



Twilight Litaka Pharma Limited

36th Annual Report 2009-10

36th Annual General Meeting

Date: 25th September, 2010

Day: Saturday

Time: 10:30 a.m.

**Place: Sumant Moolgaokar
Auditorium Hall,
Ground Floor,
MCCIA Trade Tower,
“A” Wing, ICC Centre,
Senapati Bapat Road,
Pune - 411 016**

Contents

Vision

Our strategy

Research & Development

Integrated business model

CRAMS

Domestic market

International market

Managing Director's
communiqué

Notice

Directors' Report

Management Discussion and
Analysis

Corporate Governance Report

Auditors' Report

Balance Sheet

Profit & Loss Account

Cash Flow Statement

Schedules to Accounts

Financial highlights



This is what it takes to **emerge as a strong** healthcare company producing quality medicines and emerge an outsourcing partner of choice to global pharmaceutical companies





A vision

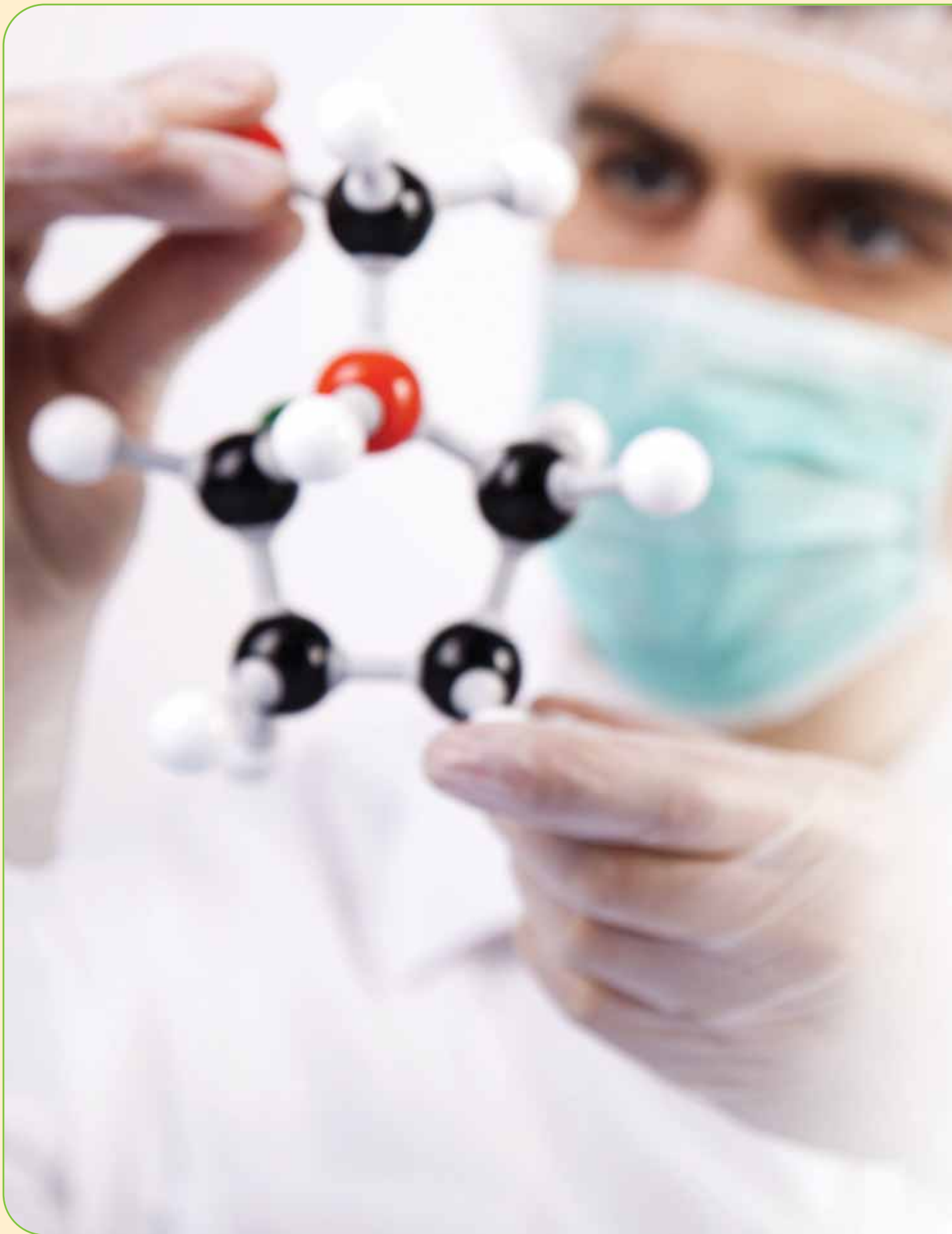


That is driven by our core values and encompasses a focused endeavour:

To be a meaningful player in the global healthcare industry committed to innovation and sustainable practices.

To expand our footprints in rural India and across the globe.

To continuously create new opportunities for growth in our strategic business.



A strategy



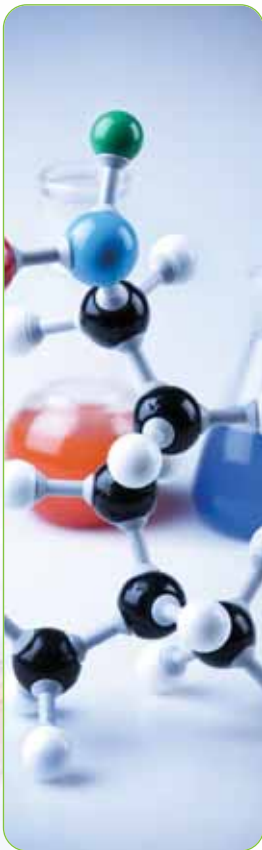
That strives to translate into reality our promise that:

“We will enhance value: for our customers by providing innovative healthcare products and economically efficient solutions; and for our shareholders through sales growth,

A strategy that seeks, on the back of exemplary leadership and direction coupled with innovative thinking and execution, to boost growth across all business segments with the ultimate aim of driving revenues and enhancing profitability.”



Innovation-led Research & Development



That leverages our comprehensive, innate and deep-rooted capabilities:

In R&D to capitalise on existing and potential markets and pursue the mission of facilitating affordable healthcare to patients.

And that is driven by the commitment and passion of our people to science and technology, demonstrable in the significant investments made by us to create new technologies that will enable the development of first-in-class products and services across the entire pharmaceutical value chain.



Integrated business model



That has enabled our emergence as:

An important pharmaceutical player servicing the domestic healthcare industry with cost-effective, quality products and services across a wide variety of therapeutic segments from anti-infectives, pain management, skin, women and pediatric care, cough and cold, nutrients, tonics and mineral supplements.

And that is exemplified by building a strong presence in over 40 countries around the globe including Africa, CIS region, South-East Asia, West Indies, South, Central & North America and Europe.

A strong Contract Research and Manufacturing Services (CRAMS) Company servicing leading pharma companies,

A model that is founded in special manufacturing facilities for anti-TB range of formulations, dietary food supplements, veterinary products and nutraceutical, among others,

And that is steered by the large marketing team and field force spanning the length and breadth of the country.

With expanding opportunities in CRAMS

The Indian Contract Research and Manufacturing Services (CRAMS) companies are on the threshold of a significant opportunity given the expected increase in pace of outsourcing from India.

A significant traction in the global outsourcing business is foreseen as low R&D productivity has intensified the pressure on the global innovators to generate growth. A large portion of this outsourcing business is likely to be sourced from Asia (mainly India and China).

India's market share in the global contract manufacturing business is likely to more than double to 7% in 2007-2012 while supply revenues will grow from USD 800 million to USD 3 billion, giving rise to a significant opportunity for well-established CRAMS players.

Innovator pharmaceutical companies adopt the CRAMS route to focus on their core competencies (i.e. R&D and marketing) as:

- New drug development has become very time-consuming, taking 10-12 years and USD 1 billion to 1.3 billion in development costs (including costs of failures).
- Clinical trials alone take up 6-7 years of development time. Most of the easier-to-develop drugs have already been discovered and the pharmaceutical industry is entering a phase where it will have to work on more complex molecules.
- The combination of increased development time, decline in the rate of new approvals and higher development costs has resulted in a decline in R&D productivity of MNCs. This is despite reduced approval times.
- Innovator pharmaceutical companies have experienced intense onslaught from the generic companies in the past few years.



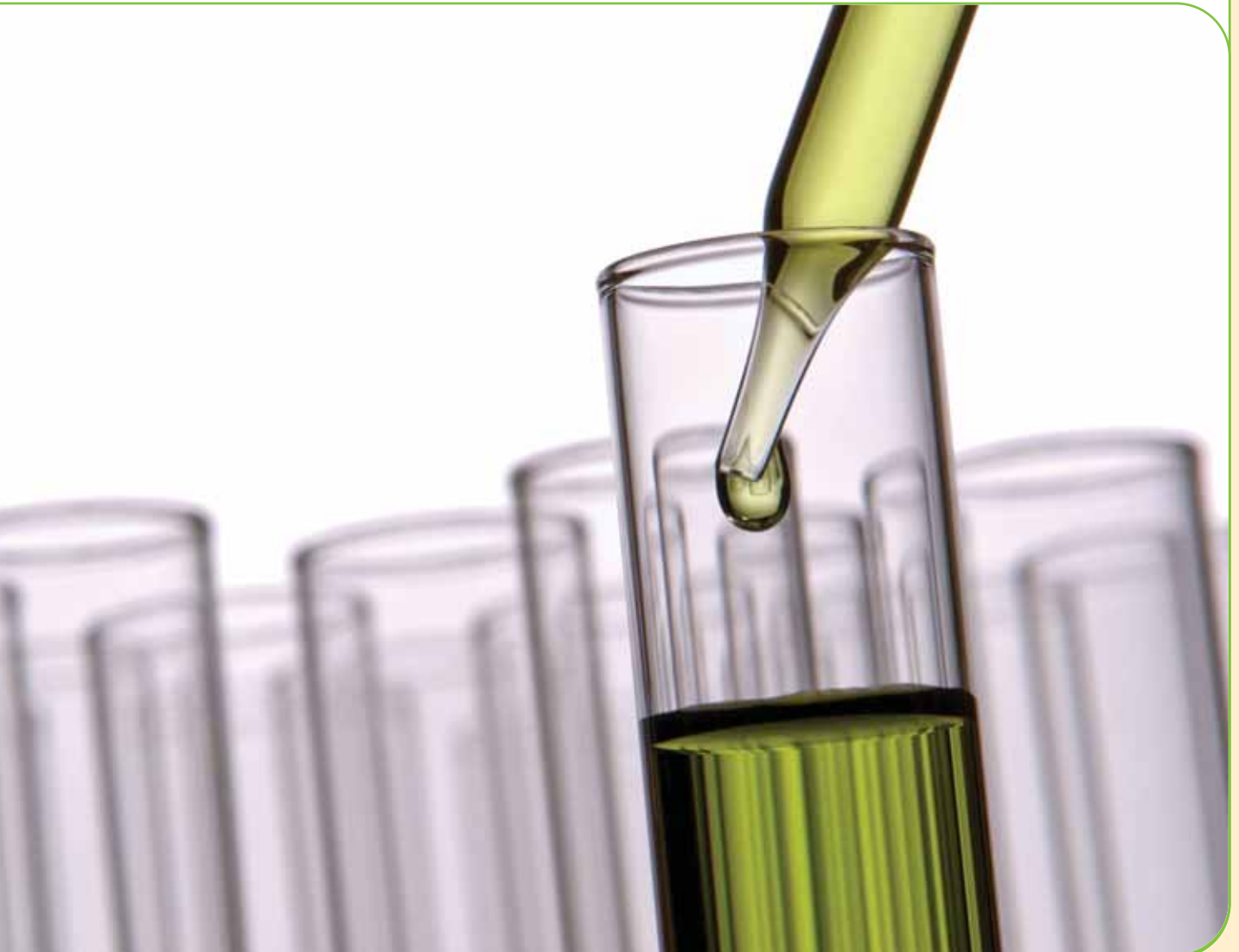
Baddi Plant, Himachal Pradesh



Vasai Plant, Maharashtra



Thus, these factors are likely to force the innovator companies to look at effective cost management techniques. The first step in any cost reduction/management exercise is to outsource non core activities from low-cost destinations/players.



Expanding opportunities in CRAMS

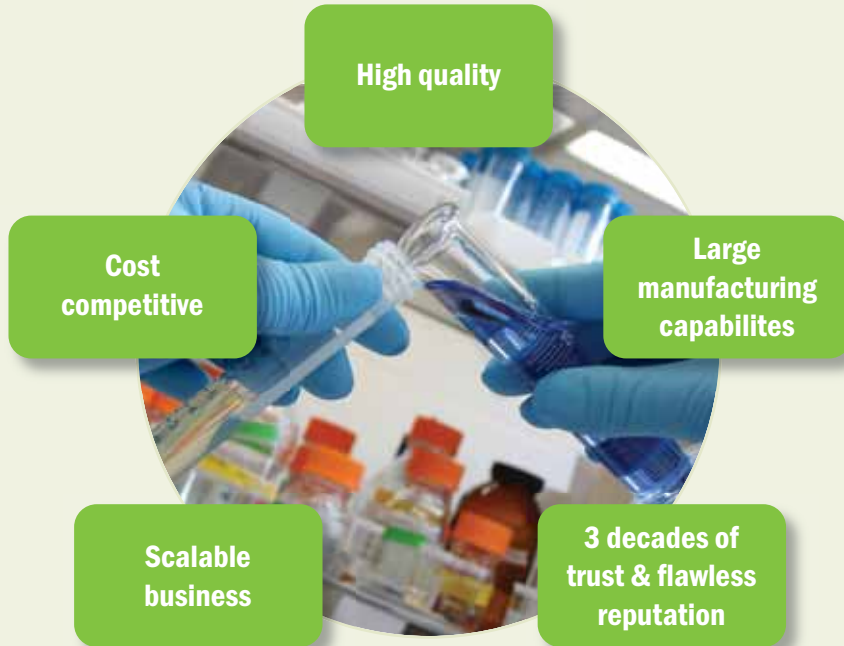


India advantage

Over the next decade, existing outsourcing players with high-cost operations in US and Europe will gradually lose business to India due to the following advantages, which India offers:

- World-class quality at 30-40% lower cost.
- Proven chemistry and process innovation skills instilled by years of fierce competition in the domestic market.
- India has six times the number of trained chemists as the US, available at a tenth of the cost.
- India has up to 40% lower capital cost, resulting in lower initial capex on new facilities.
- Established regulatory skills - India has highest number of US-FDA approved facilities outside the US. Indian players account for 25-30% of the total DMFs filed with the USFDA.
- The implementation of the WTO TRIPS-mandated product patents in India (w.e.f. 1 January 2005) is likely to give extra comfort to MNCs for outsourcing from India.

Twilight Litaka advantage



Twilight Litaka has to its credit contract manufacturing operations which have been carried out for large companies like Novartis, Pfizer, Wockhardt, Cipla, Lupin, Herbalife, L'Oréal, etc.

Twilight Litaka has a broad manufacturing base of 4 WHO GMP facilities and a 5th facility recently acquired is being developed at Jejuri, Pune in Maharashtra which services customers like Abbott, Inventia, Emcure, etc.

The Company has facilities to manufacture:

- Anti-TB formulations
- Dietary food supplements
- Veterinary products
- Nutraceutical
- General medicines

Moving forward, Twilight Litaka expects new, long-term contracts in the food supplement area from leading Indian and multi-national pharmaceutical companies along with the extension of ongoing contracts with leading pharmaceutical companies.

With strong growth potential in the domestic market

The Indian pharmaceutical industry today is the fourth largest market in Asia Pacific after Japan, China and South Korea. Indian pharmaceutical industry ranks third in terms of volume and 13th in value in the world.

A highly organised knowledge-based Industry, the Indian pharma Industry is estimated to be growing at about 15% p.a. The industry meets around 70 per cent of the country's demand for bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, tablets, capsules, orals and injectibles.

The Indian formulations industry is expected to prosper parallel to the pharmaceutical industry. It is expected that the domestic formulations market in India will grow at an annual rate of around 17% in FY 2010, owing to increasing middle class population and rapid urbanisation. The growth of the formulations industry will mainly be driven by the increasing penetration of the health insurance in the country (voluntary and obligatory) and the rising incidences of lifestyle diseases due to the growing working class population. In addition to this, infectious diseases are on the rise. Further, the consolidation in the industry triggered by product patent regime has improved the pricing power in the industry.



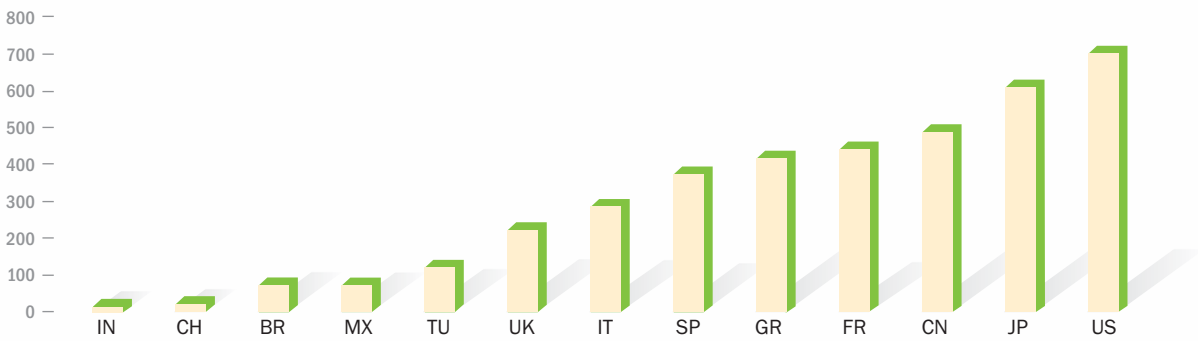


Growth drivers

1 Per capita consumption

Despite a 15% sales CAGR over 18 years, India's drug consumption per capita is among the lowest in the world. Further, about half the population consumes significantly below even the Indian average. It need not necessarily mean that Indians consume less medicine, as prices in India are significantly lower than elsewhere. Put simply, the Indian market would be 6 times as big, if US prices prevailed here.

Per capita spend on pharmaceuticals (2009)



Per capita consumption is linked to incomes, literacy rates, availability of medical infrastructure and expanding medical insurance cover. Along with rising income levels, the share of healthcare in consumption is also expected to rise, driving strong demand for pharmaceuticals. Rising income levels and increasing share of healthcare is expected to drive strong demand for pharmaceuticals in India.

2 Improving rural infrastructure

Better connectivity has pushed up agricultural income in rural India by 17.6% and income from non-farm activities by 12.11%, a recent Planning Commission report said. The study conducted between January 2008 and May 2010, covered 14 districts in seven states.

Farmers are now assured that their products reach the market on time, particularly perishable products like vegetables. Roads helped them in moving from subsistence farming of traditional crops to marketable products like horticulture and off season vegetables.

The government has constructed about 18,240 kms of rural roads in 2009-10 under the flagship Bharat Nirman programme. Connectivity has increased mobility in remote areas creating opportunities for trade. It also helped in improving their socio-economic life. Before rural roads were constructed, it was difficult to take patients to the hospitals and even the doctors in primary healthcare centres and sub-centres were reluctant to join services in the unconnected habitation.

Better access to health centres pushed up the number of rural people availing medical facilities from 62% to nearly 94%. Wherever roads were constructed, both direct and indirect employment opportunities increased by 25.29%.

Strong growth potential in the domestic market

3 Expanding reach to grow the market

Growth for most Indian companies has been driven by larger field-forces, and yet, the largest cover only the top 20-25% of the doctors in India. Drug volumes per doctor in India are very low, but changing rapidly.

4 Nutritional

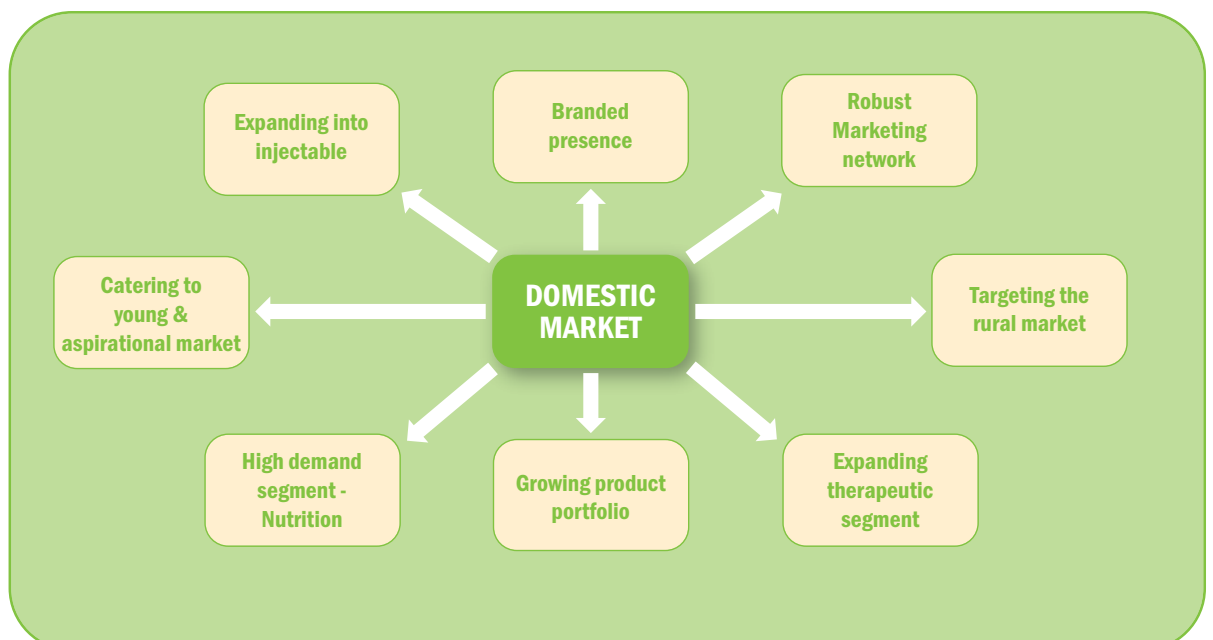
The total market for nutraceuticals in India is growing at 21% per annum*. It is currently valued at Rs. 44 billion, but could be worth more than Rs. 95 billion in four years time, as per a report released in September 2009. The growth of India's nutritional supplement market is being driven by the changing lifestyle of the country's consumers, increase in disposable income, shift towards preventive therapies and increased knowledge about nutritional supplements. Further growth is being propelled by increase in healthcare spending, ageing population, pharma retail growth, and favourable pricing environment.

The Ernst & Young FICCI Report estimates the latent market in India at 2-4 times the existing market size (between Rs. 89 billion and Rs. 172 billion) with nearly 148 million potential customers.

Globally, the nutraceutical market is estimated at around USD 115 billion which is expected to grow to USD 180 billion by 2012 which is double digit growth which as compared to the estimated USD 800 million world prescription market is growing less than 5%.

(*Source: Netscribes (India) Pvt. Ltd)

Twilight's strategy for growth in the domestic market



Therapeutic area of presence

The Company has presence in the following segments: Anti-infective, Pain Management, Cough & Cold, Skin Care, Pediatric & Women Care, Nutrition, Tonics & General medicines.

Marketing field force

Through a strong, dedicated field force, Twilight Litaka taps customer base of 2,00,000 Doctors (Physicians, GPs, Orthopaedic Surgeons, Paediatricians, Dermatologists & Gynaecologists, ENTs, etc.) for 200 formulations catered through 1200 stockists.

The Company operates through 5 strategic division which enables a better focus on the promoting the right product to the right market segment.

Twilight Litaka has invested in field force adapt with the rural market which is the focus area to the Company.

Further, the Company is empanelled with ESIC, State governments, various Municipal corporations for their large requirements.

Ongoing research

As an endeavour to improve its product range, the Company's ongoing R&D expects to launch new products in the Gastrointestinal and Cardiac Care segment.

Climbing up the value chain

The Company's products are sold as tablets, capsules, liquids, ointments, soft-gel, powder (Nutritional supplements) and it is now actively seeking to foray into the high-value, high-margin injectable segment through inorganic acquisition.

Institutional business is expected to grow manifold due to product registrations. The Company is confident of growing domestic sales manifold over the next 3 years.



With strong global footprints

Export of pharmaceutical products from India increased from USD 6.23 billion in 2006-07 to USD 7.74 billion in 2007-08 and to USD 7.81 billion in 2008-09—a combined annual growth rate (CAGR) of 21.25 per cent. Pharmaceutical exports during April-December 2009 were worth USD 6.3 billion, according to the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers.

Twilight Litaka has established an indelible reputation for their quality, affordable prices and low-cost manufacturing skills globally.



The Company has presence in

■ African Continent

Uganda, Ethiopia, Kenya, Zambia, Swaziland, Madagascar, Nigeria, Senegal, Ghana, Sudan, Ivory Coast, Gabon, Cameroon, Angola, Republic Of South Africa.

● CIS Region (Central Asia+Eastern Europe)

Moldova, Armenia, Uzbekistan, Ukraine, Belarus, Azerbaijan, Georgia, Kazakhstan, Latvia, Kyrgyzstan, Tajikistan, Turkmenistan, Poland, Albania, Hungary

▲ Asia / South East Asia

Sri Lanka, Vietnam, Myanmar, Philippines, Thailand, Cambodia

★ West Indies

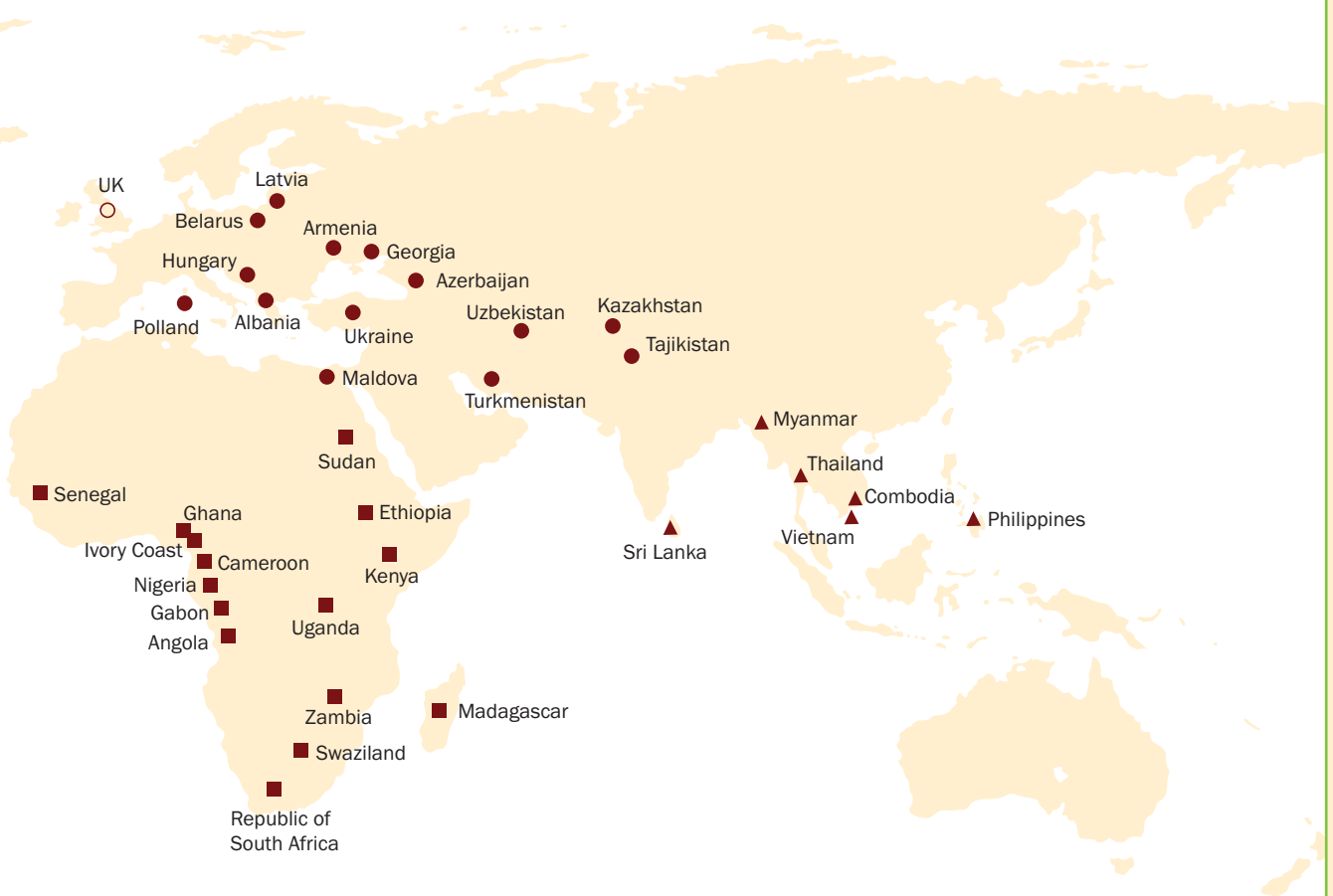
Jamaica, Haiti

□ Central / South America / North America

Panama, Venezuela, Mexico, USA, Costa Rica

○ Europe

UK



The Company has registered its products in over 40 countries which would go upto over 50 countries including regulated markets like UK, US etc. and expect continued growth in the exports segment.





“ We have a niche product range developed in the nutraceutical segment. This is a high value, growing market segment where demand is expanding in the domestic market and also overseas market. ”



Managing Director's communiqué

I write to you at an important juncture of your Company's growth trajectory. Your Company has posted excellent results for the current year. Turnover increased by nearly 32% to Rs. 4946.40 million as on 31st March 2010 as compared to the previous fiscal Profit After Tax increased by nearly 48% to touch Rs. 326.20 million.

This trend is in continuation of the robust results and growth achieved in past five years. Your Company has achieved almost five fold growth in the past five years.

This has been a result of our clear business focus which is firstly on the contract manufacturing space, secondly it is the growing domestic formulations business by aggressively tapping into the rural segment and finally growing the export revenue. Your Company has developed a strong manufacturing base as well as marketing and distribution network. It has expertise in handling a wide variety of therapeutic segments acquired through three decades of manufacturing experience. This is endorsed by the big brands who have awarded Contract manufacturing projects to your Company. Within the domestic market, the strong field force is focused on breaking new ground and expanding into new territories while at a Company level, your Company aims to expand sales even through the institutional channels.

Progress at any pharmaceutical Company is incomplete without continuous focus on R&D and new product development. It is indeed satisfying for me to report, that we have a niche product range developed in the nutraceutical segment. This is a high value, growing market segment where demand is expanding in the domestic market and also overseas. Your Company is also actively considering expanding into the high value, high margin injectable segment.

We are confident that these strategic business plans going forward will see your Company achieve manifold growth in the next 3 years. Your Company's foresees growth across each of these business segments, opportunities which are discussed in this annual report at length.

I take this opportunity to thank all members of the staff for their committed efforts to the Company's objective. I would also like to thank all our stakeholders for their trust and continued support. On behalf of the management of Twilight Litaka, I would also like to thank all statutory authorities, banks and members of the medical fraternity for their continued support.

Gopal Rammourti



BOARD OF DIRECTORS

BOARD OF DIRECTORS

R. C. BORA, Chairman
GOPAL RAMOURTI, Managing Director
N. R. BORA, Executive Director &
Chief Financial Officer [CFO]
A. R. BORA, Executive Director
PROF. P. D. GUPTA
RAMESH RAMOURTI
M.T. MOTWANI
V. K. NAIK
A. S. CHANDVANKAR
M. S. RAGHAVAN AYYANGAR
RAMESH GADGIL [w.e..f. 30th January, 2010]
RAMESH NARAYAN [up to 14th January, 2010]
S. D. TOLE, Director & Company Secretary

AUDITORS

M/S. V. SANKARAIYAR & CO.
2C COURT CHAMBERS
35 NEW MARINE LINES
MUMBAI 400 020

BANKERS

CENTRAL BANK OF INDIA
ICICI BANK LTD.
HDFC BANK LTD.
STANDARD CHARTERED BANK
BARCLAYS BANK PLC.
AXIS BANK LTD.
DBS BANK LTD.
BANK OF INDIA
BANK OF BARODA
UNION BANK OF INDIA

REGISTERED OFFICE

"Himalaya Estate"
16-A Shivajinagar
Pune 411 005

HEAD OFFICE

206 Shivai Industrial Estate
89, Andheri-Kurla Road, Saki Naka
Andheri [E], Mumbai 400072

MANUFACTURING FACILITIES

- 1) B-22 'H' Block, M.I.D.C.,
Pimpri, Pune 411 018
- 2) 116/2 Chakan Phata,
Mumbai Pune Road
Vadgaon Maval, Pune 412 106
- 3) 39/40 Vasai Taluka Industrial Estate
Sector II, Gaurai pada, Vasai (E)
Dist: Thane 401 208
- 4) Village Dhana, Bagh Bania, Baddi
Nalagarh Road, Nalagarh,
Dist. - Solan, Himachal Pradesh - 174 701

REGISTRAR & TRANSFER AGENTS

Sharepro Services (I) Pvt. Ltd.
13 AB, Samhita Warehousing Complex,
2nd Floor, Near Sakinaka Telephone
Exchange, Andheri -Kurla Rd., Saki Naka,
Andheri (E), Mumbai 400072

VISIT US AT :

<http://www.twilightlitaka.com/>



NOTICE

NOTICE is hereby given that the THIRTY-SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF TWILIGHT LITAKA PHARMA LTD., will be held on **Saturday, 25th September, 2010, at 10.30 a.m. at Sumant Moolgaokar Auditorium Hall, Ground Floor, MCCIA Trade Tower, "A" Wing, ICC Centre, Senapati Bapat Road, Pune - 411 016** to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the Financial Year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To declare dividend on the Equity Shares.
3. To appoint a Director in place of Mr. Ramesh Ramourti, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Avinash Chandvankar, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. Mohan Motwani, who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint a Director in place of Mr. Abhijit Bora, who retires by rotation and being eligible, offers himself for reappointment.
7. To appoint Statutory Auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

8. To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:
"RESOLVED THAT subject to the provisions of Articles of Association of the Company and pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), Mr. Ramesh Gadgil, who was appointed as an Additional Director of the Company on 30th January, 2010 as per the provisions of Section 260 of the Companies Act, 1956 and who holds office of Director up to the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under Section 257 of the Act proposing his candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
9. To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 198,269,309,310,311,314 and all other applicable provisions of the Companies Act, 1956 ("the Act") read with Schedule XIII of the Act, including any statutory modification or re-enactment thereof for the time being in

force and subject to all other approvals, sanctions, permissions including the approval of the Central Government, if necessary, approval of the Company be and is hereby accorded to the reappointment of Mr. Gopal Ramourti as Managing Director of the Company w.e.f. 1st August, 2010 for a period of three years on the terms and conditions mentioned hereinbelow.

A] Salary

Basic Salary Rs. 2,00,000/- p.m. (2,00,000 - 50,000 - 4,00,000) with the authority granted to the Board to determine the salary and grant increments from time to time within the aforesaid scale.

B] Perquisites

In addition to the Salary mentioned at **A** above, the Company shall pay to Mr. Gopal Ramourti perquisites upto Rs. 2,00,000 per month, the break up of which will be as under:-

- i) Rent free furnished residential accommodation with free use of all the facilities and amenities such as cooking gas, water, electricity etc. If no accommodation is provided by the Company, he shall be entitled for House Rent Allowance.
- ii) Education Allowance.
- iii) Books and Periodicals.
- iv) Leave Travel Allowance once in a year as per the Rules of the Company.
- v) Bonus or ex-gratia as per the Rules of the Company.
- vi) Conveyance Allowance.
- vii) Club Membership - Entrance fees and monthly subscription fees for maximum upto two clubs.
- viii) Use of Company's car.
- ix) Telephone at residence. Personal long distance calls shall be borne by Mr. Gopal Ramourti.
- x) Reimbursement of Medical Expenses for self and family.
- xi) Premium in respect of personal accident insurance.
- xii) Reimbursement of Entertainment expenses incurred for the purpose of business of the Company.
- xiii) Mr. Gopal Ramourti shall be entitled to such other perquisites which shall be granted to Executives of the Company from time to time.

C] Following Perquisites shall not be included in the computation of ceiling on remuneration specified in [A] and [B] above.

- i) Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent they are not taxable under the Income Tax Act, 1961.
- ii) Gratuity payable upto half a month's salary for each completed year of service.
- iii) Leave encashment at the end of the tenure.



D] Other Terms.

- i) Mr. Gopal Ramourti shall, subject to the superintendence, control and direction of the Board, manage and conduct overall business affairs of the Company including Banking, Finance and Accounts operations.
- ii) He shall not be paid any sitting fees for attending the meetings of the Board or Committee thereof, as long as he occupies position of Managing Director of the Company.
- iii) He will be entitled for leave as per the rules of the Company as may be in force from time to time.
- iv) The appointment can be terminated earlier than the agreed term by either party, by giving 3 calendar months' notice in writing to the other party or by payment of a sum equivalent to remuneration for the notice period.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In absence of any such Rule, perquisites shall be evaluated at actual cost.

Notwithstanding anything contained elsewhere in the Resolution, if in any financial year during the currency of the tenure of Mr. Gopal Ramourti, the Company has no profits or its profits are inadequate, the remuneration and perquisites as specified above shall be treated as minimum remuneration subject to overall ceiling as per the provisions of Sections 198,309 and Schedule XIII of the Companies Act, 1956 and subject to receipt of any requisite approval, if any.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to do all such necessary acts, deeds and things which are necessary and incidental to give effect to this resolution.”

10. To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198,269,309,310,311,314 and all other applicable provisions of the Companies Act, 1956 ("the Act") read with Schedule XIII of the Act, including any statutory modification or re-enactment thereof for the time being in force and subject to all other approvals, sanctions, permissions including the approval of the Central Government, if necessary, approval of the Company be and is hereby accorded to the reappointment of Mr. Nainish R. Bora as Executive Director and Chief Financial Officer (CFO) of the Company w.e.f. 25th March, 2010 for a period of three years on the terms and conditions mentioned hereinbelow.

A] Salary

Basic Salary Rs. 1,00,000/- p.m. (1,00,000- 25,000 - 2,00,000) with the authority granted to the Board to determine the salary and grant increments from time to time within the aforesaid scale.

B] Perquisites

In addition to the Salary mentioned at **A** above, the Company shall pay to Mr. Nainish Bora perquisites upto Rs. 1,00,000 per month, the break up of which will be as under:-

- i) Rent free furnished residential accommodation with free use of all the facilities and amenities such as cooking gas, water, electricity etc. If no accommodation is provided by the Company, he shall be entitled for House Rent Allowance.
- ii) Education Allowance.
- iii) Books and Periodicals.
- iv) Leave Travel Allowance once in a year as per the Rules of the Company.
- v) Bonus or ex-gratia as per the Rules of the Company.
- vi) Conveyance Allowance.
- vii) Club Membership - Entrance fees and monthly subscription fees for maximum upto two clubs.
- viii) Use of Company's car.
- ix) Telephone at residence. Personal long distance calls shall be borne by Mr. Nainish Bora.
- x) Reimbursement of Medical Expenses for self and family.
- xi) Premium in respect of personal accident insurance.
- xii) Reimbursement of Entertainment expenses incurred for the purpose of business of the Company.
- xiii) Mr. Nainish Bora shall be entitled to such other perquisites which shall be granted to Executives of the Company from time to time.

C] Following Perquisites shall not be included in the computation of ceiling on remuneration specified in [A] and [B] above.

- i) Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent they are not taxable under the Income Tax Act, 1961.
- ii) Gratuity payable upto half a month's salary for each completed year of service.
- iii) Leave encashment at the end of the tenure.

D] Other Terms.

- i) Mr. Nainish Bora, being Chief Financial Officer of the Company (CFO) shall manage and conduct commercial operations of the Company subject to the superintendence, control and direction of the Board. He will report to the Managing Director of the Company.
- ii) He shall not be paid any sitting fees for attending the meetings of the Board or Committee thereof, as long as he occupies position of Executive Director of the Company.
- iii) He will be entitled for leave as per the rules of the Company as may be in force from time to time.

- iv) The appointment can be terminated earlier than the agreed term by either party, by giving 3 calendar months' notice in writing to the other party or by payment of a sum equivalent to remuneration for the notice period.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In absence of any such Rule, perquisites shall be evaluated at actual cost.

Notwithstanding anything contained elsewhere in the Resolution, if in any financial year during the currency of the tenure of Mr. Nainish Bora, the Company has no profits or its profits are inadequate, the remuneration and perquisites as specified above shall be treated as minimum remuneration subject to overall ceiling as per the provisions of Sections 198, 309 and Schedule XIII of the Companies Act, 1956 and subject to receipt of any requisite approval, if any.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to do all such necessary acts, deeds and things which are necessary and incidental to give effect to this resolution."

11. To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311, 314 and all other applicable provisions of the Companies Act, 1956 ("the Act") read with Schedule XIII of the Act, including any statutory modification or re-enactment thereof for the time being in force and subject to all other approvals, sanctions, permissions including the approval of the Central Government, if necessary, approval of the Company be and is hereby accorded to the reappointment of Mr. Abhijit R. Bora as Executive Director of the Company w.e.f. 25th March, 2010 for a period of three years on the terms and conditions mentioned here in below.

A] Salary

Basic Salary Rs. 1,00,000/- p.m. (1,00,000- 25,000 - 2,00,000) with the authority granted to the Board to determine the salary and grant increments from time to time within the aforesaid scale.

B] Perquisites

In addition to the Salary mentioned at **A** above, the Company shall pay to Mr. Abhijit Bora perquisites upto Rs. 1,00,000 per month, the break up of which will be as under:-

- i) Rent free furnished residential accommodation with free use of all the facilities and amenities such as cooking gas, water, electricity etc. If no accommodation is provided by the Company, he shall be entitled for House Rent Allowance.
- ii) Education Allowance.
- iii) Books and Periodicals.
- iv) Leave Travel Allowance once in a year as per the Rules of the Company.

- v) Bonus or ex-gratia as per the Rules of the Company.
- vi) Conveyance Allowance.
- vii) Club Membership - Entrance fees and monthly subscription fees for maximum upto two clubs.
- viii) Use of Company's car.
- ix) Telephone at residence. Personal long distance calls shall be borne by Mr. Abhijit Bora.
- x) Reimbursement of Medical Expenses for self and family.
- xi) Premium in respect of personal accident insurance.
- xii) Reimbursement of Entertainment expenses incurred for the purpose of business of the Company.
- xiii) Mr. Abhijit Bora shall be entitled to such other perquisites which shall be granted to Executives of the Company from time to time.

C] Following Perquisites shall not be included in the computation of ceiling on remuneration specified in [A] and [B] above.

- i) Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent they are not taxable under the Income Tax Act, 1961.
- ii) Gratuity payable upto half a month's salary for each completed year of service.
- iii) Leave encashment at the end of the tenure.

D] Other Terms.

- i) Mr. Abhijit Bora shall manage and conduct manufacturing operations and International Business Division of the Company subject to the superintendence, control and direction of the Board. He will report to the Managing Director of the Company.
- ii) He shall not be paid any sitting fees for attending the meetings of the Board or Committee thereof, as long as he occupies position of Executive Director of the Company.
- iii) He will be entitled for leave as per the rules of the Company as may be in force from time to time.
- iv) The appointment can be terminated earlier than the agreed term by either party, by giving 3 calendar months' notice in writing to the other party or by payment of a sum equivalent to remuneration for the notice period.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In absence of any such Rule, perquisites shall be evaluated at actual cost.

Notwithstanding anything contained elsewhere in the Resolution, if in any financial year during the currency of the tenure of Mr. Abhijit Bora, the Company has no profits or its profits are inadequate, the remuneration and perquisites as specified above shall be treated as



minimum remuneration subject to overall ceiling as per the provisions of Sections 198,309 and Schedule XIII of the Companies Act, 1956 and subject to receipt of any requisite approval, if any.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to do all such necessary acts, deeds and things which are necessary and incidental to give effect to this resolution."

12. To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and subject to all other approvals, if any required, existing Article 28 of the Articles of Association of the Company be and is hereby altered by substituting thereto the following Article 28:

28. Directors may make calls

The Board may, from time to time, subject to the terms on which any share or debenture may have been issued and subject to the conditions of allotments, by a resolution passed at a meeting of the Board (and not by resolution by circulation) make such calls as it thinks fit upon the Members or Debenture holders in respect of all moneys unpaid on the shares or debentures held by them respectively and each Member or Debenture holder shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installment.

The Board or any committee thereof shall not give any option or right to make call on shares, to any person except with the sanction of the Company in General Meeting. "

By Order of the Board of Directors
FOR **TWILIGHT LITAKA PHARMA LTD.**

S. D. TOLE
DIRECTOR & COMPANY SECRETARY

Date : 20th August, 2010

Place : Mumbai

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY

NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.

2. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business contained in item no. 8 to 12 of the Notice set out above is annexed herewith.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 22nd September, 2010 to Saturday 25th September, 2010 (both days inclusive).
4. The Dividend on Equity shares as recommended by the Board of Directors, upon declaration by the shareholders at the forthcoming annual general meeting, will be payable to those shareholders whose names appear in the Register of Members as on Tuesday, 21st September 2010, and in respect of shares held in Electronic form the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
5. SEBI has made it mandatory to distribute dividends through Electronic Clearing Services (ECS). Members holding shares in electronic form may kindly note that their Bank account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories. Members are requested to notify any change in their Bank account details to their Depository participants immediately and not to send the requests for the change in their Bank account details directly to the Company or to its Share Transfer Agent.
Members holding shares in physical form are requested to intimate to the Share Transfer Agent of the company under the signature of the sole/ first joint holder(s), the following information to be incorporated on dividend warrants.
 - I. Name of the sole/ first joint holder(s) and the folio number.
 - ii. Particulars of Bank account like name of the bank, name of branch, bank account number allotted by the bank, complete address of the bank with pin code.
6. Members desiring to have any information on the accounts are requested to write to the Company at least one week before the meeting so as to enable the Management to keep the information ready.
7. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
8. Members holding shares in dematerialized form and who wish to inform the change in their address should write to their respective Depository Participants only and not to the Company.
9. The members are hereby informed that the Company would transfer the dividends which remain unclaimed over a period of 7 years to the Investor Education and Protection Fund constituted by the Central Government under section 205C of the Companies Act, 1956.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

The following Explanatory statement sets out as required by Section 173(2) of the Companies Act, 1956, the material facts relating to Special Business mentioned in the accompanying Notice dated 20th August, 2010.

Item No. 8

The Board of Directors of the Company had appointed Mr. Ramesh Gadgil as Additional Director of the Company w.e.f. 30th January 2010 pursuant to Section 260 of the Companies Act, 1956 and Article 113 of the Articles of Association of the Company. As per the provisions of Section 260 of the Act, Mr. Ramesh Gadgil will hold office only upto the date of forthcoming Annual General Meeting of the Company and is eligible for appointment as a Director of the Company.

Pursuant to Section 257 of the Companies Act read with Article 131 of the Articles of Association of the Company, notice in writing has been received from a member of the Company along with requisite deposit signifying his intention to propose Mr. Gadgil as a candidate for the office of Director.

Mr. Ramesh Gadgil is having wide academic base. He holds Masters' Degree in Marketing Management and Animal Physiology and Zoology. He is a Fellow member of Indian College of Cardiology. Mr. Gadgil has more than 37 years experience in Pharma marketing. He has worked with companies like Lupin, Alkem, Bal Pharma, CFL for their strategic brand management. Your Directors are of the view that the Company would be immensely benefited by the rich experience and expertise of Mr. Ramesh Gadgil.

The Board recommends the resolution for your approval.

None of the Directors of the Company except Mr. Ramesh Gadgil, is in any way concerned or interested in the resolution.

Item No. 9

Mr. Gopal Ramourti, S/o. Late Kuppuswamy Ramourti, age 52 years, is a Chartered Accountant. He has extensive experience in the Pharma Industry. He is actively involved in Business Strategy, Business Development and Banking and Financial functions of our Company. A remarkable forte of Mr. Gopal Ramourti is in identifying and nurturing successful long term relationships, which has resulted in forging alliances of enduring nature over the years. During his career, he has helped set up and establish several Joint Venture Partnerships and Collaborations, developed relationships at various levels with the Central Bank, Ministry of Finance and other Government Agencies. He is instrumental in turning the Company to a profitable entity. He is serving as a Chief Mentor on the Board of TLPL.

Mr. Gopal Ramourti was appointed as Joint Managing Director of the Company w.e.f. 1st August, 2005 for the period of five years in the Annual General Meeting held on 29th September, 2005. Subsequently his designation was changed to "Managing Director" w.e.f. 1st April, 2007. His tenure of office as Managing Director has come to an end on 31st July, 2010.

As per Article 125 of the Articles of Association of the Company, he being a Managing Director of the Company is not liable to retire by rotation.

The Company has grown manifold since his appointment as the Managing Director of the Company. The Board of Directors of your Company is confident that the reappointment of Mr. Gopal Ramourti as Managing Director will be of immense benefit to the Company.

Accordingly Remuneration Committee in its meeting held on 10th March, 2010 approved the terms of appointment and remuneration of Mr. Gopal Ramourti as Managing Director of the Company and subsequently the Board of Directors in its meeting held on 25th March, 2010 reappointed Mr. Gopal Ramourti as Managing Director of the Company for a further period of three years w.e.f. 1st August, 2010 subject to the approval of Shareholders of the Company in the forthcoming Annual General Meeting.

The terms and conditions of appointment and remuneration of Mr. Gopal Ramourti are prescribed in the Resolution contained in the appended Notice.

Other Directorships of Mr. Gopal Ramourti: G R Capital and Finance Pvt. Ltd., Dubash Investment and Finance Company Pvt. Ltd., Regent Financial Services Pvt. Ltd., Sol Rio Resorts Pvt. Ltd., Twilight Mercantiles Ltd.

The members will appreciate that the reappointment of Mr. Gopal Ramourti as a Managing Director of the Company will prove fruitful for the long term benefits of the Company.

A brief resume of Mr. Gopal Ramourti is given in the Annexure attached herewith.

This explanation together with the accompanying notice may be treated as an abstract of the terms of appointment and remuneration of Mr. Gopal Ramourti, Managing Director under Section 302 of the Companies Act, 1956.

The Board recommends the Special resolution for your approval.

None of the Directors of the Company except Mr. Gopal Ramourti and Mr. Ramesh Ramourti are in any way concerned or interested in the resolution.

Item No. 10

Mr. Nainish Bora, S/o. Mr. Rajendra Bora, age 36, is a Commerce Graduate and has also obtained his MBA degree. He has been associated with the Company since last 12 years.

Mr. Nainish Bora brings with him rich experience of managing financial and treasury operations. Mr. Bora has wide and varied experience in financial and business development operations. Considering significant contributions of Mr. Nainish Bora to the Company's financial management, he was designated as Chief Financial Officer (CFO) of the Company.

Mr. Nainish Bora was appointed as Executive Director of the Company w.e.f. 25th March, 2005 for a period of five years in



the Annual General Meeting held on 29th September, 2005. Tenure of Mr. Nainish Bora as Executive Director came to an end on 24th March, 2010.

The Board desires that the Company continues to avail itself of the benefit of the knowledge and experience and valuable advice of Mr. Nainish Bora and recommend his reappointment as Executive Director of the Company for a further period of three years.

Remuneration Committee in its meeting held on 10th March, 2010 approved the terms of appointment and remuneration of Mr. Nainish Bora as Executive Director and Chief Financial Officer (CFO) of the Company and subsequently the Board of Directors in its meeting held on 25th March, 2010 reappointed Mr. Nainish Bora as Executive Director and Chief Financial Officer (CFO) of the Company for a further period of three years w.e.f. 25th March, 2010 subject to the approval of Shareholders of the Company in the forthcoming Annual General Meeting.

The terms and conditions of appointment and remuneration of Mr. Nainish Bora are prescribed in the Resolution contained in the appended Notice.

Other Directorships of Mr. Nainish Bora: G R Capital and Finance Pvt. Ltd.

A brief resume of Mr. Nainish Bora is given in the Annexure attached herewith.

This explanation together with the accompanying notice may be treated as an abstract of the terms of appointment and remuneration of Mr. Nainish Bora, Executive Director & CFO under Section 302 of the Companies Act, 1956.

The Board recommends the Special resolution for your approval.

None of the Directors of the Company except Mr. Rajendra Bora, Mr. Nainish Bora and Mr. Abhijit Bora are in any way concerned or interested in the resolution.

Item No. 11

Mr. Abhijit Bora, S/o. Mr. Rajendra Bora, age 34, is a Commerce Graduate and has done his MBA. He has been associated with the Company since 2002. International Business has always been a subject of interest of Mr. Abhijit Bora.

Mr. Abhijit Bora was appointed as Executive Director of the Company w.e.f. 25th March, 2005 for a period of five years in the Annual General Meeting held on 29th September, 2005. Accordingly tenure of Mr. Abhijit Bora as Executive Director has come to an end on 24th March, 2010.

The Company stands to benefit from the expertise of Mr. Abhijit Bora. In the last few years, the Company has expanded its presence on Export front. Mr. Abhijit Bora has played important role in providing strategic direction to the International Business Division of the Company.

Keeping in view the international stature of the Company, its wide range of services and magnitude of operations, the Board considers it desirable that the Company should continue to avail experience and expertise of Mr. Abhijit Bora.

Remuneration Committee in its meeting held on 10th March, 2010 approved the terms of appointment and remuneration

of Mr. Abhijit Bora as Executive Director of the Company and subsequently the Board of Directors in its meeting held on 25th March, 2010 reappointed Mr. Abhijit Bora as Executive Director of the Company for a further period of three years w.e.f. 25th March, 2010 subject to the approval of Shareholders of the Company in the forthcoming Annual General Meeting.

The terms and conditions of reappointment and remuneration of Mr. Abhijit Bora are prescribed in the Resolution contained in the appended Notice.

Other Directorships of Mr. Abhijit Bora : G R Capital and Finance Pvt. Ltd.

A brief resume of Mr. Abhijit Bora is given in the Annexure attached herewith.

This explanation together with the accompanying notice may be treated as an abstract of the terms of appointment and remuneration of Mr. Abhijit Bora, Executive Director under Section 302 of the Companies Act, 1956.

The Board recommends the Special resolution for your approval.

None of the Directors of the Company except Mr. Rajendra Bora, Mr. Nainish Bora and Mr. Abhijit Bora are in any way concerned or interested in the resolution.

Item No. 12

While listing your Company's Equity Shares on The National Stock Exchange of India Ltd., the said Exchange informed the Company that it would be necessary for the Company to amend the Articles of Association of the Company suitably to ensure that any provision in the Articles of Association is to be incorporated to the effect that Board may from time to time make call on unpaid shares or debentures and the Board or Committee shall not give any option or right to call on shares to any person without the sanction of the Company in General Meeting. In view of this it is necessary to make suitable alterations in the Articles of Association of the Company.

As per the provisions of Section 31 of the Companies Act, 1956, the approval of the shareholders in General Meeting is required for such alteration.

A copy of Memorandum and Articles of Association of the Company is open for inspection by the Members between 2.00 p.m to 4.00 p.m on any working day at the Registered Office of the Company up to the date of this Annual General Meeting and at the venue of the Annual General Meeting on the date of the meeting during meeting hours.

The Board recommends the Special resolution for your approval.

None of the Directors of the Company is in any way concerned or interested in the resolution.

By Order of the Board of Directors
FOR **TWILIGHT LITAKA PHARMA LTD.**

S. D. TOLE
DIRECTOR & COMPANY SECRETARY

Date : 20th August, 2010

Place : Mumbai

ANNEXURE

PARTICULARS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING.
(Pursuant to Clause 49 of the Listing Agreement)

Particulars	Mr. Gopal Ramourti	Mr. Nainish Bora	Mr. Abhijit Bora
Date of Birth	6th Dec. 1957	8th Feb. 1974	10th Nov. 1976
Date of Appointment	1st August, 2005	25th March 2005	25th March 2005
Qualifications	Chartered Accountant	B. Com, MBA	B. Com, MBA
Expertise	Financial Management and Banking operations. Building long term relationships with stakeholders. A visionary.	Treasury and day to day Banking operations	Looks after International Business Division and Promotion of Exports
Directorships in other Public Limited Companies	Twilight Mercantiles Ltd.	Nil	Nil
Membership of Committees in other Public Limited Companies *	Nil	Nil	Nil
No. of shares held in the Company	23,00,000	1,69,870	2,63,980

Particulars	Mr. Ramesh Ramourti	Mr. Avinash Chandvankar	Mr. Mohan Motwani	Mr. Ramesh Gadgil
Date of Birth	5th Oct. 1965	11th April 1960	19th Sept. 1946	21st June 1946
Date of Appointment	30th July 2005	20th April 2002	17th May 2007	30th January 2010
Qualifications	Post Graduation in Business Management.	Chartered Accountant (FCA)	Bachelor of Science	Masters in Marketing Management
Expertise	Business management	Consultant in the field of Corporate Taxation & Planning and Auditing.	Marketing management	Pharma Marketing experience Strategic Brand management
Directorships in other Public Limited Companies	Nil	Nil	Nil	Nil
Membership of Committees in other Public Limited Companies *	Nil	Nil	Nil	Nil
No. of shares held in the Company	Nil	40	25,000	Nil

* Includes membership of Audit Committee and Shareholders' / Investors' Grievance Committee only.



DIRECTORS' REPORT

**Dear Shareowners,
Of Twilight Litaka Pharma Ltd.**

Your Board of Directors has the privilege of presenting this Thirty-Sixth Annual report of your Company for the financial year ended on 31st March 2010.

PERFORMANCE HIGHLIGHTS

Particulars	Yearended 31st March, 2010 [₹ in crs.]	Yearended 31st March, 2009 [₹ in crs.]
TOTAL INCOME	494.64	373.18
NET PROFIT AFTER TAX	32.63	22.12
Add : Surplus brought forward from the Balance Sheet	42.34	25.09
Less : Short term provision for tax after earlier year	—	0.18
Amount available for disposal	74.97	47.03
APPROPRIATIONS:		
General Reserve	3.26	2.19
Equity Dividend	3.19	2.13
Distribution Tax on Dividend	0.53	0.36
Surplus carried to Balance Sheet	67.99	42.35
Earnings Per Share (₹) *	15.33	10.39
Book Value per Share (₹) *	47.00	30.00

* Face Value Rs. 5/- per share.

DIVIDEND

The Board is pleased to recommend a dividend of Rs. 1.50 per share (i.e. 30%) of the face value of Rs. 5/- each. If approved by the Shareholders at the Annual General Meeting, the dividend will absorb Rs. 3.19 crs. The Dividend Distribution Tax borne by the Company will amount to Rs. 0.53 crs.

CHANGES IN CAPITAL STRUCTURE

During the year under review, there has been no change in the Capital Structure of the Company.

YEAR IN RETROSPECT

Business Division:

During the current year 2009-10 Pharma was among the few sectors that managed to expand its revenues despite global recession and financial crises. Strong domestic demands, growing preference for generics worldwide and favourable rupee-dollar exchange rate helped the Indian Pharmaceutical sector. The revenue from your Company's five business divisions for the year under review was at Rs. 491.96 crs

showing a growth by 33%. The post tax profits at Rs. 32.63 crs. were also higher by Rs. 10.51 crs. marking an increase of 47% over the previous year.

During the year your Company introduced 40 new products, including brand extensions for its domestic as well as export markets. Products namely Almacid, Azicin, Cafola, Camol, Dolex, Fludar, Laripod, Larixin, Litacal, Richfer, Litacef, Litapraz and Prolita have been well accepted by the medical fraternity. Your Company expects to position itself as a food supplement manufacturer. In the CRAMS space your Company expects to be one of the largest players as far as food nutrition is concerned. Your Company has become a specialist in these segments. To fuel the future growth your Company is now focusing mainly into developing the food nutrition segment. Your Company is giving more thrust on rural areas since it has good potential particularly in view of improved infra structure and facilities. Your Company has already penetrated this market and the response is quite encouraging.

Other Developments:

- 1] In pursuance of the authority granted to the Board in the Extraordinary General Meeting held on 2nd March, 2010, your Company is in the process of finalization of raising funds for long term use by issue of securities including Equity Shares to the tune of US \$30 million equivalent to ₹ 1380 million (at an exchange rate of Rs. 46/- per US Dollar) and it is expected that by December end the necessary funds will be raised.
- 2] The Company has acquired 100% stake in Briocia Pharma (India) Pvt. Ltd. [BPIPL] and thus the said Company will be 100% subsidiary of your Company. BPIPL is equipped with state of the art manufacturing facilities. Due to acquisition of this unit, the additional capacity available at this plant will be fully utilized and majority of our requirements for Domestic markets will be shifted to this plant. Due to acquisition, the Company has added several large customers like Abbot Laboratories, Emcure Pharmaceuticals Ltd. and Inventia Healthcare Ltd. apart from exports to Costa Rica. Overall the acquisition is expected to enhance the production capacities of the Company and synergies to your Company and will be value accelerative for its stakeholders.
- 3] The Shares of your Company have been listed on The National Stock Exchange of India Ltd. [NSE] on 15th June, 2010. The Shares are actively traded on The Bombay Stock Exchange Ltd. [BSE] as well as on The National Stock Exchange of India Ltd.
- 4] Your Company has received approvals from Sri Lanka and Malawi for the facility in Baddi factory. Your Company also received HACCP certification for food facility which is an

International certification parallel to WHO/GMP certification. This will help your Company to get approval from the export markets for food requirements.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed analysis of your Company's performance is given in the Management Discussion and Analysis Report, which forms part of this Report.

EXPORT

Your Company is doing good business in the semi regulated and under regulated markets. Your Company has made entry in the UK market and also intends to enter into the US market by introducing its range of nutraceutical products.

CORPORATE GOVERNANCE

Your Company has complied with the mandatory provisions of Corporate Governance as prescribed in the revised Clause 49 of the Listing Agreement. A separate report on Corporate Governance Compliance along with a certificate of compliance from the Auditors given in this Annual Report forms part of this Report.

AUDITORS' REPORT

Note(s) on accounts as referred to in the Auditors' Report is / are self-explanatory and therefore do not call for further comments or explanation.

DIRECTORS

Mr. Ramesh Ramourti, Prof. P. D. Gupte, Mr. Mohan Motwani, Mr. Abhijit Bora, and Mr. A. S. Chandvankar, Directors of the Company retire by rotation and being eligible; offer themselves for reappointment, except Prof. P. D. Gupte who expressed his inability to continue as a Director due to his advanced age and ill health. The resolutions for the Directors seeking reappointment are included in the notice of the Annual General Meeting.

Mr. Ramesh Narayan resigned as a Director on 14th January, 2010 due to his other commitments. The Board placed on record its sincere appreciation for the services rendered by Mr. Ramesh Narayan as well as Prof. P. D. Gupte to the Company during their tenure of Directorship.

In the meeting of Board of Directors held on 30th January, 2010, the Board appointed Mr. Ramesh S. Gadgil as an Additional Director. Mr. Gadgil is highly qualified and experienced particularly in the field of pharmaceutical marketing. He has obtained his Masters Degree in Science in Animal Physiology / Zoology, and is a Fellow of Indian College of Cardiology. His vast and varied experience particularly in the Pharma Industry would be extremely beneficial to the Company.

The Board of Directors in their meeting held on 13th March, 2010 reappointed Mr. Nainish Bora, Executive Director & CFO and Mr. Abhijit Bora, Executive Director, w. e. f. 25th March, 2010 for a period of three years on the revised terms. In the said meeting the Board also reappointed Mr. Gopal Ramourti as Managing Director, for a period of three years from 01.08.2010. Their reappointment and remuneration are being placed before the shareholders for their approval at the ensuing Annual General Meeting. The information required to be furnished under Clause 49 (IV) (G) of the Listing Agreement is given in the Notice of the Annual General Meeting enclosed to this Annual Report.

STATUTORY AUDITORS

M/s. V. Sankar Aiyar & Co., Chartered Accountants, Mumbai, hold office as Auditors of the Company till the conclusion of the forthcoming Annual General Meeting. Your Company has received a certificate from them, pursuant to the provisions of Section 224 (1B) of the Companies Act, 1956, indicating their eligibility and willingness for reappointment. You are requested to appoint the Auditors and fix their remuneration.

COST AUDIT

The reports of Mr. S. G. Jog, Cost Accountant in respect of audit of the cost accounts relating to formulations for the year ended 2008-09 has been submitted to the Central Government. The Audit of the Cost Accounts of the Company for the year ended 31st March, 2010 is being conducted by the Cost Auditors, who will submit their report to the Ministry of Corporate Affairs.

FIXED DEPOSITS

The Company has not invited / received any fixed deposits during the year.

PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, in line with the provisions of Section 219 (1) (b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

DISCLOSURE OF PARTICULARS

As required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is annexed herewith and forms part of this Report.



DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm -

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- (b) that the selected accounting policies were applied consistently and the directors have 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 on 31st March, 2010 and of the Profit of the Company for the year ended on that date.
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- (d) that the annual accounts have been prepared on a going concern basis.

HUMAN RESOURCES

The relationship with the workers at the manufacturing units and other staff continues to be cordial. The Directors wish to place on record their sincere appreciation and gratitude for the services rendered by workers and staff at all levels. Your Company is aware that its own people are the key to future realization of its goals. To this end the Company is initiating steps towards better work environment.

APPRECIATIONS AND ACKNOWLEDGEMENTS

Your Board of Directors wish to place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Pharma Industry.

The Board also acknowledges the support and cooperation your Company has been receiving from its Bankers, Suppliers, Stockists, Retailers and other Business Associates. It will be the Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect to and cooperation with each other, consistent with consumer interests.

The Board also takes this opportunity to thank all investors, clients, vendors, regulatory and government authorities and Stock Exchanges for their continued and valued support.

By Order of the Board of Directors
FOR **TWILIGHT LITAKA PHARMA LTD.**

RAJENDRA C. BORA
CHAIRMAN

Date : 20th August, 2010
Place : Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK

THE PHARMACEUTICAL MANUFACTURING INDUSTRY HAS PRODUCED A VARIETY OF MEDICINAL AND OTHER HEALTH RELATED PRODUCTS UNDEAMT OF BY EVEN THE MOST IMAGINATIVE APOTHECARIES OF THE PAST. THESE PRODUCTS SAVE LIVES OF MILLIONS OF PEOPLE FROM VARIOUS DISEASES AND PERMIT MANY AFFECTED PEOPLE TO RECOVER AND LEAD NORMAL LIVES. TLPL MEANS PIONEERING INNOVATIVE BREAKTHROUGHS AND MAINTAINING QUALITY STANDARDS WHOSE PHILOSOPHY IS COMMIT TO EXCELLENCE.

IT IS ESTIMATED THAT BY 2015, THE INDIAN PHARMA INDUSTRY WILL RANK AMONGST THE TOP 10 IN THE WORLD AND WILL BE VALUED AT US\$ 20 BILLION. THE MAJOR TRENDS THAT WILL INFLUENCE THE GROWTH OF THE MARKET OVER THE NEXT FEW YEARS ARE INCREASING DISPOSABLE INCOME, GROWING NUMBER OF MIDDLE CLASS HOUSEHOLDS, EXPANSION OF HEALTHCARE INFRASTRUCTURE, PENETRATION OF HEALTHCARE INSURANCE, RISING INCIDENCE OF CHRONIC DISEASES AND EXPANDING HEALTHCARE ACCESS TO REGIONAL MARKETS.

OUR VISION IS TO BE A MEANINGFUL PLAYER IN THE PHARMACEUTICAL INDUSTRY COMMITTED TO EXCELLANCE, TO EXPAND OUR FOOTPRINTS ACROSS THE GLOBE KEEPING PRESENCE IN THE REGIONAL INDIA AND TO CONTINUOUSLY CREATE NEW OPPORTUINITIES FOR GROWTH.

WE WILL ENHANCE VALUE FOR OUR CUSTOMERS BY PROVIDING INNOVATIVE HEALTH PRODUCTS AND FOR OUR STAKEHOLDERS THROUGH SALES GROWTH.



PHARMA INDUSTRY STRUCTURE AND DEVELOPMENTS

The India Pharma sector is resilient to economic challenges. The Indian Pharma industry is the fourth largest market in Asia Pacific after Japan, China and South Korea. The Indian Pharma industry ranks 3rd in terms of volume and 13th in terms of value in the world.

Growth of most of the Indian Pharma companies is driven by larger field forces, and yet, the largest cover only the top 20-25% of the doctors in India. Drug volume per doctor in India is very low, but changing rapidly.

The Indian Pharma industry meets around 70% of the Country's demand of bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, tablets, capsules, orals and injectible.

According to the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Exports of pharmaceutical products of India are increased from US\$ 7.74 billion in Financial Year 07-08 to US\$ 7.81 billion in 08-09 and during the period April - December 2009, the exports were US\$ 6.3 billion.

The Indian Contract Research and Manufacturing Services (CRAMS) companies are on a threshold on the significant opportunity given the expected increase in pace of outsourcing from India. A significant traction in the global outsourcing business is foreseen as low R&D productivity has intensified the pressure on the global innovators to generate growth. A large portion of this outsourcing business is likely to be sourced by Asia (mainly India and China).

Over the next decade existing outsourcing players with high cost operations in US and Europe will gradually lose business to India due to following advantages India offers :

- world class quality at 30-40% lower cost.
- proven chemistry and process innovation skills instilled by years of fierce competition in the domestic market.
- availability of trained chemists at reasonable cost.
- 40% lower capital cost resulting in lower initial capex on new facilities.

OPPORTUNITIES AND CHALLENGES

OPPORTUNITIES

Twilight Litaka Pharma Ltd (TLPL) has an in-built agility to respond to fluctuating market demands altering its product mix strategically enabling it to ride smoothly over market turbulences. TLPL is focusing ahead and taking actions today to be well equipped for the next upturn. With its long term

strategy, TLPL is best positioned to respond to current situation since it has a diverse and wide - ranging portfolio to serve diverse industrial verticals. TLPL innovates for joint success with its suppliers and customers. TLPL has its plants at Pimpri, Vadgaon, Vasai, Baddi (Himachal Pradesh). Recently, the Company acquired majority stake in Briocia Pharma (India) Pvt. Ltd. [Briocia] due to which Briocia will be a wholly owned (100%) subsidiary of TLPL. Briocia has its large plant of around 32 acres near Jejuri, Pune. By this arrangement synergy of operations is possible at Jejuri Plant. There is a tremendous scope for procurement of additional job work which can be shifted at the Jejuri plant. Thus for TLPL there are profitable business opportunities in contract production for International Pharma Groups as a result of availability of sufficient production capacities at the plants at Pimpri, Vadgaon, Vasai, Baddi and Jejuri.

Your Company truly believes that it is on the verge of the big change that represents a large and enduring opportunity for us.

CHALLENGES

Competition between Indian Pharma Companies and Western Drug makers is becoming fiercer as the companies from Asia are increasingly seeking to tap the global markets. In the field of patent protected drugs, competition from Western Pharma companies is also increasing.

STRENGTHS AND WEAKNESSES

Being in the Pharma Sector, TLPL has following strength and weaknesses.

STRENGTHS

- Unit at Baddi, Himachal Pradesh, is gaining various incentives since it is established in Notified Backward Area. It is acquiring WHO/GMP approval.
- Manufacturing on Principal to Principal and Loan License Arrangement.
- Ultramodern manufacturing facilities.
- Marketing Network across India.
- Motivated and dedicated Field Staff.
- Exports to more than 40 countries.
- Ranked amongst top 100 Pharmaceutical formulations manufacturing Companies in India.
- Ranked 254 amongst 400 Top Mid Cap Companies as per Dalal Street, an Investment Journal.
- One of the fastest growing Pharma Company.

- Listed on the Bombay Stock Exchange Ltd and the National Stock Exchange of India Ltd.
- Good connectivity to Mumbai by rail as well as road.
- Cordial Relations with Workers.
- Experienced and dedicated staff.
- Availability of skilled and semi skilled workers.

WEAKNESSES

TLPL has to increase production capacities to face the competition in the global market. In addition to contract manufacturing, it has to concentrate on increasing its own products range.

RISK MANAGEMENT

TLPL has an elaborate process for risk management. This rests on the three pillars of Business Risk Management, Operational Controls Assessment and Policy Compliance at all levels. Major risks identified are systematically addressed through corrective actions on a continuing basis. These issues are resolved at the level of Board of Directors.

TALENT MANAGEMENT

Our employees continue to be the most vital pillar of success in all our endeavors. During the year, TLPL continued with its focus on developing the capabilities of its workforce even further through several HR initiatives.

We have bolstered our talent recruitment drives to meet our growing business needs. Steps have been taken to meet the challenges of retention, skill upgradation, remuneration and the career aspirations of talent on TLPL's rolls. We are confident that the measures now being taken by TLPL will enhance the effectiveness of its talent management initiatives.

REWARDS AND RECOGNITION

Rewards and Recognition program was initiated 15 years ago and is rolled out annually. Extraordinary contributions by colleagues should be recognized and rewarded in a very distinct manner. These contributions are linked to predetermined organizational goals and their impact on business performance. Every year along with annual increments, employees are rewarded on completion of their service for 5 years, 10 years, 15 years, 20 years and 25 years in TLPL. In the year 09-10, we felicitated 70 such our colleagues. The Reward and Recognition program has had a very positive impact on colleagues to be a strong motivational input.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility forms an integral part of TLPL's corporate principles and business philosophy. As a company with a strong sense of values and commitment, TLPL believes that profitability must go hand in hand with a sense of responsibility towards employees, stakeholders and the society.

As regards environment care, TLPL continued to maintain well designed effluent treatment plants at its factories. TLPL regularly undertakes various innovative measures to conserve energy, reduce wastage and optimize consumption.

HEALTH AND SAFETY POLICY

TLPL has kept up high standards of occupational health and safety practices at all its manufacturing units. TLPL continuously reviews safety measures at its premises all over India. No efforts have been spared to ensure safety in the operation of the Plants, to promote health and protect the environment. Health of the employees is continuously monitored and environment improvement measures in and around the Plant area have been given due care and attention.

TLPL has in place Occupational Health and Safety Policy which focuses on People, Technology and Facilities supported by Management commitment as the prime driver.

FINANCIAL PERFORMANCE

Despite a challenging market environment with significant pricing pressures, your company maintained a steady focus on growth areas and secured a stable order intake. Our Operating Profits rose and the profit margin improved significantly with an increased focus on Asset Management.

On the cost side, we critically looked at all areas however small, maintained a strict financial discipline and eliminated all inefficiencies. Our clear focus on operational excellence has helped us to keep our performance on track.

Return on Capital Employed, EBIDTA and Earnings Per Share (EPS) for the last three years and for the year ended 31st March, 2010 are as follows.

Particulars	2006-07	2007-08	2008-09	2009-10
Return on Capital Employed (%)	39	32	32	38
EBIDTA (Rs. in crs)	26.72	37.41	47.28	65.11
Basic EPS (Rs.)	6.62	8.47	10.39	15.33



INTERNATIONAL BUSINESS DIVISION (IBD)

This division, which is located at Pimpri plant of the Company is emerged as the fastest growing division of the Company. The Division's performance was supported by strong volume led growth. This acceleration in growth of IBD led to its significant contribution to TLPL's revenue.

A significant contributor to the division's growth during the year under review was geographical expansion, sincere and goal oriented efforts of Mr. Abhijit Bora, Executive Director and his team who are the members of this division.

During the year under review, the geographical expansion of exports of TLPL resulted in opening fresh markets in Malawi, Bolivia, South Africa, Kent, U.K., Taiwan, Turkministan, Benin and Mozambique.

INTERNAL CONTROL SYSTEMS

Your Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and these transactions are authorized, recorded and reported timely.

All the fixed assets, finished goods, semi-finished goods, raw materials, packing materials and other goods and assets of the Company lying at different locations and in-transit have been insured against fire, burglary, transit and allied risks.

The internal control systems are further supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by management. The Audit Committee of the Board addresses issues raised by Internal Auditors and Statutory Auditors.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections and estimates may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental / related factors.

The market size estimates and industry data used in preparing the Annual Report includes various equity research reports, newspaper clippings, data available in public domain. Further images used in the initial designs of the Annual Report are representative (barring the actual manufacturing facility images and the Managing Director's image).

Date : 20th August, 2010

Place : Mumbai

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

Corporate Governance essentially is a set of standards, which aims to improve the Company's efficiency, effectiveness and social responsibility. Corporate Governance refers to the blend of law, regulations and voluntary practices that are able to attract the best of capital and talent. Effective Corporate Governance needs to internalize and adopt a core set of values which further strengthen the management and decision making process resulting in creation of value and wealth for the shareholders on sustainable and long term basis. The Company understands and respects its fiduciary role and responsibility towards shareholders and strives hard to meet their expectations.

The Company's Board of Directors and Management are deeply committed to pursuing growth by adhering to the highest standards of Corporate Governance. The Company has always believed in fair business and corporate practice while dealing with the shareholders, employees, customers, creditors, lenders and others.

1. Company's Philosophy on Code of Corporate Governance

For the Company, Corporate Governance is not just adherence to mandatory rules and guidelines. It lies in observing the spirit behind the letter. Corporate Governance is integral to the philosophy of the Company in its pursuit of excellence, growth and value creation. The Company's philosophy is to achieve business excellence and optimizing long term value for its shareholders on a sustained basis through ethical business conduct. It envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations and all its interactions with shareholders, employees, bankers and government.

The Board of Directors of the Company has adequate representation of the professional, qualified, non-executive and independent Directors. For the matters requiring special attention and also for proper and effective disposal of such matters, the Board has constituted various Committees of Directors from time to time. The Board and Committee meetings have been held as frequently as required. Adequate disclosures and information are provided to the Board as well as Committees. All the Directors attending the Board and Committee Meeting actively participate in their proceedings. The main role of the Company's Board of Directors is to oversee how the management is serving interests of all stakeholders.

Commitment to maximizing shareholder value on a sustained basis while looking after the welfare of multiple stakeholders is a fundamental shared value of the Company's Board, Management and employees and critical to the Company's success. Initiatives towards this end include professionalization of the Board, fair and transparent processes and reporting systems and going beyond the mandated Corporate Governance Code requirements of the Listing Agreement entered with the Stock Exchanges.

2. Board of Directors

As on 31st March 2010 the Board of Directors of the Company consists of twelve Directors, Nine of whom are Non Executive Directors, out of which 6 are Independent Directors.

During the Financial Year under review, Thirteen (13) Board Meetings were held on the following dates: 13th April, 2009, 13th May, 2009, 2nd June, 2009, 18th June, 2009, 27th June, 2009, 30th July, 2009, 5th September, 2009, 30th October, 2009, 8th December, 2009, 12th January, 2010, 30th January, 2010, 4th February, 2010 and 13th March, 2010.

Apart from the Board Meetings, the Directors also attended various Committee Meetings of which they are members. The details of attendance of Board Meetings, Committee Meetings and Directorship in other Companies are furnished in table below:



Name of the Director	Category of Directorship	Board Meetings attended	Committee Meetings attended			Directorship of other Companies
			Audit	Share Transfer cum Investor Grievance Committee	Remuneration Committee	
Mr. Rajendra Bora*	Chairman (Promoter)	12	—	—	01	01
Mr. Gopal Ramourti*	Managing Director (Promoter)	13	—	—	—	05
Mr. Sanjeev Tole*	NED & CS	13	4	20	01	01
Mr. A. S. Chandvankar*	NED (I)	12	4	20	01	01
Mr. V. K. Naik	NED (I)	03	—	—	—	—
Prof. P D Gupte	NED (I)	02	2	—	—	—
Mr. Nainish Bora *	Executive Director & CFO (Promoter)	13	—	20	—	01
Mr. Abhijit Bora	Executive Director (Promoter)	12	—	—	—	01
Mr. Ramesh Ramourti	NED	13	4	—	01	01
Mr. MS Raghavan Ayyangar	NED (I)	05	2	—	—	02
Mr. Ramesh Narayan \$	NED (I)	—	—	—	—	02
Mr. Ramesh S. Gadgil #	NED (I)	—	—	—	—	—
Mr. Mohan Motwani*	NED (I)	05	—	—	—	—

NED & CS - Non Executive Director & Company Secretary

NED - Non Executive Director,

CFO - Chief Financial Officer

I - Independent,

\$ - Mr. Ramesh Narayan has resigned w.e.f.14.01.2010

- Mr. Ramesh Gadgil is appointed as Additional Director w. e. f. 30.01.2010.

* Directors were present in the last Annual General Meeting held on 13.08.2009.

None of the Directors of the Company are members/chairman of any other Committee of other Companies.

3. Code of Conduct

The Company has formulated and implemented a Code of Conduct for all Board Members and Senior Management of the Company in compliance with Clause 49 (I) (D) of the Listing Agreement.

4. MD/CFO Certification

The Managing Director and Chief Financial Officer of the Company have certified positively to the Board on the matters specified in Clause 49 (V) of the Listing Agreement.

5. Audit Committee

The Company has formed Audit Committee since 2001. As at 31st March 2010, the Audit Committee consisted of four members, namely Mr. A. S. Chandvankar, Prof. P. D. Gupte, Mr. Ramesh Ramourti and Mr. M. S. Raghavan Ayyangar. Mr. A. S. Chandvankar, Prof. P. D. Gupte & Mr. M. S. Raghavan Ayyangar are Non-Executive Independent Directors. Of these Directors, one Director viz. Mr. A. S. Chandvankar is a Chartered Accountant by profession and therefore has financial and accounting background.

Mr. A. S. Chandvankar is the Chairman of the Committee and Mr. S. D. Tole, Non Executive Director & Company Secretary of the Company acts as a Secretary to the Committee.

During the year under report, four Audit Committee meetings were held on 27.06.2009, 30.07.2009, 30.10.2009 and 30.01.2010, in which quarterly financial results of the Company were considered and then forwarded to the Board of Directors for their approval.

The Audit Committee has adequate powers and their detailed role and terms of reference are as per Clause 49 of the Listing Agreement.

Minutes of the Audit Committee meetings are circulated to the members of the Board, discussed and taken note of.

6. Remuneration Committee

The Company has constituted a Remuneration Committee in its Board Meeting held on 7th February, 2006. The responsibility of the Remuneration Committee is to consider and finalize the proposals in respect of fixation of remuneration to Executive Directors, Managing Director, and other Senior Executives of the Company. The Remuneration Committee consists of three Directors of the Company, viz. Mr. A S Chandvankar, Mr. Rajendra C. Bora and Mr. Ramesh Ramourti. Mr. S. D. Tole, Non Executive Director & Company Secretary of the Company acts as a Secretary to the Remuneration Committee. The Committee has the following powers:

- To determine on behalf of the Directors and on behalf of the shareholders of the Company, policy on remuneration package for Executive Directors, Managing Director and other paid Directors of the Company who may be appointed from time to time.
- To fix the remuneration payable to above individuals with the power to grant yearly increment and other allowances.
- To review the remuneration of the aforesaid individuals fixed periodically.

During the year under report, one meeting of the Remuneration Committee was held on 10th March, 2010. In the said meeting the Remuneration Committee has approved the appointment and remuneration of Mr. Gopal Ramourti, Managing Director for a period of 3 years w. e. f. 01.08.2010 and of Mr. Nainish R. Bora, Executive Director & CFO and Mr. Abhijit R. Bora, Executive Director for a period of 3 years w. e. f. 25.03.2010 subject to the approval of the Board of Directors in their meeting and of shareholders in the ensuing Annual General Meeting.

7. Remuneration of Directors

The details of remuneration paid to the directors for the year 2009-10 are given below:

(Amt. in ₹)

Director	Salary	Perquisites	Contribution to PF	Total
Mr. Gopal Ramourti	12,00,000	10,44,000	1,44,000	23,88,000
Mr. Nainish Bora	6,00,000	5,68,020	72,000	12,40,020
Mr. Abhijit Bora	6,00,000	5,68,020	72,000	12,40,020

Non-Executive Directors are not entitled for any remuneration other than the sitting fees, the details of which are given below:

(Amt. in ₹)

Sr. No.	Name of the Non-Executive Director	Sitting Fees	Other elements of remuneration
1.	Mr. R C Bora	60,000	—
2.	Mr. A. S. Chandvankar	68,000	—
3.	Mr. Ramesh Ramourti	73,000	—
4.	Prof. P. D. Gupte	14,000	—
5.	Mr. V. K. Naik	15,000	—
6.	Mr. Mohan Motwani	25,000	—
7.	Mr. M. S. Raghavan Ayyangar	29,000	—
8.	Mr. Sanjeev D. Tole	65,000	—

Mr. S. D. Tole receives remuneration in the capacity of a Company Secretary only.

8. Shareholding of Non-Executive Independent Directors as on 31.03.2010:

Name of Director	No. of Equity Shares of Rs.5/ each
Prof. P. D. Gupte	NIL
Mr. A. S. Chandvankar	NIL
Mr. V. K. Naik	NIL
Mr. Ramesh Gadgil	NIL
Mr. M. S. Raghavan Ayyangar	NIL
Mr. M. T. Motwani	25,000
Mr. S. D. Tole	2,000



9. Share Transfer - cum - Investors Grievance Committee

Mr. A. S. Chandvankar, a Non-Executive Independent Director is the Chairman of the Committee. Other Members of the Committee are Mr. S. D. Tole, & Mr. Nainish R. Bora.

Name and Designation of the Compliance Officer: Mr. S. D. Tole - Non Executive Director & Company Secretary.

The Share Transfer-cum-Investors Grievance Committee meets every fortnight and accordingly 20 meetings of the Committee were held during the year under report. The details of attendance of the meetings of this Committee by Directors are already given in Table in paragraph 2.

During the year Twelve (12) complaints regarding non-receipt of share certificates sent for transfer and non-receipt of annual report & dividend were received from shareholders, all of which have been resolved.

Nature of Complaints	Received	Resolved	Pending
Regarding Share Certificates	01	01	Nil
Regarding Dividend	06	06	Nil
Regarding Non-Receipt of Annual Report	05	05	Nil
Complaints of Shareholders forwarded by:			
Stock Exchange	02	02	Nil
SEBI	Nil	Nil	Nil

The Company had no transfer pending at the close of the Financial Year.

10. General Body Meetings

The details of the location and time for Annual General Meetings [AGM] and Extra Ordinary General Meetings [EGM] held during the last 3 years and details of the resolutions passed there at or passed by Postal Ballot:

Date	Year	Type of Meeting	Venue	Time
28.06.2007	2007	Annual General Meeting	B-22 "H" Block,	9:30 a.m.
31.07.2008	2008	Annual General Meeting	M.I.D.C., Pimpri,	11.00 a.m.
07.03.2009	2009	Extra Ordinary General Meeting [Court Convened]	Pune - 411018	11.30 a.m.
13.08.2009	2009	Annual General Meeting	Sumant Moolgaonkar Auditorium Hall, Ground Floor MCCA Trade Tower, "A" Wing, ICC Centre, Senapati Bapat Road, Pune 411016.	10.00 a.m.
02.03.2010	2010	Extra Ordinary General Meeting	Sumant Moolgaonkar Auditorium Hall, Ground Floor MCCA Trade Tower, "A" Wing, ICC Centre, Senapati Bapat Road, Pune 411016.	10.00 a.m.

All the resolutions, including special resolutions as set out in the respective Notices of the meetings were passed by the Shareholders.

No resolution was put through postal ballot during the last year.

11. Disclosures :

- a) Disclosures regarding materially significant related party transactions:
No transaction has been entered into by its Promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company.
Transactions with the related parties are disclosed in the Note No. 2.16 of the notes to the accounts in the Annual Report.
- b) Disclosure of non-compliance by the Company
There were no instances of penalty or stricture imposed on the Company by the Stock Exchange or SEBI or any authority on any matter related to capital market during the last three years.

12. Particulars of Directors eligible for appointment / re-appointment

1. Mr. Abhijit R. Bora

Mr. Abhijit Bora is a Commerce Graduate and has done his MBA. He has been associated with the Company since the year 2002. He is Executive Director of the Company and looks after the International Business Division. He is also looking after the plants of the Company. Mr. Abhijit Bora is holding 2,63,980 Equity Shares in the Company i.e. 1.24 % of Paid up Share Capital of the Company.

2. Mr. Avinash S. Chandvankar

Mr. Avinash Chandvankar is a practicing Chartered Accountant. He has a vast experience in the field of Audit, Taxation and Finance. He is also associated with number of management institutes in the capacity as a Visiting Faculty Member. He is a partner of A G Ogle & Associates, Chartered Accountants and is a Proprietor of A. S. Chandvankar & Associates, Chartered Accountants. He holds 40 Equity Shares of the Company i.e. 0.0001% of the Paid up Share capital of the Company.

3. Ramesh K. Ramourti

Mr. Ramesh Ramourti has done his Post Graduation in Business Management. He has vast experience in the field of Management and Finance. He is associated with the Company since last 5 years. He does not hold any shares in the Company.

4. Mr. Mohan T. Motwani

Mr. Mohan Motwani is a Science graduate and has completed number of management courses from reputed Management Institutions. He started his career in the year 1966 in the marketing field of Pharma Industry and has garnered rich and diverse experience in the Industry. He is associated with the Company since 2007. He holds 25,000 Equity Shares of the Company i.e. 0.11% of the Paid up Share capital of the Company.

13. Means of communication

The quarterly, half-yearly results of the Company were published during the financial year under review in the Newspapers viz. Maharashtra Times (Marathi) and The Economic Times (English). The Company has its own website, viz. www.twilightlitaka.com, which displays the general profile and product profile of the Company. The shareholding pattern is also displayed and is updated every quarter.

14. General Shareholder Information

a) Registered and Corporate Office

"Himalaya Estate", 16-A Shivajinagar, Pune - 411 005

Tel. Nos : 91-20-30281700/01, Fax : 91-20-25533211, Website : www.twilightlitaka.com

b) Date of Incorporation

: 18th January, 1974

c) Registration No./CIN No

: L24231MH1974PTC017139

d) Day, Date, Time & Venue of 36th AGM

: Saturday, 25th September, 2010 at 10.30 a.m.
at Sumant Moolgaokar Auditorium Hall, Ground Floor,
M.C.C.I.A. Trade Tower, "A" Wing, I.C. C. Centre Senapati
Bapat Road, Pune 411016.
The Notice of the Annual General Meeting is being sent to the
Members along with this Annual Report.

e) Dates of Book Closure

: Wednesday, 22.09.2010 to Saturday, 25.09.2010
(both days inclusive)

f) Dividend Payment

The Dividend as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting, will be paid on or after 29th September, 2010 to those members whose names appear on the Company's Register of Members as holders of Equity Shares in physical form on Tuesday, 21st September, 2010. In respect of shares held in dematerialized form the Dividend will be paid on the basis of beneficial ownership details to be furnished by National Securities Depository Limited [NSDL] and Central Depository Services (India) Ltd. [CDSL] for this purpose.

g) Electornic Clearance System (ECS) for Dividend

The Securities And Exchange Board of India (SEBI) has made it mandatory for all the companies to use bank account details furnished by the investors for distributing dividends payable to them by using ELECTORNIC CLEARANCE SYSTEM (ECS) wherever ECS facility is available. Those investors who are not registered with the Company for ECS payment of Dividend may register themselves now. Necessary form for registering the details is incorporated in this annual report. The registration details should reach the Registrars & Transfer Agent of the Company i.e. M/s. Sharepro Services (I) Pvt. Ltd., on or before 18.09.2010 to enable them to accept the request.



h) Financial Year : 1st April to 31st March

i) Financial Calendar

1st Quarterly results : last week of July
 2nd Quarterly results : last week of October
 3rd Quarterly results : last week of January
 4th Quarterly results : last week of June

The Company's Transfer Book will remain closed from Wednesday, 22nd September, 2010 to Saturday, 25th September, 2010 (both days inclusive), for the purpose of Annual General Meeting.

j) The Stock Exchange Listing

1. The Bombay Stock Exchange Ltd. (BSE). - Scrip Code: 506985 and Scrip ID is TWILITAKA
2. The National Stock Exchange of India Ltd. (NSE) - Symbol : TWILITAKA

The shares of the Company are listed on The National Stock Exchange of India Ltd., w. e. f. 15.06.2010.

The Company has paid Annual Listing Fee for the Financial Year 2010-11 to both the Stock Exchanges on which the shares of the Company are listed.

k) Shareholders are requested to send all share transfer requests and correspondence relating to shares, dividend, ECS Mandate, etc. to our Share Transfer Agent at:

SHAREPRO SERVICES (I) PVT. LTD.

13 AB, Samhita Warehousing Complex,
 2nd Floor, Near Sakinaka Telephone Exchange,
 Andheri - Kurla Road, Sakinaka,
 Andheri (E), Mumbai - 400 072.

Phone : 022-67720300, 022-67720400
 Fax : 022-28591568, 022-28508927
 E-mail : sharepro@shareproservices.com
<http://www.shareproservices.com>

Name of contact Person:- Ms. Indira Karkera

l) Share Transfer System

The Company has appointed M/s. Sharepro Services (I) Pvt. Ltd., as its Registrars and Share Transfer Agent. The address of Sharepro Services (I) Pvt. Ltd. is as follows.

SHAREPRO SERVICES (I) PVT. LTD.

13 AB, Samhita Warehousing Complex,
 2nd Floor, Near Sakinaka Telephone Exchange,
 Andheri - Kurla Road, Sakinaka,
 Andheri (E), Mumbai - 400 072.

Phone : 022-67720300, 022-67720400
 Fax : 022-28591568, 28508927.
 E-mail : sharepro@shareproservices.com
<http://www.shareproservices.com>

Name of contact Person : - Ms. Indira Karkera.

m) Market Price Data

The monthly High and Low quotations and volume of shares traded at the Bombay Stock Exchange Ltd., during the Financial Year.

(Amt. in ₹)

Period	High	Low	Volume of Shares Traded (Nos.)	No. of Trades
April 2009	36.00	26.80	189308	1527
May 2009	46.00	26.55	419240	2413
June 2009	47.85	38.40	413890	2331
July 2009	41.95	33.40	307379	1990
August 2009	55.00	39.00	1093390	7927
September 2009	53.15	42.75	510876	3978
October 2009	55.30	44.60	421236	2978
November 2009	53.90	44.00	347211	2424
December 2009	84.95	49.95	2881880	12014
January 2010	93.80	75.10	6661760	44684
February 2010	89.40	75.10	1180068	4837
March 2010	102.80	78.60	2296741	11920

The Company 's Share Price performance in comparison to BSE Sensex based on share price on 31.03.2010.

n) Comparison of Litaka Share Prices with BSE Sensex for 2009-10

Period	Change	
	Company's Share Price	Sensex
Opening Price/Index as on 31.03.2009	26.25	9633.21
Closing price/ Index as on 31.03.2010	92.65	17527.77
% Increase/ Decrease	252.95	181.95

o) Distribution Schedule as on 31.03.2010

Description	Holder's Folio	% to total shareholders	Holding(s) Shares	% to share capital
Up to 500	13683	90.245	2607211	12.251
501 - 1000	735	4.848	624772	2.936
1001 - 2000	363	2.394	552576	2.597
2001 - 3000	129	0.851	335137	1.575
3001 - 4000	57	0.376	208484	0.980
4001 - 5000	40	0.264	194595	0.914
5001 - 10000	68	0.448	499363	2.346
10001 and above	87	0.574	16259147	76.401
Total	15162	100	21281285	100

p) Shareholding Pattern as on 31.03.2010

Sr. No.	Category Held	No. of Shares	% to shares holding
1.	Promoter, including persons acting in concert, Directors and their relatives	13514249	63.50
2.	Institutional investors (Indian)		
	(a) Mutual Funds and UTI	0	0
	(b) Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-Govt. Institutions)	3900	0.02
3.	FII / NRIs / OCBs	334743	1.57
4.	Private Bodies Corporate	1521839	7.15
5.	Indian Public	5906554	27.76
	TOTAL	21281285	100.00

q) List of Top Ten Shareholders of the Company as on 31.03.2010.

Sr. No.	Name of Shareholder	Category	No. of shares held	% to the share capital
1.	GR Capital Finance Pvt. Ltd.	Promoter	92,30,000	43.37
2.	Gopal Ramourti	Promoter	23,00,000	10.81
3.	Rajendra C. Bora	Promoter	7,81,588	3.67
4.	Motilal Oswal Financial Services Ltd.	Body corporate	6,42,471	3.01
5.	Borachem Industries Ltd.	Promoter	4,32,000	2.03
6.	Abhijit Rajendra Bora	Promoter	2,63,980	1.24
7.	Lalita Rajendra Bora	Promoter	1,98,811	0.93
8.	Nainish Rajendra Bora	Promoter	1,69,870	0.80
9.	Brewton Consultants Pvt. Ltd.	Body Corporate	1,50,000	0.70
10.	Hemant Venkatramani Lalithraj	Public	1,18,411	0.56



r) Plant Locations

- | | |
|---|---|
| 1) B-22 'H' Block, M.I.D.C.
Pimpri, Pune 411 018
Tel : 020- 3068 3760 / 61
Fax : 020- 2747 4109
Email : tlplpimpri@tlpl.co.in | 2) 116/2 Chakan Phata
Mumbai - Pune Road
Vadgaon Maval, Pune 412 106
Tel : 02114-325901 / 61
Fax : 02114-222859
Email : tlplvadgaon@tlpl.co.in |
| 3) 39/40 Vasai Taluka Industrial Estate
Sector II, Gaurai pada, Vasai (E)
Dist : Thane 401 208
Tel : 0250-2455465/2450829
Fax No : 0250-2455464
Email : tlplvasai@tlpl.co.in | 4) Village Dhana, Bagh Bania, Baddi
Nalagarh Road, Nalagarg Dist. Solan
Himachal Pradesh -174701
Tele Fax No. 01795267090
E-mail : baddi@tlpl.co.in |

s) Dematerialization of Shares

The Company has continuous connectivity with NSDL and CDSL for effecting dematerialization of shares and Demat requests. The Company's ISIN No. is INE783B01029. As on 31.03.2010, 92.08% of Paid up Equity Share Capital of the Company has been dematerialized.

t) Investors Correspondence

The Company's Share Department provides assistance to shareholders under the supervision of Mr. S. D. Tole, Non Executive Director & Company Secretary.

Any query relating to shares and requests for transactions such as transfers, transmissions, nomination facilities, duplicate share certificates, change of address, non-receipt of shares/dividend, annual report, as also regarding dematerialization of shares may please be taken up with :

Mr. Prashant B. Shimpi, Manager - Legal & Secretarial

Twilight Litaka Pharma Ltd.

"Himalaya Estate", 16-A Shivajinagar, Hotel Pride Executive Lane

Near PMC's Dalvi Hospital, Pune 411 005

Tel. No : 020-3028 1700/1/2. Fax : 020-2553 3211.

Email : legal@tlpl.co.in and investors@tlpl.co.in

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

We, Gopal Ramourti, Managing Director and Nainish R. Bora, Executive Director and Chief Financial Officer (C.F.O.) of Twilight Litaka Pharma Limited to the best of our knowledge and belief, certify that :

- 1] We have reviewed the balance sheet and profit and loss accounts [consolidated], and all its schedules and notes on accounts, as well as the cash flow statement and the Directors' Report for the Financial Year ended on 31.03.2010;
- 2] Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statement made, in light of the circumstances under which the statements were made, not misleading with respect to the statements made;
- 3] Based on our knowledge and information, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the Company as of, and for the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations;
- 4] To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
- 5] The Company's other certifying officers and we, are responsible for establishing and maintaining disclosure controls and procedures of the Company, and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Company, particularly during the period in which this report is being prepared; and
 - b) evaluated the effectiveness of the Company's disclosure, controls and procedures.
- 6] The Company's other certifying officers and we, have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's board of directors (and persons performing equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's auditors, any material weakness in internal controls;
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls;
 - c) whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses; and
 - d) all significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
- 7] We further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Place : Mumbai
Date : 20th August, 2010

Gopal Ramourti
Managing Director

Nainish R. Bora
Executive Director & C.F.O.



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Twilight Litaka Pharma Limited,

We have examined the compliance of the conditions of Corporate Governance by Twilight Litaka Pharma Limited, for the year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The Compliance of the 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, the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, in all material respect.

We state that in respect of investor grievances received during the year ended 31st March, 2010, no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Investors Grievances Committee.

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 V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 109208W**

**V. MOHAN
PARTNER
Membership No. 17748**

Place : Mumbai

Date : 20th August, 2010

AUDITOR'S REPORT TO THE MEMBERS OF TWILIGHT LITAKA PHARMA LIMITED

- 1] We have audited the attached Balance Sheet of Twilight Litaka Pharma Limited as at 31st March, 2010 and also the Profit & Loss Account for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2] We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3] As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matter specified in the said Order.
- 4] Further to our comments in the Annexure referred to above, we report that:-
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) 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.
 - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with books of account.
- iv) In our opinion the Balance Sheet and Profit and Loss account comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- v) On the basis of written representations received from the Directors as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - b) In case of Profit and Loss Account, of the profit for the year ended on that date; and
 - c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For V.SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. : 109208W**

Place : Mumbai
Date : 20th August, 2010

**V MOHAN
PARTNER
Membership No. 17748**



ANNEXURE TO THE AUDITOR'S REPORT
(Referred to in paragraph 3 of our Report of even date)

- 1] (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) According to the information and explanations given to us, the Company has formulated a regular programme of verification by which all assets of the company shall be verified in phased manner, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. To the best of our knowledge, no material discrepancies were noticed on verification conducted during the year as compared with the book records.
(c) There was no disposal of a substantial part of fixed assets.
- 2] (a) The stock of finished goods and raw material has been physically verified during the year by the Management. The Company has a perpetual inventory system in respect of stores and spare parts. In our opinion, the frequency of verification is reasonable. In the case of material lying with the third parties, certificates confirming stocks have been received in respect of a substantial portion of the stocks held.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and nature of its business.
(c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
- 3] (a) During the year the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
(b) The Company has taken interest free unsecured loan from 2 companies and interest bearing loan from 2 companies covered in the register maintained under Section 301 of the Companies Act, 1956 having maximum balance of Rs. 1,78,85,946/- during the year and closing balance of Rs. 1,73,45,946/- as on 31st March, 2010.
(c) In our opinion and according to information and explanation given to us, terms and conditions of the loans taken by the company from parties listed in register maintained under section 301 of the Companies Act, 1956, are not prima facie, prejudicial to the interest of the company.
(d) Principle is repayable only on demand. No demand for repayment of principal was made by lenders during the year. The company has been regular in paying interest wherever applicable.
- 4] In our opinion and according to the information and explanation given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventories and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal controls.
- 5] (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
(b) Transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6] In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, clause 4(vi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 7] In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8] According to the information and explanations given to us, the Central Government has prescribed under Section 209(1)(d) of the Companies Act, 1956, the maintenance of cost records in respect of certain products. We have broadly reviewed the books of account maintained and in our opinion, the prescribed accounts and records have prima facie been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- 9] (a) There have been delays in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, TDS, Service Tax, Excise Duty and other statutory dues during the year. At the end of the Financial Year arrears of outstanding statutory dues for a period of more than 6 months from the date they become payable is as under;

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amt. relate	Due Date	Date of Payment
Income Tax Act, 1961	Advance Tax	1,00,01,132/-	June,09	15.06.09	21.07.10 & 29.07.10
Income Act, 1961	Advance Tax	99,11,610/-	Sept.09	15.09.09	06.08.10 & 13.08.10

- (b) Based on the information and explanation given to us, there are no dues towards Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty or Cess which are disputed and not deposited.

Disputed dues on account of sales tax not deposited with appropriate authority as under;

Name of the Statute	Nature of the Dues	Amount. (Rs.)	Period to which the amt relates	Forum where dispute pending
Sales Tax	Interest	5,44,297	2003-2004	Sales Tax Tribunal, Mumbai

- 10] In our opinion, the Company does not have any accumulated losses at the end of the year, and has no cash losses in the current and immediately preceding financial year.
- 11] According to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank.
- 12] Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13] In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 14] In our opinion and according to the information and explanation given to us, the Company is not dealing in shares, securities and debentures and other investments. Therefore, clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 15] In our opinion and according to the information and explanation given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions. Therefore, clause 4(xv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 16] In our opinion and according to the information and explanation given to us, the term loans have been applied for the purpose for which they were raised.
- 17] In our opinion and according to the information and explanation given to us, and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on the short-term basis have been utilized for long-term investment.
- 18] According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 19] In our opinion and according to the information and explanation given to us, the company has not issued any secured debentures during the period covered by our report. Accordingly, clause (xix) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 20] As informed to us, during the period covered by our Audit report, the Company has not raised any money by public issue.
- 21] To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our Audit.

**For V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 109208W**

Place : Mumbai
Date : 20th August, 2010

**V MOHAN
PARTNER
Membership No. 17748**



BALANCE SHEET

AS AT 31ST MARCH, 2010

	SCH.	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SOURCES OF FUNDS			
1) SHAREHOLDER'S FUNDS :			
Share Capital	1	106,406,425	106,406,425
Share Application Money (Convertible Warrents) [Refer Note no. 2.3, Sch - 16]		75,250,000	-
Reserves & Surplus	2	878,432,551	589,559,833
		1,060,088,976	695,966,258
2) LOAN FUNDS:			
Secured Loans	3	1,582,004,358	1,333,110,092
Unsecured Loans	4	369,931,682	271,200,147
		1,951,936,040	1,604,310,239
3) DEFERRED TAX LIABILITY (Net)		50,099,900	40,661,048
	TOTAL	3,062,124,916	2,340,937,545
APPLICATION OF FUNDS			
1) FIXED ASSETS :			
A) Gross Block		844,927,671	722,392,758
Less : Depreciation & Amortisation		171,189,800	140,490,033
Net Block	5	673,737,871	581,902,725
B) Capital Work in Progress		98,292,403	52,537,856
		772,030,274	634,440,581
2) INVESTMENTS	6	379,149	376,929
3) CURRENT ASSETS, LOANS & ADVANCES :			
a) Inventories	7	690,363,094	518,772,753
b) Sundry Debtors	8	1,790,983,209	1,428,747,899
c) Cash & Bank Balances	9	59,606,152	42,992,513
d) Loans and Advances	10	420,261,243	224,204,084
		2,961,213,698	2,214,717,249
Less : Current Liabilities & Provisions	11		
a) Current Liabilities		381,793,158	298,649,727
b) Provisions		289,705,047	209,947,487
		671,498,205	508,597,214
Net Current Assets		2,289,715,493	1,706,120,035
	TOTAL	3,062,124,916	2,340,937,545
Schedule & Notes forming integral part of accounts.	16		

As per our Report of even date.

FOR V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. : 109208W

V. MOHAN
PARTNER
M No. 17748

Place : Mumbai
Date : 20th August, 2010

For and on behalf of the Board

R C Bora Chairman
Gopal Ramourti Managing Director
N R Bora Executive Director & CFO
A S Chandvankar Director
S D Tole Director & Company Secretary

Place : Mumbai
Date : 20th August, 2010

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2010

	SCH.	Year Ended 31.03.2010 Rs.	Year Ended 31.03.2009 Rs.
INCOME :			
Sales (Gross)		4,829,824,224	3,636,681,124
Less : Excise Duty		14,860,328	15,562,998
Net Sales		4,814,963,896	3,621,118,126
Processing & Service Charges		104,658,691	83,307,433
Other Income	12	26,791,677	27,369,378
	TOTAL	4,946,414,264	3,731,794,937
EXPENDITURE :			
Material Cost	13	3,787,918,374	2,783,873,583
Employee Costs	14	160,120,940	155,866,944
Manufacturing and Other Expenses	15	347,237,787	319,231,063
Interest :			
On fixed loans		54,796,771	60,082,373
On Others		160,278,381	104,874,567
		215,075,152	164,956,940
Depreciation and amortisation	5	30,699,767	25,876,715
Less : Transfer to Revaluation Reserve		154,612	154,612
		30,545,155	25,722,103
		405,516,856	282,144,304
PROFIT BEFORE TAX			
Provision for tax :			
Current tax		69,826,514	34,021,000
Deferred tax		9,438,852	23,597,048
Fringe Benefit Tax		-	3,308,110
		79,265,366	60,926,158
		326,251,490	221,218,146
PROFIT AFTER TAX			
Less : Short Provision for Tax for earlier year		-	1,853,069
Add : Surplus brought forward from Balance Sheet		423,447,770	250,918,304
Profit available for Appropriation		749,699,260	470,283,381
APPROPRIATIONS :			
Proposed Dividend		31,921,928	21,281,285
Add : Dividend Distribution Tax		5,302,232	3,617,818
Transfer to General Reserve		32,625,149	21,936,508
Surplus carried forward		679,849,951	423,447,770
Basic & Diluted EPS		15.33	10.39
[On Equity share of Rs. 5/- each (previous year Rs. 5/- each)]			
Schedule & Notes forming integral part of accounts	16		

As per our Report of even date.

FOR V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
 Firm Regn No. : 109208W

V. MOHAN
PARTNER
 M No. 17748

Place : Mumbai
 Date : 20th August, 2010

For and on behalf of the Board

R C Bora Chairman
Gopal Ramourti Managing Director
N R Bora Executive Director & CFO
A S Chandvankar Director
S D Tole Director & Company Secretary

Place : Mumbai
 Date : 20th August, 2010



CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2010

	Year Ended 31.03.2010 Rs.	Year Ended 31.03.2009 Rs.
1 Cash Flow from Operating Activity		
Net Profit Before Tax	405,516,856	282,144,304
Adjustment for :		
Depreciation & Amortisation	30,545,155	25,722,103
Loss / (Profit) on Sale of Assets (Net)	-	-
Interest	215,075,152	164,956,940
Interest Received	(8,133,183)	(5,113,956)
Dividend Received	(68,100)	(52,103)
Operating Profit before Working Capital Changes	642,935,880	467,657,288
Adjustment for :		
Trade & Other Receivables	(422,692,468)	(261,814,266)
Inventories	(171,590,341)	(157,443,442)
Trade Payables	162,900,991	65,965,450
Cash Generated from operations	211,554,062	114,365,030
Direct Taxes (Paid) / Refunds (Net)	(69,826,514)	(62,779,227)
Net Cash flow from Operating activity (A)	141,727,548	51,585,803
2 Cash Flow from Investing Activity		
Purchases of Fixed Assets (including changes in Capital WIP)	(168,289,460)	(250,280,525)
Sale of Fixed Assets	-	-
Sale/(Purchase) of Investments	(2,220)	(18,079)
Dividend Received	68,100	52,103
Interest Received	8,133,183	5,113,956
Advance Against Investment	(135,600,000)	-
Net Cash Inflow / (Outflow) from Investing Activity (B)	(295,690,397)	(245,132,544)
3 Cash Flow from Financing Activity		
Proceeds from issue of Convertible Warrents	75,250,000	-
Proceeds from / (Repayment) of Borrowings :		
Term Loans	(215,934,638)	16,009,730
Working Capital Facilites	464,828,903	428,106,985
Other Loans	98,731,535	(40,181,624)
Dividend Paid	(37,224,160)	(24,899,103)
Interest Paid	(215,075,152)	(164,956,940)
Net Cash from / (utilised) in Financing Activities (C)	170,576,488	214,079,047
Net Increase / (Decrease)	16,613,639	20,532,306
4 Cash & Cash Equivalents		
Cash & cash equivalents at start of the year	42,992,513	22,460,207
Cash & cash equivalent at the close of year	59,606,152	42,992,513

Note : The breakup of cash & cash equivalent is as per Schedule 9 of the Balance Sheet.

As per our Report of even date.

FOR V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. : 109208W

V. MOHAN
PARTNER
M No. 17748

Place : Mumbai
Date : 20th August, 2010

For and on behalf of the Board

R C Bora Chairman
Gopal Ramourti Managing Director
N R Bora Executive Director & CFO
A S Chandvankar Director
S D Tole Director & Company Secretary

Place : Mumbai
Date : 20th August, 2010

SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2010

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE 1 : SHARE CAPITAL		
AUTHORISED CAPITAL :	215,000,000	215,000,000
43,000,000 Equity Shares of Rs.5/- each.		
ISSUED, SUBSCRIBED & PAID UP	106,406,425	106,406,425
[21,281,285 Equity Shares of Rs. 5/- each (Previous year refer note given below)]		
TOTAL	106,406,425	106,406,425
Note :		
ISSUED, SUBSCRIBED & PAID UP (9,548,785 Equity Shares of Rs. 10/- each fully paid up.) [Of the above 2,618,750 Equity Shares of Rs. 10/- each fully paid up, have been issued, pursuant to scheme of Amalgamation for consideration other than cash.]	95,487,850	95,487,850
Add :	117,325,000	117,325,000
[11,732,500 Equity Shares of Rs. 10/- each fully paid up issued, pursuant to scheme of amalgamation with Care Unipac Pvt. Ltd. on 22.06.2006 for consideration other than cash]	212,812,850	212,812,850
Less : Amount reduced pursuant to Scheme of Capital Reduction approved by the Hon'ble Bombay High Court. [Equity Shares of Rs. 10/- to Rs. 5/- each as on 31.03.2007]	106,406,425	106,406,425
	106,406,425	106,406,425
SCHEDULE 2 : RESERVES AND SURPLUS		
1) CAPITAL RESERVE	87,215	87,215
2) SECURITIES PREMIUM ACCOUNT	1,300,170	1,300,170
3) CAPITAL RESERVE ON AMALGAMATION AND CAPITAL REDUCTION	68,413,596	68,413,596
4) REVALUATION RESERVE		
Balance as per Last Balance Sheet	56,274,574	56,429,186
Less : Amortisation on revalued Leasehold Land transferred from Profit & Loss Account	154,612	154,612
	56,119,962	56,274,574
5) GENERAL RESERVE		
As per last Balance Sheet	40,036,508	18,100,000
Add : Transfer from Profit & Loss A/C	32,625,149	21,936,508
	72,661,657	40,036,508
6) SURPLUS IN PROFIT & LOSS A/C	679,849,951	423,447,770
TOTAL	878,432,551	589,559,833



SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2010

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE 3 : SECURED LOANS		
FROM BANKS		
1) TERM LOANS: [Secured by first equitable mortgage of some of the immovable properties and personal guarantee of some of the Directors.] [Includes vehicle loan Rs. 406,664/- (P. Y. Rs. 1,388,373/-) secured against hypothication of vehicle.] [Payable within a year Rs. 9,29,11,979/- (P. Y. Rs. 1,03,63,359/-)]	187,299,689	403,234,327
2) WORKING CAPITAL FACILITIES : [Secured by first charge on all movable assets of the company, first and second equitable mortgage of immovable property of the company and further secured by mortgage of immovable property belonging to one of group companies and one of the directors as a collateral security and personal guarantee of some of the directors of the company]	1,394,704,669	929,875,765
TOTAL	1,582,004,358	1,333,110,092

SCHEDULE 4 : UNSECURED LOANS

(A) Short Term Loans & Advances

From Bank : [Payable within a year Rs.2,00,00,000/- (P.Y.Rs. Nil)] (Against personal guarantee of Chairman & Managing Director)]	20,000,000	30,080,548
--	-------------------	------------

(B) Other Loans & Advances :

(1) From Bank : [Payable within a year Rs.33,05,229/- (P.Y.Rs.31,90,134/-)] (Against personal guarantees of Chairman & his relatives and their immovable properties.)	8,556,021	11,746,155
(2) From Others : [(includes Rs. 60,868,554/- (P.Y.Rs. 6,22,07,041/-) sales tax deferrals repayable in instalments from 2009-10 to 2019-20)]	341,375,661	229,373,444

TOTAL	369,931,682	271,200,147
--------------	--------------------	--------------------

SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2010

SCHEDULE 5 : FIXED ASSETS

SR. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
		AS AT	ADDITIONS	DELETIONS	AS AT	FOR THE	DELETIONS	AS AT	AS AT	AS AT
		01.04.2009	01.04.2009	31.03.2010	01.04.2009	Year	31.03.2010	31.03.2010	31.03.2010	31.03.2009
1	LAND (FREEHOLD)	69,443,127	825,300	-	-	-	-	-	70,268,427	69,443,127
2	LAND (LEASEHOLD)	29,615,000	-	29,615,000	2,209,778	389,496	-	2,599,274	27,015,726	27,405,222
3	FACTORY BUILDING	213,653,203	6,698,455	220,351,658	44,542,121	7,198,832	-	51,740,953	168,610,705	169,111,082
4	RESIDENTIAL FLATS	958,040	-	958,040	147,189	15,616	-	162,805	795,235	810,851
5	PLANT & MACHINERY	194,423,495	63,556,014	257,979,509	30,856,625	9,852,683	-	40,709,308	217,270,201	163,566,870
6	FACTORY & OTHER EQUIPMENTS INCLUDING COMPUTERS	92,581,529	31,640,403	124,221,932	23,319,958	5,206,817	-	28,526,775	95,695,157	69,261,571
7	MOULD, DIES JIGS, BLOCK & DESIGNS	16,672,011	1,448,230	18,120,241	12,166,382	790,213	-	12,956,595	5,163,646	4,505,629
8	AIR CONDITIONING SYSTEM	46,038,507	17,275,453	63,313,960	8,369,801	2,679,407	-	11,049,208	52,264,752	37,668,706
9	ELECTRICAL INSTALLATION	19,636,089	364,422	20,000,511	5,811,586	825,119	-	6,636,705	13,363,806	13,824,503
10	FURNITURE & FIXTURE	21,064,995	84,396	21,149,391	4,827,083	1,173,834	-	6,000,917	15,148,474	16,237,912
11	VEHICLES	7,962,258	642,240	8,604,498	3,372,418	530,475	-	3,902,893	4,701,605	4,589,840
12	INTANGIBLE ASSETS									
	a) TRADEMARKS	5,000,000	-	5,000,000	1,750,000	1,000,000	-	2,750,000	2,250,000	3,250,000
	b) SOFTWARE	2,344,504	-	2,344,504	1,907,229	437,275	-	2,344,504	-	437,275
	c) TECHNICAL KNOWHOW	3,000,000	-	3,000,000	1,209,863	600,000	-	1,809,863	1,190,137	1,790,137
	TOTAL	722,392,758	122,534,913	844,927,671	140,490,033	30,899,767	-	171,189,800	673,737,871	581,902,725
	PREVIOUS YEAR	452,535,967	269,856,791	722,392,758	114,613,318	25,876,715	-	140,490,033	581,902,725	



SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2010

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE 6 : INVESTMENTS		
(Long term, Non Trade, at cost and Unquoted)		
In Fully paid up shares of Co-operative Banks		
a) 60 shares of Rupee Co-op Bank Ltd. of Rs. 25/- each	1,500	1,500
b) 7000 shares of Vishweshwar Sahakari Bank Ltd. of Rs. 50/- each	350,000	350,000
c) National Saving Certificate (Pledged with sales tax authorities)	27,649	25,429
TOTAL	379,149	376,929
SCHEDULE 7 : INVENTORIES		
(As taken, valued and certified by the management)		
Stores & Spares	1,738,084	4,458,253
Raw Materials*	137,481,277	95,520,147
Packing Materials	64,326,346	32,649,285
Work In Process	105,316,599	88,216,225
Finished Goods	381,500,788	297,928,843
* Includes goods in transit		
TOTAL	690,363,094	518,772,753
SCHEDULE 8 : SUNDRY DEBTORS		
(Unsecured, Considered Good unless otherwise stated)		
1) Exceeding Six months		
Considered Good	58,023,452	32,750,498
Considered Doubtful	900,828	900,828
	58,924,280	33,651,326
2) Others - Considered Good	1,732,959,757	1,395,997,401
	1,791,884,037	1,429,648,727
Less : Provision for Doubtful Debts	900,828	900,828
TOTAL	1,790,983,209	1,428,747,899
SCHEDULE 9 : CASH AND BANK BALANCES		
CASH ON HAND	1,342,181	1,879,911
BANK BALANCES		
a) With Scheduled banks		
In Current Accounts	39,333,638	32,158,542
In Time Deposits (Rs. 400,000 pledged with Sales Tax authorities)	2,443,000	2,443,000
Margin Money against LCs	16,476,740	6,500,467
b) With Non-scheduled banks	10,593	10,593
TOTAL	59,606,152	42,992,513

SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2010

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE 10 : LOANS AND ADVANCES		
(Unsecured, Considered Good)		
1) Advances Recoverable in Cash or in kind or for Value to be received [including advance on capital account Rs. 13,56,00,000/- (previous year Rs. 814,904/-)]	226,915,090	66,884,448
2) Interest Accrued but not due	7,835,238	1,696,275
3) Prepaid expenses	667,879	3,324,390
4) Staff Loans & Advances	11,619,267	7,768,748
5) Deposits	14,381,481	9,732,723
6) Income Tax and Tax Deducted at Source	133,212,040	109,114,703
7) Balances with revenue authorities	25,630,248	25,682,797
TOTAL	420,261,243	224,204,084

SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS

A) CURRENT LIABILITIES		
1) Acceptances	127,579,869	74,640,901
2) Sundry Creditors		
a) Micro, Medium, Small Enterprises	8,414,530	7,519,712
b) Others	172,814,758	153,860,615
c) For Expenses	38,718,702	33,171,682
3) Unclaimed Dividend*	2,186,407	1,499,898
4) Trade Deposits	14,200,000	16,300,000
5) Other Liabilities	17,878,892	11,656,919
	381,793,158	298,649,727
B) PROVISIONS		
For Current Tax	223,372,624	153,546,110
For Employee benefit	2,570,807	4,964,818
For Proposed Dividend	31,921,928	21,281,285
For Dividend Distribution Tax	5,302,232	3,617,818
For Other	26,537,456	26,537,456
	289,705,047	209,947,487
TOTAL	671,498,205	508,597,214

* There are no amount due & outstanding to be credited to Investor Education & Protection Fund.



SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2010

	Year Ended 31.03.2010 Rs.	Year Ended 31.03.2009 Rs.
SCHEDULE 12 : OTHER INCOME		
Interest		
a) Bank Deposits (tax deducted at source Rs. 61,544/- (previous year Rs. 65,076/-)	598,220	501,897
b) Other Interest (tax deducted at source Rs. 5,43,146/- (previous year Rs. 6,02,365/-)	7,534,963	4,612,060
Export Incentives	4,512,504	3,993,950
Exchange Gain (net)	3,519,887	7,729,495
Claims, Refunds & Miscellaneous Income	9,691,937	9,832,773
Dividend on long term investments	68,100	52,103
Liabilities and Provisions Written Back	866,066	647,100
TOTAL	26,791,677	27,369,378

SCHEDULE 13 : MATERIAL COST

A) Cost of Material		
Opening Stock	128,169,432	73,979,699
Add : Purchases	3,593,099,530	2,700,327,478
	3,721,268,962	2,774,307,177
Less : Closing Stock	201,807,623	128,169,432
	(A) 3,519,461,339	2,646,137,745
B) Purchase of Finished Goods	(B) 369,129,354	224,572,763
C) Increase / Decrease in Stocks		
i) Opening Stock		
Work in Process	88,216,225	55,887,708
Finished Goods	297,928,843	243,420,435
	386,145,068	299,308,143
ii) Closing Stock		
Work in Process	105,316,599	88,216,225
Finished Goods	381,500,788	297,928,843
	486,817,387	386,145,068
Decrease / (Increase) in Stocks	(C) (100,672,319)	(86,836,925)
Cost of Material	TOTAL	3,787,918,374
		2,783,873,583

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2010

	Year Ended 31.03.2010 Rs.	Year Ended 31.03.2009 Rs.
SCHEDULE 14 : EMPLOYEE COSTS		
Salaries, Wages, Bonus Gratuity etc..	145,467,221	141,998,430
Contributions to Provident and Other Funds	11,564,778	11,083,995
Staff Welfare Expenses	3,088,941	2,784,519
TOTAL	160,120,940	155,866,944

SCHEDULE 15 : MANUFACTURING AND OTHER EXPENSES

Power & Fuel	22,484,487	20,469,205
Consumption of Stores & Spares	5,960,129	4,938,335
Repairs & Maintenance :		
Building	1,284,260	1,391,091
Plant & Machinery	4,365,262	4,761,381
Others	1,694,078	1,695,943
Labour and Processing Charges	35,843,179	26,787,829
Factory Expenses	10,128,213	8,471,218
Research & Development Expenses	4,663,764	3,699,977
Rent, Rates & Taxes	10,121,194	10,148,496
Communication Expenses	7,078,942	7,540,868
Registration & License Fees	1,016,113	982,625
Travelling & Conveyance	66,526,452	60,647,771
Vehicle Expenses	2,546,769	2,793,544
Printing & Stationary	5,323,516	6,182,998
Legal & Professional Fees	10,475,921	13,004,981
Sitting fees to Directors	349,000	82,000
Sales Promotion	32,814,661	29,280,316
Insurance	3,012,220	4,519,912
Breakages and Expiry	16,687,437	19,027,761
Commission on sales	14,029,635	11,327,780
Carriage Outward	35,936,654	25,724,371
Bank & Finance Service charges	46,459,815	44,005,817
Miscellaneous Expenses	8,436,086	11,746,844
TOTAL	347,237,787	319,231,063



NOTES TO ACCOUNTS

SCHEDULE 16 : NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.3.2010

1. Significant Accounting Policies followed by the Company are as follows :-

1.1 Basis of preparation of financial statements :-

The financial statements are prepared under the historical cost convention and under the going concern concept except for revaluation of certain fixed assets, and in accordance with the provisions of the Companies Act, 1956 and applicable Accounting Standards as notified under The Companies Accounting Standards Rules, 2006.

1.2 Use of Estimates :-

The preparation of Financial Statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of Assets & Liabilities & the disclosures of Contingent Liabilities on the date of Financial Statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

1.3 Fixed Assets :-

Fixed Assets are carried at cost of acquisition or construction and revalued cost where applicable and includes interest on borrowing attributable to acquisition of Fixed Assets up to the date of the asset being put to use/ready for use less accumulated depreciation and amortization.

1.4 Depreciation and Amortization :-

- (a) In respect of fixed assets other than Land and Intangible assets, the Company has charged depreciation under Straight Line method as per the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- (b) Fixed Assets individually costing upto Rs.5,000/- are fully depreciated in the year of purchase.
- (c) Intangible Assets are amortized over their economic life not exceeding 5 years from the date of acquisition.
- (d) Premium on Leasehold land is amortized over the primary period of the lease. Revalued amount in respect of leasehold land is amortized over the residual period of lease. Amortization in respect of revalued portion is adjusted against the amount drawn from Revaluation Reserve.
- (e) Depreciation on Revalued assets are adjusted against the revaluation reserve to the extent of revaluation.

1.5 Impairment of Assets :-

The Company assesses at each Balance Sheet date as to whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount & the amount of such impairment loss is charged to the Profit & Loss account. If at the Balance Sheet date there is an indication that a previously assessed impairment loss, no longer exists, the recoverable amount is reassessed & the asset is reflected at the recoverable amount subject to a maximum of depreciated cost.

1.6 Investments :-

Long-term investments are stated at cost. Provision is made to recognize a diminution, other than temporary, in the value of investments.

1.7 Revenue Recognition :-

Sale of goods is recognized when the risk and reward of ownership are passed on the customer, which generally is on delivery of goods to customers. Net Sales are exclusive of sales tax, excise duty and trade discount. Income on account of processing charges is recognized on the completion of job. Interest income is recognized on time basis.

1.8 Inventories :-

Raw materials, work in progress & finished goods are valued at lower of cost and net realizable value. In valuing work-in-process and finished goods, cost of materials as well as conversion cost is taken into consideration. Finished goods are valued inclusive of excise duty payable thereon. Cost of inventories is determined using FIFO method.

1.9 Retirement Benefits :-

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.

Retirement benefits in the form of Provident Fund, Family Pension Fund, Gratuity Scheme, Leave Encashment Scheme and Superannuation Scheme, which are defined contribution schemes, are charged to the Profit and Loss Account of the year when the contributions to the respective funds accrue.

1.10 Research and Development Expenditure :-

Research and Development expenses of revenue nature are charged to Profit and Loss Account in the year in which they are incurred. Capital expenditure on Development is included in the respective fixed assets and depreciation is provided thereon in the aforesaid manner.

1.11 Foreign Currency Transaction :-

Foreign currency transactions are converted at exchange rates prevailing on the dates of transactions. Monetary assets and liabilities in foreign currency at the end of the year are converted at the year-end rate. In case of monetary assets and liabilities where the closing rate does not reflect with reasonable accuracy, the amount to be realized, they are reported at rates at which transactions were initially recognized. Such differences and the differences on account of foreign currency transactions in respect of revenue accounts are recognized in the profit and loss account.

1.12. Taxes on Income

Income tax expense for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of reliefs and deductions available under the Income Tax Act, 1961. Deferred tax is recognised for all timing differences, subject to the consideration of prudence and virtual certainty of its realization supported by convincing evidence, applying the tax rates that have been substantively enacted by the Balance Sheet date. At each Balance Sheet date, the carrying amount of Deferred tax asset/liability is reviewed based on developments to reassess realization.

1.13 Provisions :-

A provision is recognized when an enterprise has a present obligation as a result of past event. It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at the balance sheet date and adjusted to reflect the current best estimates.

1.14 Earnings Per Share :-

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which would be issued on the conversion of all the dilutive potential equity shares into equity shares.

1.15 Leases

Leases where the lesser effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Operating lease payments are recognized as an expense in the Profit & Loss Accounts on a straight-line basis over the lease term.

1.16 Financial Derivatives

Changes in the fair value of derivative financial instruments as at the Balance Sheet date are recognized in the profit and loss account by marking them to market.

2. Notes forming part of Accounts :-

2.1 Estimated amount of outstanding contract / capital commitment Rs.11,54,00,000/-

2.2 Contingent Liabilities not provided for:

- a) Claims against the Company not acknowledged as debts : Rs. 58, 530/-
- c) Sales Tax case filed before Sales Tax Tribunal, Mumbai challenging the Order of Dy. Commissioner against levy of interest on Assessment dues for the period 2003-2004 : Rs. 5,44,297/-

2.3 Convertible warrants :

Pursuant to special resolution passed at the Extra Ordinary General Meeting of the company held on 2nd March, 2010, in accordance with the provisions contained in Securities and Exchange Board of India (Disclosure & Investor Protection Guidelines, 2003). 35,00,000 Convertible Warrants at issue price of Rs. 86/- per warrant were allotted on 13th March, 2010 to 7 subscribers. 25% of issue price become payable on the date of allotment and consequently application money of Rs. 7,52,50,000/- was received. and balance 75% would become payable at the time of exercise the option. These warrants are convertible into Equity Share within 18 months from the date of allotment.

2.4 Advances :

Loans and advances include an amount of Rs. 13,51,00,000/- . Being advance for purchase of entire shares in another company, pending finalisation of the terms of acquisition.

2.5 Assets taken over pursuant to the slump sale agreement appointed by the H'onble Bombay High Court with effective date as 3rd June 2009 are in the process of being transfer in the name of the company.



2.6 Quantitative information as required by paragraph 3 of Part II of Schedule VI to the Companies Act, 1956 (as certified by the management).

(a) LICENSED AND INSTALLED CAPACITIES AND PRODUCTION

CLASS OF GOODS	UNIT OF MEASUREMENT		LICENSED CAPACITY	INSTALLED CAPACITY	
				31.03.2010	31.03.2009
Formulations					
Liquids	Litres	(000)	N.A.	3430	3430
Tablets	Nos.	(00000)	N.A.	60200	59300
Capsules	Nos.	(00000)	N.A.	12990	12790
Powders, Creams & Ointment	Kg.	(000)	N.A.	3735	3735

CLASS OF GOODS	PRODUCTION (#)		LOAN LICENSE PROCESSING		TOTAL	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Liquids	1838.81	1282.89	118.76	126.31	1957.57	1409.20
Tablets	48916.54	41407.17	3756.22	3067.67	52672.76	44474.84
Capsules	6942.67	5753.94	83.79	64.10	7026.46	5818.04
Powders, Creams & Ointment	994.09	488.69	429.18	409.48	1423.27	898.17

Note : Installed capacities are as certified by the management and are based on two shift working basis and are not verified by the auditors being a technical matter.

: Excluding products manufactured at various loan licensing locations.

(b) OPENING STOCK OF FINISHED GOODS

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2009-10		2008-09	
			QTY.	AMOUNT	QTY.	AMOUNT
Formulations						
Liquids	Litres	(000)	653.61	82139231	596.68	72663114
Tablets	Nos.	(00000)	2180.12	148575420	1582.70	107357510
Capsules	Nos.	(00000)	138.74	13846561	123.19	9965984
Powders, Creams, Ointment & Others	Kg	(000)	306.23	53367631	313.79	53433827
TOTAL				297928843		243420435

(c) SALES / TURNOVER (including free goods, replacements, etc.)

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2009-10		2008-09	
			QTY.	AMOUNT	QTY.	AMOUNT
Formulations						
Liquids	Litres	(000)	2184.32	289584618	1326.18	172249162
Tablets	Nos.	(00000)	54423.61	3297441298	47169.42	2638471496
Capsules	Nos.	(00000)	7369.04	930426816	5847.56	688052094
Powders, Creams, Ointment & Others	Kg	(000)	1149.53	312371492	512.89	137908372
				4829824224		3636681124
Less: Excise duty				14860328		15562998
Net Sales				4814963896		3621118126

(d) CLOSING STOCK OF FINISHED GOODS

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2009-10		2008-09	
			QTY.	AMOUNT	QTY.	AMOUNT
Formulations						
Liquids	Litres	(000)	746.51	94768241	653.61	82139231
Tablets	Nos.	(00000)	3153.67	188934812	2180.12	148575420
Capsules	Nos.	(00000)	193.85	19765487	138.74	13846561
Powders, Creams, Ointment & Others	Kg	(000)	425.44	78032248	306.23	53367631
TOTAL				381500788		297928843

(e) COST OF MATERIALS CONSUMED

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2009-10		2008-09	
			QTY.	AMOUNT	QTY.	AMOUNT
Purchase of Bulk Drug	Ton	—	29378.46	3027637368	25096.54	2355199024
Capsules	Nos.	(00000)	7251.87	129435872	5863.11	63568719
Packing material			—	134798432	—	89207683
Others			—	227589667	—	138162319
TOTAL				3519461339		2646137745

Note : No single raw material or packing material accounts for more than 10% of total consumption.

(f) COST OF MATERIALS CONSUMED

(in Rs.)

PARTICULARS	2009-10		2008-09	
	%	AMOUNT	%	AMOUNT
Indigenous	98.95	3482371814	99.97	2645464136
Imported	1.05	37089525	0.03	673609
TOTAL	100.00	3519461339	100.00	2646137745

(g) STORES & SPARES CONSUMED

(in Rs.)

PARTICULARS	2009-10		2008-09	
	%	AMOUNT	%	AMOUNT
Indigenous	100	5960129	100	4938334

(h) C.I.F. VALUE OF IMPORTS

(in Rs.)

PARTICULARS	2009-10	2008-09
Raw Material	37089525	673609

(i) EXPENDITURE IN FOREIGN CURRENCY

(in Rs.)

PARTICULARS	2009-10	2008-09
Raw Material	37089525	673609
Traveling & other expenses	88742	1538785
Registration & License Fee	589314	430517
Interest on Working Capital	6148596	5892279



(j) EARNINGS IN FOREIGN CURRENCY

(in Rs.)

PARTICULARS	2009-10	2008-09
Exports at FOB value	434161859	332497928
Insurance, freight and other recoveries	6573973	4988565

2.7 Dues to/from various parties are subject to confirmation.

2.8 Managerial Remuneration u/s 198 of the Companies Act, 1956:

(in Rs.)

PARTICULARS	2009-10	2008-09
Basic Salary	2400000	2400000
Perquisites	2180040	2155710
Contribution to Provident Fund	288000	288000
Total	4868040	4843710

2.9 (a) Payment to Auditors

(in Rs.)

PARTICULARS	2009-10	2008-09
Statutory Audit Fee	600000	600000
Tax Audit	125000	125000
Other Certifications	275000	275000
Service Tax	103000	103000
Total	1103000	1103000

(b) Payment to Cost Auditors

(in Rs.)

PARTICULARS	2009-10	2008-09
Cost Audit Fee	80000	80000
Service Tax	8240	8240
Total	88240	88240

2.10 Micro, Small and Medium Enterprises

(in Rs.)

PARTICULARS	2009-10	2008-09
Principal amount due to vendor	8414530	7412397
Interest accrued and remain unpaid	-	-
Total	8414530	7412397

Names of enterprises to whom the Company owes as on 31st March, 2010 :

Amsal Chem Pvt. Ltd., Asian Flavours & Fragrances, Atharv Foil Industries, Bamboat Press Pvt Ltd, Horticon, Maple Biotech, Shree Arun Packaging Co. Pvt Ltd, Super Seals, Ronak Flavours & Fragrances, Wincoat Colours & Coatings Pvt. Ltd, Ideal Cures Pvt. Ltd, Pharmaceutical Coatings Pvt. Ltd, Robin Chemicals.

The above information has been compiled in respect of parties to the extent representations receive from vendors.

2.11 Calculation of Earning Per Share as per Accounting Standard (AS 20) "Earning Per Share":

PARTICULARS		2009-10	2008-09
Net Profit for the year (Rs.)	(a)	326251490	221218146
No. of Equity Shares outstanding at the beginning of the year		21281285	21281285
No. of Equity Shares outstanding at the end of the year		21281285	21281285
Weighted Average Number of Equity Shares	(b)	21281285	21281285
Nominal value per share (Rs.)		5	5
Basic and diluted EPS (Rs.)	[(a)/b]	15.33	10.39

2.12 Deferred Tax calculation as per Accounting Standard (AS-22):**(in Rs.)**

PARTICULARS		2009-10	2008-09
Deferred Tax Liability :			
Depreciation	(A)	52619534	43538055
Less : Deferred Tax Asset			
Disallowance U/S 43B	(B)	2519634	2877007
Net Deferred Tax Liability Rs. [A - B]		50099900	40661048

2.13 Disclosure regarding un-hedged foreign currency exposure

SR. No.	PARTICULARS	Amount in Foreign Currency		Amount in Rupee
		Currency	(in thousand)	(in thousand)
1.	Sundry Debtors	USD	683.83 (1227.29)	31593.10 (56408.73)
2.	Working Capital Loan	USD	1849.57 (1849.57)	90000.00 (90000.00)
3.	Sundry Creditors	USD	1.72 (-)	781.96 (-)
		EURO	101.58 (-)	8059.54 (-)
		CHF	3.84 (-)	163.52 (-)

2.14 Financial Derivative Instruments

(a) Derivative contracts entered into by the Company and outstanding as on 31.03.10

For Hedging currency and interest rate relating risks :

Nominal amounts of derivative contracts entered into by the Company and outstanding as at 31st March, 2010 amount to Rs. 17,00,00,000/- (previous year Rs.17,00,00,000/-). Category wise break up is given below:

PARTICULARS	2009-10	2008-09
Interest Rate Swaps (Rs.)	17,00,00,000/-	17,00,00,000/-

(b) In respect of the transactions relating to derivatives, by way of prudence and in keeping with the Guidelines issued by the Institute of Chartered Accountant of India, provision of Rs. 265,37,456/- to meet the deficiency arising out of marking to market the transaction was made in the accounts for the year ended 31.03.2008. As at the Balance Sheet date provision existing in books is considered adequate to cover the net deficiency and is continued.



2.15 Employee Benefit

As per Accounting Standard 15 “ Employee Benefits” , the disclosures of Employee benefits as defined in the Accounting Standard are given below :

Defined Contribution Plan

(in Rs.)

PARTICULARS	2009-10	2008-09
Employer’s Contribution to Provident Fund	7694358	6420317
Employer’s Contribution to Gratuity Fund	(3589336)	305481
Employer’s Contribution to Leave Encashment Fund	1223640	(250831)

Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2010

(in Rs.)

PARTICULARS	Leave Encashment		Gratuity	
	2009-10	2008-09	2009-10	2008-09
(i) Change in Defined Benefit Obligation				
Opening defined obligation	2,436,781	2,625,656	9,018,375	8,342,663
Current service cost	804,207	804,207	798,132	1,336,284
Interest cost	194,942	210,052	7,214,470	667,413
Actuarial loss/ (gain)	292,117	(1,203,134)	(4,582,527)	(1,207,184)
Liabilities settled on sale of business	-	-	-	-
Benefits paid	-	-	-	(120,801)
Closing defined benefit obligations	3,728,047	2,436,781	5,955,450	9,018,375
(ii) Change in Fair Value of Assets				
Opening fair value of plan assets	739,073	677,117	5,751,265	5,380,654
Expected return on plan assets	67,626	61,956	526,411	491,032
Actuarial gain / (loss)	-	-	-	-
Contributions by employer	97	-	28,218	380
Assets distributed on sale of business	-	-	-	-
Benefits paid	-	-	-	(120,801)
Closing fair value of plan assets	806,796	739,073	6,305,894	5,751,265
Actual return on plan assets	67,626	61,956	526,411	491,032
(iii) Amount recognized in the Balance Sheet				
Present value of obligations as at year end	3,728,047	2,436,781	5,955,450	9,018,375
Fair value of plan assets as at year end	806,796	739,073	6,305,894	5,751,265
Amount not recognized as an asset				
Net (asset) / liability recognized as on 31.03.2010	2,921,251	1,697,708	(350,444)	3,267,110
(iv) Expenses recognized in the Profit & Loss Account				
Current service cost	804,207	804,207	798,132	1,336,284
Interest on defined benefit obligation	194,942	210,052	721,470	667,413
Expected return on plan assets	(67,626)	(61,956)	(526,411)	(491,032)
Net actuarial loss / (gain) recognized in the current year	292,117	(1,203,134)	(4,582,527)	(1,207,184)
Effect of the limit in Para 59(b) of the revised AS 15				
Total expense	1,223,640	(250,831)	(3,589,336)	305,481
(v) Principal actuarial used				
Discount rate (p.a.)	8%	8%	8%	8%
Expected rate of return on plan assets (p.a.)	8%	8%	8%	8%
Rate of escalation in salary	5%	5%	5%	5%

2.16 "Related party disclosures"**(i) Name & relationship of the related parties with whom there are transactions:**

(a) Key management personnel	Mr. Rajendra C. Bora - Chairman Mr. Gopal Ramourti - Managing Director Mr. Nainish Bora - Executive Director Mr. Abhijit Bora - Executive Director
(b) Relatives of key management personnel	Mrs. Lalita R. Bora - wife of Mr. R C Bora Mrs. Sonia Gopal - wife of Mr. Gopal Ramourti Mrs. Preeti Bora - wife of Mr. N R Bora Mrs. Pooja Bora - wife of Mr. A R Bora
(c) Enterprises over which the key management personnel has influence	Regent Financial Services Pvt. Ltd. Dubash Investment & Finance Co. Pvt. Ltd. G. R. Capital & Finance Pvt. Ltd.

(ii) Particular of transactions :**(in Rs.)**

Transaction during the year	With parties referred to in (a) above	With parties referred to in (b) above	With parties referred to in (c) above	Total
Remuneration	4868040 (4867710)	- (-)	- (-)	4868040 (4867710)
Rent	875556 (875556)	2185608 (2185608)	756000 (756000)	3817164 (3817164)
Interest	- (-)	- (-)	918985 (21000)	918985 (21000)
Loan Received	- (-)	- (-)	16642003 (-)	16642003 (-)

Note :

- Remuneration (a) Gopal Ramourti Rs. 23,88,000/-, Nainish Bora Rs. 12,40,020/-, Abhijit Bora Rs. 12,40,020/-
- Rent (a) Rajendra C. Bora Rs. 8,75,556/-
Rent (b) L. R. Bora Rs. 8,13,480/-, Sonia Gopal Rs. 4,96,584/-, Preeti Bora Rs. 4,37,772/-, Pooja Bora Rs. 4,37,772/-
Rent (c) Regent Financial Services Pvt. Ltd. Rs. 7,56,000/-
- Interest (c) G. R. Capital & Finance Pvt. Ltd. Rs. 8,97,985/-
- Loan Received (c) G. R. Capital & Finance Pvt. Ltd. Rs. 1,66,42,003/-
- Previous year figures are in brackets

2.17 The Company is primarily engaged in Pharmaceuticals business along with trading of formulation activity. The Export sales of the Company are less than 10% of the total sales. In view of this, in context of Accounting Standard (AS-17) "Segment Reporting", the Company has concluded that there are no reportable segments.

2.18 Figures of previous year have been regrouped and rearranged, wherever necessary.

As per our Report of even date.

FOR V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. : 109208W

V. MOHAN
PARTNER
M No. 17748

Place : Mumbai
Date : 20th August, 2010

For and on behalf of the Board

R C Bora Chairman
Gopal Ramourti Managing Director
N R Bora Executive Director & CFO
A S Chandvankar Director
S D Tole Director & Company Secretary

Place : Mumbai
Date : 20th August, 2010



ANNEXURE I

Balance Sheet Abstract and Company's General Business Profile as required by part IV of Schedule VI to the Companies Act 1956.

I. Registration Details

Registration No. : L 2 4 2 3 1 M H 1 9 7 4 P T C O 1 7 1 3 9
 State Code : 1 1
 Balance sheet Date : 3 1 . 0 3 . 2 0 1 0

II. Capital Raised during the year (Amount Rs. in thousands)

Public Issue	Rights Issue
N I L	N I L
Bonus Issue	
N I L	

III. Position of Mobilisation and Deployment of Funds (Amount Rs. in thousands)

Total Liabilities	Total Assets
3 0 6 2 1 2 5	3 0 6 2 1 2 5
Sources of Funds	
Paid-up Capital	Share Application Money (Convertible Warrants)
1 0 6 4 0 6	7 5 2 5 0
Deferred Tax liability	Reserves & Surplus
5 0 1 0 0	8 7 8 4 3 3
Secured Loans	Unsecured Loans
1 5 8 2 0 0 4	3 6 9 9 3 2
Application of Funds	
Net Fixed Assets	Investments
7 7 2 0 3 0	3 7 9
Net Current Assets	
2 2 8 9 7 1 6	

IV. Performance of Company (Amount Rs. in thousand)

Turnover	Total Expenditure
4 9 4 6 4 1 4	4 5 4 0 8 9 7
Profit Before Tax	Profit After Tax
4 0 5 5 1 7	3 2 6 2 5 1
Earning per share (Rs.)	Dividend Rate %
1 5 . 3 3	3 0

V. Generic Names of Three Principal Products of Company (as per monetary terms)

Item Code No.(ITC Code)	3 0 0 3 . 2 0
Product Description	C E F I X I M E T R I H Y D R A T E
Item Code No.(ITC Code)	3 0 0 3 . 2 0
Product Description	S E R R A T I O P E P T I D A S E
Item Code No.(ITC Code)	3 0 0 3 . 2 0
Product Description	C E F P O D O X I M E P R O X E T I L

TWILIGHT LITAKA PHARMA LIMITED

Regd. Office: 'Himalaya Estate', 16-A Shivajingar, Pune 411 005

Tel. No.: 020-30281700 / 01 / 02

Dear Shareholder,

SUB : PAYMENT OF DIVIDEND THROUGH ELECTRONIC CLEARING SERVICE [ECS]

The Securities and Exchange Board of India [SEBI] has made it MANDATORY for all the companies to use the bank account details furnished by the investors for distributing dividends through Electronic Clearing Service [ECS] to the investors wherever ECS and bank details are available. In the absence of ECS facility, the companies are required to print the bank account details, if available, on the payment instrument for the distribution of dividends to the investors.

- **Instant Credit :**

This facility provides instant credit of dividend amount to your bank account electronically at no extra cost. ECS also eliminates the delay in postal transit and fraudulent encashment of warrants.

- **Coverage :**

ECS is presently available at 67 Centers viz. Mumbai, New Delhi, Kolkata, Chennai, Ahmedabad, Bangalore, Hyderabad, Pune, Kanpur, Nagpur, Jaipur, Chandigarh, Bhubaneswar, Guwahati and Thiruvananthapuram etc. RBI has plans of extending this facility to other places in a phased manner.

The scheme is at present available only for payment upto a maximum amount of Rs.5,00,000/-.

- **Procedure for credit :**

Under this facility, the amount of dividend, payable to you would be directly credited to your bank account. Your bank branch will credit your account and indicate the credit entry as ECS transaction in your passbook/statement of account.

In case ECS facility is not made available to you by the Company / their Bankers at a particular centre or the amount payable to you exceeds Rs.5,00,000/-, the dividend amount due to you would be remitted by means of a dividend warrant which would be posted to your address with the particulars of the bank/branch and the account number furnished by you, duly incorporated on it.

If you wish to avail to this facility, kindly fill the Form printed overleaf and return the same along with a Xerox copy of the cheque pertaining to the Bank Account where you would like the amount to be credited. Please send the same to our Registrar and Share Transfer Agent M/s. Sharepro Services (India) Pvt. Ltd., 13 AB, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange, Andheri - Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072, to enable us to credit the dividend entitlement to your account through ECS. This arrangement is subject to the RBI guidelines issued from time to time.

If you do not wish to opt for ECS facility, we request you to provide us your bank details for printing the same on the dividend warrants which will be mailed to you in future.

Thanking you,

Yours faithfully,

For TWILIGHT LITAKA PHARMA LIMITED

S D TOLE

Director & Company Secretary

Notes :

1. ECS instructions will supercede the mandate instructions given on the form by you or if noted in our records earlier.
2. In case you are holding shares in dematerialized form, kindly advise your Depository Participant to take note of your Bank Account particulars/ECS mandate.
3. We wish to reiterate that any advise for change in your Bank/ECS details have to be intimated to your Depository Participant only since the relevant records are being maintained by your Depository Participant.



TWILIGHT LITAKA PHARMA LIMITED

Registered Office: 'Himalaya Estates' 16-A, Shivajinagar, Pune 411 005

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

(Joint Shareholders may obtain additional Attendance Slips on request)

I hereby record my presence at the **36th Annual General Meeting** of the Company held on **Saturday**, the **25th Sept., 2010**, at **10.30 a.m.**

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	No. of Shares held
SIGNATURE OF THE SHAREHOLDER/PROXY *	Folio No. / Client ID No.

* Strike out whichever is not applicable



TWILIGHT LITAKA PHARMA LIMITED

Registered Office : 'Himalaya Estates' 16-A Shivajinagar, Pune 411 005

PROXY

Folio No. _____ Client ID No. _____

I/We _____

of _____ being a member/members of Twilight Litaka Pharma Limited

hereby appoint _____

of _____ or failing him _____

of _____ as my/our proxy to attend and vote for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on Saturday, 25th Sept., 2010 at 10.30 a.m. and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2010.

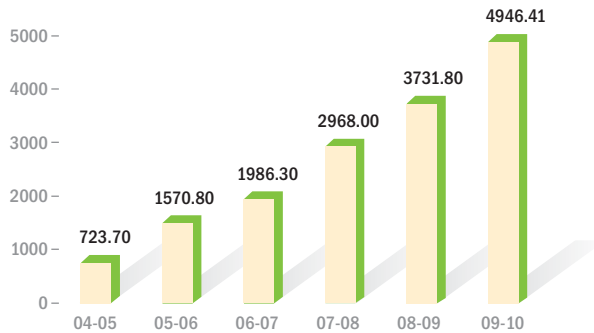
Signed by the said _____

Affix
Revenue
Stamp
Re. 1/-

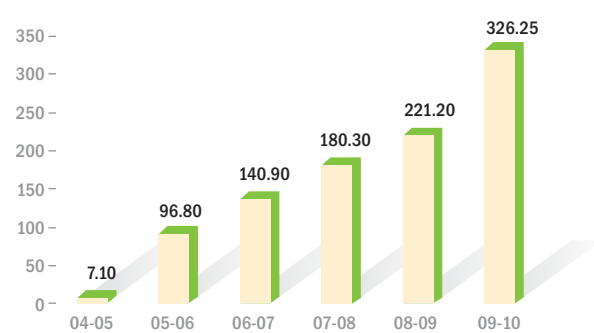
NOTE: The proxy must be returned so as to reach at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

Financial highlights

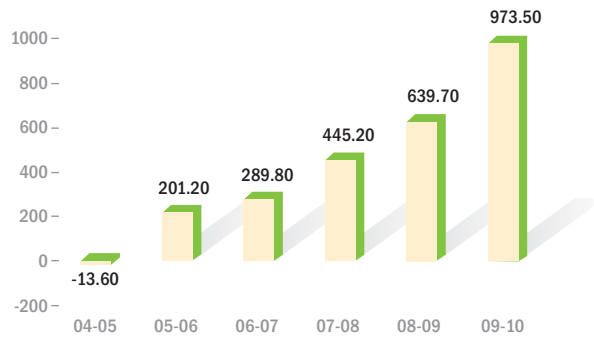
Turnover (Rs. in Million)



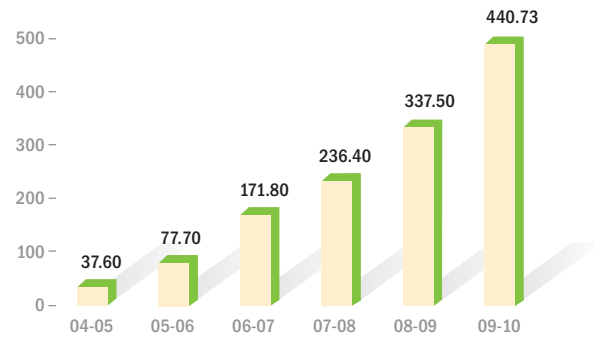
PAT (Rs. in Million)



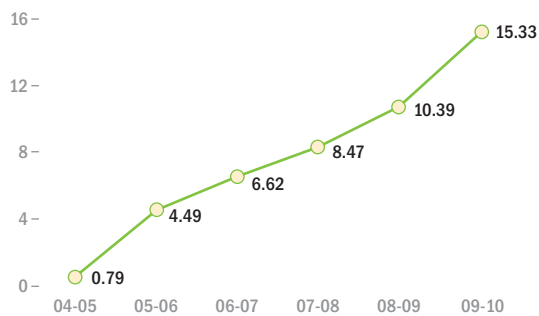
Networth (Rs. in Million)



Exports (Rs. in Million)



EPS (Rs.)



If undelivered please return to:



Twilight Litaka Pharma Limited

Regd. Office : 'Himalaya Estate', 16-A Shivajinager, Pune – 411005.