK EXCHANGE IN INDIA**

TO
THE MEMBERS OF
VISTA PHARMACEUTICALS LIMITED
HYDERABAD.

We have examined the compliance of conditions of Corporate Governance by **VISTA PHARMACEUTICALS LIMITED** for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of the Certificate of Corporate Governance as stipulated in the said Clause. 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 and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are remaining unattended/pending against the company as at 31st March, 2013 for more than 30 days as per the records maintained by the Registrar of the Company and presented to the Shareholders/Investors Grievance Committee of the Company.

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

**For PRV ASSOCIATES
Chartered Accountants**

**(CH.VENKATRAMAYYA)
Partner**

Place: Hyderabad
Date : 14-08-2013

INDEPENDENT AUDITOR'S REPORT

To the
Members of VISTA PHARMACEUTICALS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of VISTA PHARMACEUTICALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 "the Act". This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a.) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b.) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c.) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d.) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e.) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f.) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For PRV ASSOCIATES
Chartered Accountants**

Place : Hyderabad.
Date : 14-08-2013

(CH.VENKATRAMAYYA)
Partner
M.Num. 009867

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date,

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the Management during the year but there is a regular program of verification 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 verification.
- ii) (a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (d) Valuation of Inventory: Raw Materials, Stores & Spares and Packing Materials are valued at cost. Work in Progress and Finished Goods is stated at cost or net realizable value whichever is lower.
- iii) The Company has not taken any loan from companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits as defined under Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- vii) In our opinion, the Company has no internal audit system in force, however the internal control procedures prevalent in the company are commensurate with the size and the opinion of the management is not required in view of the nature of business of the company.

- viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it. However, the management undertakes to clear certain dues of the above nature outstanding as on 31.03.2013, during the current financial year.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as at March 31, 2013 for a period of more than six months from the date they became payable.
- x) The accumulated losses of the Company are more than fifty percent of its net worth. However, consequent upon the approval of Reduction of share capital by the concerned authorities with effective date as 31.03.2012, this clause will become redundant.
- The Company has made no cash loss of during the financial year.
- xi) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiii) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv) The company has not given any guarantees for loans taken by others from Banks or Financial institutions.
- xv) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment and vice versa.
- xvi) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- xvii) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued debentures.
- xviii) The Company has not raised money by way of public issues during the year.
- xix) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit

For PRV ASSOCIATES
Chartered Accountants

Place: Hyderabad. (CH.VENKATRAMAYYA)
Date: 14-08-2013 Partner

VISTA PHARMACUTICALS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2013

(Amount in Rs.)

Particulars	Note No.	Figures for the current reporting period as at 31/03/2013	Figures for the previous reporting period as at 31/03/2012
I EQUITY AND LIABILITIES			
(i) Shareholder's Fund			
(a) Share Capital	2.1	150,000,000	150,000,000
(b) Reserves and Surplus	2.2	(63,720,936)	(64,526,290)
(c) Money received against Share Warrants	2.3	-	1,000,000
(ii) Non Current Liabilities			
(a) Deferred Tax Liability	2.4	21,18,887	1,220,091
(b) Long Term Provisions	2.5	442,063	602,299
(iii) Current Liabilities			
(a) Trade Payables	2.6	33,243,782	21,072,473
(b) Other Current Liabilities	2.7	19,637,438	35,996,475
(c) Short Term Provisions	2.8	2,768,133	2,059,061
TOTAL		144,489,368	147,424,109
II ASSETS			
(i) Non Current Assets			
(a) Fixed Assets	2.9		
- Tangible Assets		124,480,692	129,648,099
(b) Non Current Investments	2.10	5,000	5,000
(c) Long Term Loans and Advances	2.11	1,327,721	1,283,944
(ii) Current Assets			
(a) Inventories	2.12	13,439,437	11,506,648
(b) Cash and Cash Equivalents	2.13	1,329,701	1,878,933
(c) Short Term Loans and Advances	2.14	3,854,552	3,057,707
(d) Other Current Assets	2.15	52,264	43,777
TOTAL		144,489,368	147,424,109

Significant Accounting Policies and Notes to Accounts 2.16

As per our report of even date.

For and on behalf of the Board

PRV ASSOCIATES
Chartered Accountants
(Firm Reg. No. 0064475)

G. NARENDRA
Director

Ch. Venkatramayya
Partner
Membership No. 009867

Ms. VANI VATTI
Director

Place: Hyderabad
Date: 14.08.2013

VISTA PHARMACEUTICALS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2013

(Amount in Rupees)

Particulars	Note No.	Figures for the current reporting period as at 31/03/2013	Figures for the previous reporting period as at 31/03/2012
I Revenue from Operations	3.1	74,689,089	36,223,141
II Other Income	3.2	84,151	70,484
III Total Revenue (I+II)		74,773,240	36,293,625
IV Expenses			
(a) Cost of Materials Consumed	3.3	46,021,981	23,823,811
(b) Manufacturing and Other Direct Expenses	3.4	84,83,889	9,396,971
(c) Employee Benefit Expenses	3.5	66,47,562	7,024,626
(d) Finance Costs	3.6	77,775	119,332
(e) Depreciation and Amortization Expenses	3.7	6,448,437	6,368,603
(f) Administrative and Other Expenses	3.8	53,89,445	4,970,400
Total Expenses		73,069,089	51,703,742
V Profit before Exceptional and Extraordinary items and Tax (III-IV)		1,704,151	(15,410,117)
VI Exceptional Items			
VII Profit before Extraordinary items and Tax (V-VI)		1,704,151	(15,410,117)
VIII Extraordinary Items			
IX Profit Before Tax (VII-VIII)		1,704,151	(15,410,117)
X Tax Expense			
(a) Income Tax		-	-
(a) Deferred Tax		898,797	1,220,091
XI Profit / (Loss) for the period from Continuing Operations (IX-X)		805,354	(16,630,208)
XII Profit / (Loss) from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations			
XIV Profit / (Loss) from Discontinuing Operations after Tax (XII-XIII)		-	-
XV Profit / (Loss) for the period (XI+XIV)		805,354	(16,630,208)
XVI Earnings Per Equity Share			
(a) Basic		0.05	(1.11)
(b) Diluted		0.05	(1.11)

As per our report of even date.

PRV ASSOCIATES
Chartered Accountants
(Firm Reg. No. 0064475)

Ch. Venkatramaya
Partner
Membership No. 009867

Place: Hyderabad
Date: 14.08.2013

For and on behalf of the Board

G. NARENDRA
Director

Ms. VANI VATTI
Director

VISTA PHARMACUTICALS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

ANNEXURE TO CLAUSE-32 OF THE LISTING AGREEMENT

(Amount in Rs.)

Cash Flows	Year ended 31.03.2013	Year ended 31.3.2012
I Cash Flows from Operating Activities		
1 Net Profit Before Tax	1,704,151	(15,410,117)
Adjustments for :	-	-
2 Depreciation	6,448,437	6,368,603
3 Preliminary Expenses w/off	-	-
4 Deferred Revenue Expenditure	-	-
5 (Profit)/Loss on Sale of Assets	-	-
6 Interest & Finance Charges paid	77,775	119,332
7 Interest on Fixed Deposits	(84,151)	(70,484)
8 Dividend Income	-	-
9 Operating Profit before Working Capital Changes	8,146,212	(8,992,666)
Adjustments for :		
10 (Decrease) / Increase in Trade Payables	12,171,309	(14,530,575)
11 (Decrease) / Increase in Short Term provisions	709,072	(253,696)
12 (Decrease) / Increase in other current Liability	(16,359,037)	25,694,263
(Decrease) / Increase in other long term liability	(160,236)	(25,442)
Decrease / (Increase) in trade receivable	-	-
Decrease / (Increase) in inventories	(1,932,790)	466,288
Decrease / (Increase) in Short Term loans and advance	(840,622)	404,714
Decrease / (Increase) in other current Assets	(8,487)	(171,218)
Net Cash from Operating Activities	1,725,421	2,591,668
II Cash Flows from Investing Activities		
14 Purchase of Fixed Assets	1,281,030	1,232,488
15 Proceeds from Sale of Fixed Assets	-	-
16 Increase in Advances & others	-	-
17 Interest Received	84,151	70,484
18 Dividends Received	-	-
Net Cash from Investing Activities	1,196,879	1,162,004
III Cash Flows from Financing Activities		
19 Proceeds from Issue of Share Capital	-	-
20 Proceeds from Long Term Borrowings	-	-
21 Repayment of Long Term Borrowings	-	-
22 Proceeds from Short Term Borrowings	-	-
23 Repayment of Short Term Borrowings/Share warrant Money Repayment	1,000,000	-
24 Increase in Short Term Provision	-	-
25 Interest Paid	77,775	119,332
Net Cash Used in Financing Activities	1,077,775	119,332
26 Net Increase in Cash & Cash Equivalents	(549,233)	1,310,059
28 Cash & Cash Equivalents at Beginning of Measurement period	1,878,933	568,874
29 Cash & Cash Equivalents at End of Measurement period	1,329,700	1,878,933
30 Cash Deficit Financing (In the event Total at Sl. No 29 is Negative)	-	-
Bank Borrowings	-	-
Inter Corporate Deposits	-	-
Cash & Cash Equivalents:	1,329,700	1,878,933
NOTE : Cash & Cash Equivalents:		
Cash & Cash Equivalents consist of cash on hand, balances with banks.		

Place: HYDERABAD
Date: 14.08.2013

G. NARENDRA
Director

Ms. VANI VATTIA
Director

We have verified the above Cash Flow Statement of Vista Pharmaceuticals Limited from the audited annual financial statements for the year ended 31st March, 2013 and found the same to be drawn in accordance therewith and also with the requirement of Clause 32 of the listing agreements with the Stock Exchange.

Place : HYDERABAD
Date : 14.08.2013

For PRV ASSOCIATES
Chartered Accountants

CH. VENKATRAMAYYA
Partner - M.M.No.009867

SIGNIFICANT ACCOUNTING POLICIES:**A. Basis of Preparation of Financial Statements:**

The financial statements of the Company prepared under historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India and the provisions of the Companies Act, 1956.

B. Use of Estimates:

The preparation of financial statements require certain estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses for the reporting period. Difference between the actual and estimates are recognized in the period in which the actual are known/ materialized.

C. Fixed Assets, Depreciation and impairment:

Expenditure of capital nature has been capitalized at cost, comprising of purchase price and the expenditure related to bringing the asset to its working condition for the intended use. Depreciation has been provided from the date the asset is put to use on written down value method at the rates and in the manner specified under XIV to the companies Act, 1956.

An asset will be treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

D. Inventories:

Inventories have been valued at lower of the cost or net realizable value based on the certification by the Management.

E. Investments:

Investments are stated at cost.

F. Income and Expenditure:

Income is accounted for the expenditure recognized on accrual basis. Sales comprise sale of goods and services, net of trade discounts. Purchases are net of transit insurance claims.

G. Contingent Liabilities:

All liabilities have been provided for in the accounts except liabilities of contingent nature which have been disclosed at their estimated value in the notes on accounts.

H. Employee Benefits:

- (i) Short- term employee benefits are recognized as an expense in the profit and loss account of the year in which the related service is rendered.
- (ii) Post employment and long term employee benefits in general are recognized as an expense in the profit and loss account during the year in which the employee has rendered services. As a onetime measure accrued liability is accounted for during the current year.
- (iii) Provision for Gratuity has been made in the books of accounts and retained with the Company. The Company has settled the gratuity to two of its senior employees who left the services during the year, the provision for gratuity is reduced to that extent.

7. The Company has only one business segment, i.e. formulations, hence segment reporting as defined in Accounting Standard 17 is not applicable.
8. Basic and Diluted Earnings per Share (Pursuant to Accounting Standard 20)

	2012-13	2011-12
Net Profit / (loss) for the year (Rs.)	805,354	(1,66,30,208)
Weighted average number of equity shares (Nos.)	1,50,00,000	1,50,00,000
Nominal value of Equity Shares (Rs.)	10	10
Basic and diluted earning per share	0.05	(-)1.11

9. Payment to Auditors : (Amount in Rs.)

Particulars	For the year ended on 31-03-2013	For the year ended on 31-03-2012
(i) Statutory Audit fees	40,000.00	40,000.00
(ii) Tax Audit fees	10000.00	10000.00
(iii) Service tax	6,108.00	6,108.00
Total	56,108.00	56,108.00

10. Related Party Transactions:

In terms of AS 18 "Related Party Disclosures" issued by the ICAI; related party transactions are as follows:

S.No.	Related Party	Relationship	Transactions
1	American Generics	Associate Company	Export Sales to the tune of Rs.122.77 Lakhs
2	Vista Pharmaceutical Inc	Associate Company	Export Sales to the tune of Rs.624.12 Lakhs

11. Some of the trade creditors and other liabilities are yet to be confirmed.
12. The Revised Schedule VI to the Companies Act, 1956 has become effective from 1st April, 2011, for preparation and presentation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Accordingly the figures for the previous year have been reclassified, wherever necessary to conform with the current year's classification.
13. Reduction of Share Capital
The Company Proposed for reduction of Equity Share Capital in the last AGM, but the same could not be accounted for as the required approvals from BSE and SEBI are awaited.

VISTA PHARMACUTICALS LIMITED

2. Notes on Financial statements as on 31.03.2013

2.1 Share Capital

(Amount in Rs.)

Particulars	As at 31/03/2013	As at 31/03/2012
(i) Authorized Capital 1,50,00,000 Equity shares of Rs.10/- Each	150,000,000	150,000,000
(ii) Issued, Subscribed and Paid Up Capital 1,50,00,000 Equity shares of Rs.10/- Each, fully paid up 1,50,00,000 Equity shares of Rs. 10/- Each, not fully paid up	150,000,000	150,000,000
Total	150,000,000	150,000,000

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31/03/2013	As at 31/03/2012
(i) Equity Shares No. of Equity Shares at the beginning of reporting period	15,000,000	15,000,000
Add: No. of Equity Shares issued during the period	-	-
Less: No. of Equity Shares bought back during the period	-	-
No. of Equity Shares at the end of the reporting period	15,000,000	15,000,000

List of the shareholders holding more than five percent of shares in the company as at the Balance Sheet date:

Names of the shareholder	As at 31/03/2013		As at 31/03/2012	
	No. of Shares	in %age	No. of Shares	in %age
1 VISTA PHARMA INC,	2,617,457	17.45%	2617457	17.45%
2 B.SRINIVASULU	1,603,979	10.69%	1,603,979	10.69%
3 D.GOPAL	1,603,000	10.69%	1,603,000	10.69%
4 KESHAVA MURTHY SHIV SHANKAR	1,563,395	10.42%	1,563,395	10.42%

2.2 Reserves and Surplus

(Amount in Rs)

Particulars	As at 31/03/2013	As at 31/03/2012
(i) Capital Reserve/General Reserve/Other Reserve (Specify)		
Opening Balance		
Capital Reserve - Principal remission by Financial Institutions	8,095,000	8,095,000
General Reserve - State Investment Subsidy	1,500,000	1,500,000
Closing Balance	9,595,000	9,595,000
(ii) Securities Premium Reserve		
Opening Balance	35,869,875	35,869,875
Closing Balance	35,869,875	35,869,875
(iii) Surplus		
Opening Balance	(109,991,165)	(93,360,957)
Add: Profit for the year as per Statement of Profit & Loss a/c	805,354	(16,630,208)
Total Profit available for Appropriation	(109,185,811)	(109,991,165)
Closing Balance	(109,185,811)	(109,991,165)
Grand Total	(63,720,936)	(64,526,290)

2.3 Money received against share warrants

The company proposed to issue shares against share warrants after complying with the statutory formalities and collected Rs.10 lakhs from the prospective share holders. However, as the warrant holders decided to exercise their right for allotment of shares, the money was refunded subsequently in June 2012.

2.4 Deferred Tax Assets (Net)

(Amount in Rs)

Particulars	As at 31/03/2013	As at 31/03/2012
(i) Deferred Tax Liabilities		
Opening Balance	1,220,091	-
- For Depreciation		
WDV as per Companies Act	6,448,437	6,368,603
WDV as per Income Tax Act	9,357,165	10,317,116
Timing Difference	2,908,728	3,948,513
Deferred Tax Liability @ 30.90%	898,797	1,220,091
Deferred Tax Liability Net	21,18,887	1,220,091

VISTA PHARMACUTICALS LIMITED

2.5 Long Term Provisions

(Amount in Rs)

Particulars	As at 31/03/2013	As at 31/03/2012
Provision for Gratuity	285,643	445,879
Fringe Benefit Tax	156,420	156,420
Total	442,063	602,299

2.6 Trade Payables

(Amount in Rs)

Particulars	As at 31/03/2013	As at 31/03/2012
Trade Payables For Goods	29,883,801	18,131,218
Trade Payables For Direct Expenses	3,359,981	2,941,255
Total	33,243,782	21,072,473

2.7 Other Current Liabilities

(Amount in Rs)

Particulars	As at 31/03/2013	As at 31/03/2012
Advances From Customers	19,326,301	35,861,153
Caution Deposit- staff	311,137	135,322
Total	19,637,438	35,996,475

2.8 Short Term Provisions

(Amount in Rs)

Particulars	As at 31/03/2013	As at 31/03/2012
Electricity charges payable APCPDCL	94,897	106,056
E.S.I Payable	296,566	123,407
Office Rent payable	115,717	160,520
Outstanding exp	1,289	1,289
P.F.Payable	643,355	243,749
Professional Tax Payable	20,181	3,111
Salaries Payable - Factory	1,098,652	976,400
Salaries Payable - Office	264,692	184,693
TDS Payable	232,784	259,836
Income Tax	-	-
Total	2,768,133	2,059,061

(Amount in Rupees)

2.9 Fixed Assets

Particulars	Rate of Depreciation	Gross Block			Depreciation			Net Block		
		As at 01/04/2012	Additions/ Adjustments during the period	Deductions/ Retirement during the period	As at 31/03/2013	As at 01/04/2012	For the period	Deductions/ Retirement during the period	As at 31/03/2013	As at 31/03/2012
I Tangible Assets										
(a) Land		992,892	-	-	992,892	-	-	-	992,892	992,892
(i) Freehold	3.34%	43,440,082	-	-	43,440,082	8,491,054	-	-	33,498,129	34,949,028
(ii) Leasehold	1.63%	7,202,093	171,721	-	7,373,814	2,031,215	-	-	5,222,874	5,170,878
(b) Buildings										
(i) Freehold	4.75%	95,106,433	564,423	-	95,670,856	31,039,325	-	-	61,513,975	64,067,108
(ii) Leasehold	6.33%	4,837,023	-	-	4,837,023	1,395,275	-	-	3,135,564	3,441,748
(c) Plant and Machinery	4.75%	88,241	6,100	-	88,241	88,241	-	-	88,241	-
(d) Furniture and Fixtures	16.21%	1,337,492	30,200	-	1,341,281	1,275,388	-	-	739,164	821,016
(e) Vehicles	4.75%	1,311,081	-	-	1,343,592	516,476	-	-	604,428	739,164
(f) Office Equipments										
(g) Computers										
(h) Others (Specify Nature)										
Lab and R&D Equipment	4.75%	10,263,059	75,405	-	10,338,464	1,785,065	-	-	2,275,310	8,063,154
Electrical Installation	4.75%	14,850,821	12,730	-	14,863,551	5,754,394	-	-	6,460,300	8,403,251
Tools & Instruments	4.75%	3,166,866	420,451	-	3,587,317	571,551	-	-	731,998	2,855,319
Non-Trading Off. Equipment										
Sub-Total		182,664,757	1,281,030	-	183,945,787	53,016,658	6,448,437	59,465,095	124,480,692	129,648,099
II Intangible Assets										
Sub-Total										
III Capital Work In Progress										
Sub-Total										
IV Intangible Assets under Development										
Sub-Total										
Grand Total		182,664,757	1,281,030	-	183,945,787	53,016,658	6,448,437	59,465,095	124,480,692	129,648,099
Previous Year										

Note : Plant and Machinery installed but not put to use Rs.294.74 lacs has not been considered for depreciation claim

VISTA PHARMACUTICALS LIMITED

2.10 Non Current Investments

(Amount in Rs.)

Particulars	As at 31/03/2013	As at 31/03/2012
I Trade Investments		
(b) Investment in Equity Instruments		
Everest Organics Limited	5,000	5,000
Grand Total	5,000	5,000

2.11 Long Term Loans and Advances

(Amount in Rs.)

Particulars	As at 31/03/2013	As at 31/03/2012
(i) Security Deposits		
(a) A.P.S.EB Security Deposit	397,527	397,527
Deposits- others	25,881	25,881
Deposits- cellphones	3,749	3,749
Rent Deposit	42,000	42,000
Telephone Deposit	3,500	3,500
(ii) Other Long Term Loans and Advances		
(a) Bank Guarantee with SBI	469,000	469,000
Accrued Interest on Bank Guarantee	166,041	122,264
Advance Fringe Benefit Tax of Earlier Years	220,023	220,023
Total	1,327,721	1,283,944

2.12 Inventories

(Amount in Rs.)

Particulars	As at 31/03/2013	As at 31/03/2012
Raw Materials	7,671,505	6,813,496
Work in Progress	4,044,480	4,220,512
Packing Materials	1,723,452	370,930
Stores and Spares		101,710
Total	13,439,437	11,506,648

2.13 Cash and Cash Equivalents

(Amount in Rs.)

Particulars	As at 31/03/2013	As at 31/03/2012
Balances with Banks		
State Bank of Hyderabad & ,S.B.I	913,256	1,112,498
Cash on Hand	416,445	766,435
Total	1,329,701	1,878,933

2.14 Short Term Loans and Advances

(Amount in Rs.)

Particulars	As at 31/03/2013	As at 31/03/2012
(i) Advances recoverable in cash or kind		
(a) Prepaid Expenses	194,218	178,849
Prepaid Insurance	132,978	61,245
(ii) Balance with Revenue Authorities		
(a) VAT Credit Receivable	3,231,248	2,364,550
CST Claim Receivable	256,585	415,620
(b) TDS Receivable	39,523	37,443
Total	3,854,552	3,057,707

VISTA PHARMACEUTICALS LIMITED

2.15 Other Current Assets

(Amount in Rs.)

Particulars	As at 31/03/2013	As at 31/03/2012
Accrued Interest on Bank Guarantee	52,264	43,777
Total	52,264	43,777

3. Notes referred to in the Statement of Profit and Loss are as follows:

3.1 Revenue from Operations

(Amount in Rs.)

Particulars	For the year ended on 31/03/2013	For the year ended on 31/03/2012
Sale of Products:		
Export Turnover	74,689,089	36,223,141
Sub-Total	74,689,089	36,223,141
Less: Excise Duty	-	-
Total	74,689,089	36,223,141

3.2 Other Income

(Amount in Rs.)

Particulars	For the year ended on 31/03/2013	For the year ended on 31/03/2012
Interest Income	84,151	70,484
Total	84,151	70,484

3.3 Cost of Materials Consumed

(Amount in Rs.)

Particulars	For the year ended on 31/03/2013	For the year ended on 31/03/2012
(i) Raw Materials		
Opening Stock:		
Opening Stock of Raw Material	6,813,496	4,375,187
Opening Stock in Process	4,220,512	6,183,505
Add: Purchase of Raw Materials	45,047,905	22,815,271
	56,081,913	33,373,963
Less: Closing Stock		
Closing Stock of Raw Material	7,671,505	6,813,496
Closing Stock in Process	4,044,480	4,220,512
Raw Materials Consumed	44,365,928	22,339,955
(ii) Packing Materials		
Opening Stock	370,930	1,210,827
Add: Purchase during the period	3,008,575	643,959
Less: Closing Stock	1,723,452	370,930
Packing Materials Consumed	1,656,053	1,483,856
Total Cost of Materials Consumed	46,021,981	23,823,811

VISTA PHARMACUTICALS LIMITED

3.4 Manufacturing and Other Direct Expenses

(Amount in Rs.)

Particulars	For the year ended on 31/03/2013	For the year ended on 31/03/2012
House Keeping Expenses(Factory)	235,339	319,352
Freight Charges	2,165,355	4,227,342
Power & Fuel	3,701,749	2,637,370
Machinery Maintenance	702,671	744,622
Stores Consumed	101,710	101,706
Factory Maintenance	1,230,742	872,722
Q.C. / R & D Expenses	346,323	493,857
Total	8,483,889	9,396,971

3.5 Employee Benefit Expenses

(Amount in Rs.)

Particulars	For the year ended on 31/03/2013	For the year ended on 31/03/2012
Salaries and Wages	5,992,545	6,607,933
Employer Contribution to Provident Fund	212,365	225,749
Employer Contribution to ESI	126,590	136,483
Employees Gratuity	236,514	-
Staff Welfare Expenses	79,548	54,461
Total	6,647,562	7,024,626

3.6 Finance Costs

(Amount in Rs.)

Particulars	For the year ended on 31/03/2013	For the year ended on 31/03/2012
Bank Charges	77,775	119,332
Total	77,775	119,332

3.7 Depreciation and Amortization Expenses

(Amount in Rs.)

Particulars	For the year ended on 31/03/2013	For the year ended on 31/03/2012
Depreciation on Fixed Assets	6,448,437	6,368,603
Total	6,448,437	6,368,603

3.8 Administrative and Other Expenses

(Amount in Rs.)

Particulars	For the year ended on 31/03/2013	For the year ended on 31/03/2012
Rent	386,520	369,054
Insurance	103,129	139,221
Rates and Taxes, excluding Taxes on Income	10,986	12,500
Conveyance	116,209	221,994
Travelling, Lodging & Boarding Expenses	749,390	671,363
Telephone and Communication Expenses	164,245	152,493
Security Charges	495,031	580,641
Office Expenses	127,136	112,065
Pooja Expenses	264,356	283,915
Printing & Stationery	250,983	267,285
Audit Fees	56,108	56,108
Postage, Courier & Email Charges	43,897	37,513
Vehicle Hire Charges	494,480	697,231
AGM & EGM Expenses	81,622	80,764
Listing Fees and Fees & Renewals	283,557	179,549
Advertisement	56,229	55,408
R & D Testing Charges	1,171,262	445,526
Consultancy & Professional Charges	191,605	234,680
Demat Service Charges	82,684	80,280
AMC Charges	174,722	-
Business Promotion Expenses	-	25,000
Donations	-	160,000
Recruitment Service Charges	85,294	107,738
Total	5,389,445	4,970,400

As per our report of even date.

PRV ASSOCIATES
Chartered Accountants
(Firm Reg. No. 006447S)

Ch. Venkatramayya
Partner
Membership No. 009867

Place: Hyderabad
Date: 14.08.2013

For and on behalf of the Board

G. Narendra
Director

Ms. Vani Vatti
Director

VISTA PHARMACEUTICALS LIMITED



VISTA PHARMACEUTICALS LIMITED
Plot Nos.10 to 14 And 16 To 20 APIIC Industrial Estate, Gopalaipalli Village,
Narketpally Mandal, Nalgonda District, Andhra Pradesh

PROXY FORM

I/We _____ of _____ being a Member(s) of above named company, hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to attend and vote for me/us, on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Saturday, **the 28th September 2013 at 11.30 AM # Plot Nos.10 to 14 And 16 To 20 APIIC Industrial Estate, Gopalaipalli Village, Narketpally Mandal, Nalgonda District, Andhra Pradesh** and at any adjourned meeting thereof.

As Witnessed Signed this _____ day of September 2013

Affix
Re.1/-
Revenue
Stamp

Signed by the said _____

Folio No./Client ID _____

No. of shares held _____

Note:

The proxy in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 22nd Annual General Meeting of the members of the company to be held on Saturday, **the 28th September 2013 at 11.30 AM # Plot Nos.10 to 14 And 16 To 20 APIIC Industrial Estate, Gopalaipalli Village, Narketpally Mandal, Nalgonda District, Andhra Pradesh**

Shareholders/Proxy's Signature _____

Shareholders/Proxy's full name _____
(In block letters)

Folio No. / Client ID _____

No. of shares held _____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.



CIN: L24239AP1991PLC012264

Vista Pharmaceuticals Ltd


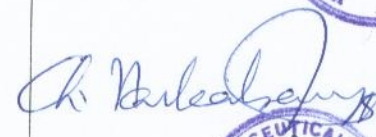
7-1-212/A/70, Plot No. : 85, Shivbagh, Ameerpet, Hyderabad-16.

India Tel: 91-40-65581585, Fax : 91-40-23741585

e-mail : vistapharma@gmail.com www.vistapharmaceuticals.com

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	NAME OF THE COMPANY	VISTA PHARMACEUTICALS LTD.
2	Annual financial statements for the year ended	31 st March 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	NIL
5	To be signed by <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditor of the company• Audit Committee Chairman	  <i>G.N.d.</i> 