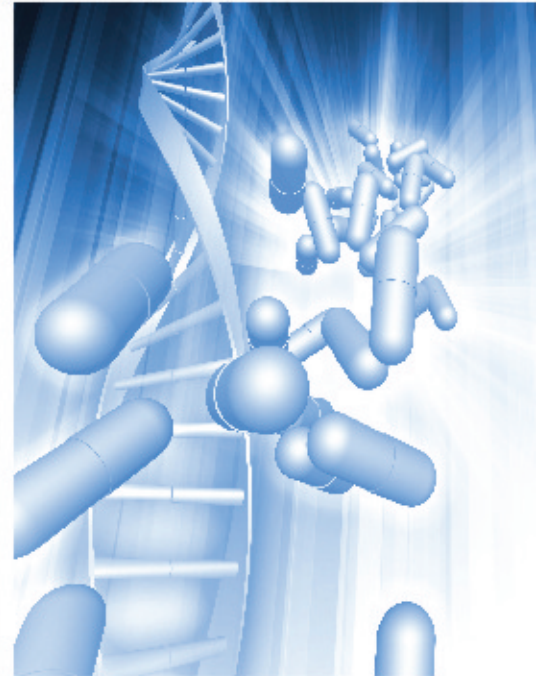


TWILIGHT LITAKA PHARMA LIMITED

37th Annual Report 2010-11



Focused excellence



BOARD OF DIRECTORS

BOARD OF DIRECTORS

MR. R. C. BORA, Chairman
MR. GOPAL RAMOURTI, Managing Director
MR. N. R. BORA, Executive Director &
Chief Financial Officer [CFO]
MR. A. R. BORA, Executive Director
MR. V. K. NAIK
MR. A. S. CHANDVANKAR
MR. RAMESH RAMOURTI
MR. M. S. RAGHAVAN AYYANGAR
MR. RAMESH GADGIL
MR. M.T. MOTWANI

ASSISTANT COMPANY SECRETARY

MR. NIKHIL KULKARNI

AUDITORS

M/S. V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
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) 116/2 Chakan Phata,
Mumbai Pune Road
Vadgaon Maval, Pune 412 106
- 2) 39/40 Vasai Taluka Industrial Estate
Sector II, Gaurai pada, Vasai (E)
Dist.: Thane 401 208
- 3) B-22 'H' Block, M.I.D.C.,
Pimpri, Pune 411 018
- 4) Village Dhana, Bagh Bania, Baddi
Nalagarh Road, Nalagarh,
Dist. - Solan, Himachal Pradesh 174 701
- 5) Briocia Pharma (India) Limited
(100% subsidiary of the Company)
Plot No. E -1, M.I.D.C., Industrial Area,
Jejuri, Pune 412 303

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

37TH ANNUAL GENERAL MEETING

Date : 29TH SEPTEMBER 2011

Day : THURSDAY

Time : 10.00 a.m.

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

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VISIT US AT :

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



Managing Director's communiqué



Dear Shareholders,

I take immense pleasure and pride in presenting the annual report for the year 2010-11. It has been a busy year at Twilight Litaka and our results indicate this. I am happy to state that the Company's topline for the fiscal year 2010-11 ending 31st March 2011 stood at Rs. 660.51 crore, a growth

of nearly 33% as compared to the corresponding period of the previous year. The Profit after Tax (PAT) stood at Rs 49.44 crore recording an impressive 51% growth. The total turnover on a consolidated basis stood at Rs 674 crore while the PAT was Rs 52 crore.

Our domestic strategy

This promising scenario of the domestic market augers well for our Company as we continue to focus on strengthening and expanding our reach across tier iii and tier iv cities, emerging towns and districts in the hinterlands.

Our strength lies in rural and semi-urban centers with non-metros accounting for nearly 90% of our total domestic sales. Moving forward, through our focused marketing plans along with a deep rooted understanding rural and semi-rural market, we are confident of expanding the domestic business segment.

Evolving product mix

The expanding domestic market and rising income levels will lead to greater demand for medicine in the Dermatology, Anti-infective, Pain/Analgesic and vitamins /mineral segments besides other lifestyle segments.

We will continue to grow and take active measures to expand the Anti-infectives and Nutraceuticals segments and will introduce innovative and affordable products in both these segments in the coming years.

While anti-TB medicine segment of our business is very small today, we are focusing on growing and expanding it in a big way. One-third of our business comes from the anti-infective segment while about 20-25% comes from the pain management segment.

Currently nearly 25% of our revenues accrues from the food and nutrition products (across all business segments – domestic, export and CRAMs) and we look at gradually increasing this as a percentage of our total revenues. Moving forward we will also be looking at evolving and strengthening the Gastro and Dermatology segments. New launches in other segments are also expected in the near future.

Expanding the global reach

During the year, our export revenue was steady and we continue to look at various macro measures that can enable us to expand this business segment. During the year under review, I am pleased to share that we have forged a joint venture with Interpro Healthcare Ltd. – a leading medical marketing firm in South Africa. As you would be aware, the market potential in South Africa is huge and the realizations are much better as compared to the domestic Indian market. Through this new strategic JV, Twilight Litaka's products will be exported to South Africa. The exports of such products where the local drug regulators' approvals are not required (such as nutraceutical) have already commenced during the fiscal year.

Our manufacturing plant at Jejuri already conforms to the regulatory standards laid down by MCC, South Africa. Initial inspection of the facility was undertaken earlier in the year and following which a few modifications are suggested. We are confident that export of chemical molecules and few other medicines to South Africa post approval will take off in the future. The MCC clearance will pave the way for more growth-oriented opportunities in Africa.

Contract manufacturing

In the future, rather than volume growth we would look at value growth. By innovative value-added measures, we are confident of improving the margins in this segment. While the majority of the business in the contract manufacturing business currently is generated from domestic channels, we are confident of attracting global companies to cater to the exports segment. Our state-of-the art manufacturing facilities, adherence to international quality standards and our experience of working with reputed global brands will play a key role in this endeavor. Our experience in the nutraceutical business through our tie-up with Herbalife will play an important role in this endeavor.

Moving forward, as the revenues from the domestic and export segments grow, we look at a more balanced ratio where CRAMs contributes to around 50 % of the total revenue.

On a concluding note

As I foresee opportunities and positive growth plans unfolding, I would like to place on record the invaluable efforts and commitment of our staff. I would like to thank the members of the board for the invaluable guidance and insights. I would also like to thank all stakeholders for their continued trust and all statutory authorities, banks and members of the medical fraternity for their continued support.

Warm regards,

Gopal Rammourti

NOTICE

NOTICE is hereby given that the THIRTY-SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF TWILIGHT LITAKA PHARMA LTD., will be held on **Thursday, 29th September, 2011, at 10.00 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, 2011 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. Nainish R. Bora, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Raghavan Mathurakavi Srinivasa Ayyangar, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. Rajendra C Bora, who retires by rotation and being eligible, offers himself for reappointment.
6. 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

7. 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 including approval of the Central Government, if required, the Articles of Association of the Company be and is hereby altered as follows:

1. After Article 114, the following new Article headed 'Special Director or Nominee Director' and numbered Article 114A shall be inserted as under:

"114A (a) The Company shall be entitled to agree with any person, firm, corporation, banks, financial institution, Government Agencies that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company, upon such terms and conditions as the Company may deem fit. Such nominee or their successors in office, appointed under this Article and which appointment shall be made by the Board, shall be called Special Director or Nominee Director of the Company.

(b) The Special Director or Nominee Director appointed under sub-clause (a) above shall be entitled to hold office until requested to retire by the person, firm, corporation, banks, financial institution, Government Agencies who may have appointed then

and will not be bound to retire by rotation. As and whenever a Special Director or Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation, banks, financial institution, Government Agencies who appointed such Special Director or Nominee Director may appoint any other person as Director in his place. A Special Director or Nominee Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid, the Special Director or Nominee Director shall be entitled to the same rights and privileges and shall be subject to the same obligations as any other Director of the Company.

2. After Article 139, the following new Article headed 'Participation by Directors in meetings of Board or Committee of Directors through electronic mode' and numbered Article 139A shall be inserted as under:

139A. Notwithstanding anything contained in the Article, if any of the Directors unable to attend the Board or Committee meeting for any reason whatsoever, the Director may attend the Board or committee Meeting under the provisions of Companies Act, 1956 through electronic mode. And attendance through electronic mode shall be counted for the purpose of existence of a quorum for the Board/ committee Meeting. Electronic mode means Video Conference facility i.e. audio-visual electronic communication facility, which enables all persons participating in that meeting to communicate concurrently with each other without an intermediary and effectively. And Chairman or Secretary will ensure that no one other than the concerned Director is attending the meeting through electronic mode.

The notice of meeting must inform the Directors regarding availability of participation through video conference and provide necessary information to enable Directors to access the available facility of videoconferencing. Notice shall also seek confirmation from the Directors as to mode of attendance and in absence of any confirmation it will be presumed that he will physically attend the meeting. Every Director of the company must attend the meeting of Board or Committee of Directors personally at least one meeting in a financial year of the Company.

The place where the Chairman or Secretary is sitting during the Board meeting shall be taken as place of the meeting. Chairman or Secretary at the start of Scheduled meeting through electronic mode shall confirm attendance and note the vote of each Director through roll call and each Director should identify himself. Draft minutes of the meeting shall be circulated in soft copy not later than 7 days of the meeting for comments and confirmation to the Directors who attended the meeting.



RESOLVED FURTHER THAT the Board of Directors 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."

8. To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments or re-enactment thereof), if any, and subject to such approvals, permissions, consents and sanctions as may be necessary from the Government of India (GOI), The Reserve Bank of India (RBI), the provisions of the Foreign Exchange Management Act, 2000 (FEMA), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, and subject to the necessary approvals, consents, permissions and / or sanctions of the Ministry of Finance (Department of Economic Affairs) and Ministry of Industry (Foreign Investment Promotion Board / Secretariat For Industrial Assistance / Department of Industrial Policy and Promotion) and all other Ministries, Departments of the GOI, RBI and the (Securities Exchange Board of India) SEBI and/ or any other competent authorities and the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the Company's shares are listed and in accordance with the regulations and guidelines issued by the GOI, RBI, SEBI and any competent authorities and clarifications issued thereon from time to time and subject to all other necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any committee thereof), consent of the Company be and is hereby accorded to the board, in its absolute discretion, to create, offer, issue and allot in one or more tranches whether rupee denominated or denominated in foreign currency, in the course of domestic/international offerings representing Equity Shares, Equity Shares through Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Debentures or Bonds whether partly/ optionally / fully convertible and/or securities linked to Equity Shares and/or Non-Convertible Debentures or any other security permissible by Indian Law including foreign currency convertible bonds and / or any Other Financial Instruments (OFIs) convertible into or linked to equity shares or with or without detachable warrants with a right exercisable by the Warrant Holders to

convert or subscribe to the equity shares or otherwise, in registered or bearer form secured or unsecured such that the total amount raised through the aforesaid securities (as detailed below) should not exceed US \$ 30.00 million (with or without Greenshoe option) or its Indian Rupee equivalent Rs. 1380.00 million (at an exchange rate of Rupees 46 per US Dollar), of incremental funds for the Company inclusive of such premium as may be from time to time decided (hereinafter referred to as "securities", which shall include the specified securities as detailed below) to any person including Qualified Institutional Buyers, Foreign/ Resident Investors whether Domestic/ Foreign Institutions, Promoters, Employees of the Company, Non-Resident Indians, Indian Public Companies, Corporate bodies (whether incorporated in India or abroad), trusts, mutual funds, banks, insurance companies, pension funds, individuals or otherwise, (collectively called the "investors"), through Public Issue(s), Rights Issue, Preferential Issue and/or Private Placement(s), Qualified Institutional Placements (QIP) or a combination thereof at such time or times, at such price or prices, at a discount or premium to the market price or prices in such manner and on such terms and conditions including premium, security, rate of interest, tenure etc., as may be decided by and deemed appropriate by the board, subject to applicable law, in its absolute discretion including the discretion to determine the categories of investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary in consultation with the lead managers, as the board in its absolute discretion may deem fit and appropriate.

RESOLVED FURTHER THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR regulations") and the provisions of the Foreign Exchange Management Act, 2000 (FEMA), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, Foreign Investment Promotion Board (FIPB), Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, the Reserve Bank of India (RBI), the Memorandum and Articles of Association of the Company, Listing Agreements entered with each of the Stock Exchanges where the Company's equity shares are listed, the Board of Directors may at their absolute discretion, in terms of the preceding resolution, issue, offer and allot in one or more tranches Equity Shares or Fully Convertible Debentures (FCDs) / Partly Convertible Debentures (PCDs)/ Optionally Convertible Debentures (OCDs), Redeemable Non-Convertible Debentures (NCDs) (secured or otherwise) with or without attached Warrants,

with a right exercisable by the warrant holder to exchange with Equity Shares of the Company at a later date (hereinafter referred to as 'Warrants'), also any other securities in accordance with applicable law, whether convertible into or exchangeable with Equity Shares at a later date or not (herein after referred to as "specified securities") for an amount not exceeding US \$ 30.00 million (with or without Greenshoe option) or its Indian Rupee equivalent Rs. 1380.00 million (at an exchange rate of Rupees 46 per US Dollar), of incremental funds for the Company to Qualified Institutional Buyers (QIBs) pursuant to a Qualified Institutional Placement (QIP) on Preferential allotment basis, as provided under Chapter VIII of SEBI ICDR Regulations and such issue and allotment to be made on such terms and conditions as may be decided by the board at the time of issue or allotment of the specified securities.

RESOLVED FURTHER THAT in case of QIP the Relevant Date for the purpose of determination of the Issue Price of the equity shares and the securities as per the SEBI ICDR Regulations shall be in case of issue of equity shares the date of the meeting of the Board in which the Board decided to open the proposed issue and in case of issue of other securities it shall be the date of the meeting of the Board in which the Board decided to open the proposed issue or the date on which the holders of the convertible securities become entitled to apply for the equity shares.

RESOLVED FURTHER THAT in the event that Non Convertible Debentures with or without Warrants with rights exercisable by the warrant holder to exchange with Equity Shares of the Company are issued the relevant date for determining the price of the Equity Shares of the Company, if any, to be issued upon exchange of the warrants, shall be the date of the meeting in which the board (which expression includes any committee thereof constituted or to be constituted) decides to open the proposed issue of the NCDs in accordance with the SEBI ICDR Regulations.

RESOLVED FURTHER THAT pursuant to the provisions of and further to the existing consents under Section 293(1)(a) and other applicable provisions of the Companies Act consent of the members be and is hereby granted to the board to create the security, if necessary, for all or any of the securities to be issued by the creation of the mortgage and/ or charge on all or any of the Company's immovable/movable assets, both present and future, in such form and manner and on such terms as may be deemed fit and appropriate by the board.

RESOLVED FURTHER THAT the equity shares as may be required to be issued and allotted upon exchange with the warrants shall rank pari passu inter-se with the then existing equity shares of the Company in all respects or if permitted by applicable law, as may be otherwise determined by the Board of Directors.

RESOLVED FURTHER THAT such of the securities to be issued as are not subscribed may be disposed off by the

Board in such manner and/or on such terms and conditions, including offering or placing them with QIBs, as the board may deem fit and proper, in its sole and absolute discretion.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the board, wherever required in consultation with the merchant banker(s) and / or other advisor(s), be and is hereby authorised to determine the form, terms and timing of the issue(s) / offering(s), including the selection of QIBs to whom the securities are to be offered, issued and allotted and matters related thereto, as the board may decide, in its sole and absolute discretion.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional equity shares or variation of the conversion price of the securities during the duration of the securities and the board be and is hereby authorised in its absolute discretion in such manner as it may deem fit, to dispose off such of the securities that are not subscribed.

RESOLVED FURTHER THAT:

- (i) the securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- (ii) the underlying equity shares, if any, shall rank pari passu with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the issue of equity shares underlying the securities to the holders of the securities shall, inter alia, be subject to the following terms and conditions:

- (a) in the event of the Company making a bonus issue by way of capitalisation of its profits or reserves prior to the allotment of the equity shares, the number of shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- (b) in the event of the Company making a rights offer by issue of equity shares prior to the allotment of the equity shares, the entitlement to the equity shares shall stand increased in the same proportion as that of the rights offer and such additional equity shares shall be offered to the holders of the securities at the same price at which the same are offered to the then existing shareholders; and



(c) in the event of any merger, amalgamation, takeover or any other re-organisation or split or consolidation of the equity shares or re-classification into other securities, the number of shares, the price and the time period as aforesaid shall be suitably adjusted.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings of securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such securities on one or more National and International Stock Exchange(s) and the equity shares to be issued on conversion of the securities as set forth in the aforesaid resolution, if any, on any stock exchange(s), authorising any director(s) or any officer(s) of the Company to sign for and on behalf of the Company, the offer document(s), agreement(s), arrangement(s), application(s), authority letter(s), or any other related paper(s) / document(s) and give any undertaking(s), affidavit(s), certificate(s), declaration(s) as he may in his absolute discretion deem fit including the authority to amend or modify the aforesaid document(s).

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offering, all such equity shares ranking pari passu with the then existing equity shares of the Company in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the board be and is hereby authorised to determine the form and terms of the issue(s), including the class of investors to whom the securities are to be allotted, number of securities to be allotted in each tranche, Issue Price, Face Value, Premium amount on issue / conversion of securities / exercise of warrants / redemption of securities, Rate of interest, Redemption period, listings on one or more stock exchanges in India and/or abroad, appoint lead managers, and other agencies as the board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad and to settle any questions or difficulties that may arise in regard to the issue(s).

RESOLVED FURTHER THAT the board be and is hereby authorized to form a committee or delegate all or any of its powers to any committee of directors, person and/or employee of the Company individually or as a committee of such persons/ employee, on such terms and conditions as it may deem fit and revoke and substitute such delegation as permitted by the Regulatory Authorities, the

Companies Act and the other applicable provisions, to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to Issue and allotment of equity shares including but not limited to :

- a) approving the offer document and filing the same with any authority or persons as may be required;
- b) taking decision to open the issue, decide bid opening and closing date;
- c) approving the Issue Price, the number of Equity Shares to be allotted, the basis of allocation and allotment of Equity Shares;
- d) arranging the delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the issue of Equity Shares by the Company;
- e) opening separate special account(s) with a Scheduled Bank to receive monies in respect to the issue of the securities;
- f) making applications for listing of the securities of the Company on one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
- g) finalization of the allotment of the securities on the basis of the bids received;
- h) finalization of and arrangement for the submission of the placement document(s) and any amendments / supplements thereto, with any government and regulatory authorities, institutions or bodies as may be required;
- i) approval of the preliminary and final placement document (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the lead managers / underwriters / advisors in accordance with applicable laws, rules, regulations and guidelines;
- j) finalization of the basis of allotment in the event of over-subscription;
- k) acceptance and appropriation of the proceeds of the issue of the securities;
- l) authorization of the maintenance of a register of holders of the securities;
- m) authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as authorized person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of securities;

- n) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India, and any other consents that may be required in connection with the issue and allotment of the securities;
- o) seeking the listing of the securities on any Stock Exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
- p) giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and
- q) deciding the pricing and terms of the securities, and all other related matters."

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

GOPAL RAMOURTI
MANAGING DIRECTOR

Date : 27th August, 2011
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. 7 & 8 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 Monday, 26th September, 2011 to Thursday, 29th September, 2011 (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 Member as on 23rd September, 2011, 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.
6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. Green initiative in Corporate Governance:
The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this 'Green initiative' by the MCA in full measure, members who have not registered their e-mail addresses so far, including change, if any, are requested to register e-mail addresses with their respective Depository participants and members who hold shares in physical form with the company at litaka@shareproservices.com.

**12. PARTICULARS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**
[Pursuant to clause 49 IV (G)] of Listing Agreement with Stock Exchange

Particulars	Mr. Nainish R Bora	Mr. Rajendra C. Bora	Mr. M S Raghavan Ayyangar
Date of Birth	08.02.1974	26.01.1950	01.08.1948
Date of Appointment	25.03.2005	28.11.1997	31.12.2005
Qualifications	Commerce Graduate and has also obtained his MBA degree	Diploma in Mechanical Engineering	Graduate in Engineering and a Post Graduate in Management. Has the following Life-fellowships of internationally reputed bodies of higher education related to general management and quality assurance - viz, FIPM (Singapore), FICM (London), FNCQM (Mumbai)
Expertise	Mr. Nainish Bora has been associated with the Company for the last 14 years, earlier in the capacity as Director - Commercial and Vice President and currently as Executive Director and Chief Financial Officer of the Company.	Mr. Bora is having more than 30 years experience in pharma field of manufacturing, distribution, marketing and administration.	Mr. MSR Ayyangar has over 40 years of experience in varied business and industry both in India and abroad. In that last 20 years has been in human health care, holistic methods, therapeutic nutrition biotechnology etc. He heads Emmessar Biotech & Nutrition Limited providing the company core strength in R & D as well as manufacture.
Directorships in other Public Limited Companies	NIL	NIL	1. Emmessar Biotech & Nutrition Ltd. as M.D. 2. Emmessar Technologies Ltd as MD & Chairman
Membership of Committees in other Public Limited Companies	NIL	NIL	NIL
No. of shares held in the Company	9870	781588	NIL

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

As required by Section 173 of the Companies Act, 1956 the following Explanatory statement sets out all the material facts relating to Special Business mentioned under Item No. 7 & 8 of the accompanying Notice dated 27th August, 2011.

Item no. 7

- Existing Articles of Association of your Company do not contain any provision enabling the appointment of Nominee Director on the Board of Directors of the Company by stakeholders i.e. Banks, Financial Institutions, Government Agencies etc. It is prudent that the Articles of Association of your company should contain the provisions enabling the appointment of Nominee Director by financial Institutions, firm, corporates, persons etc. to represent and protect their interest subject to the provisions of the Companies Act, 1956 and applicable rules, if any.
- Ministry of Corporate Affairs has recently vide Circular No. 28 / 2011 dated 20.05.2011 allowed participation by Directors in meetings of Board/Committee meetings under the provisions of the Companies Act, 1956, through electronic mode i.e. video conferencing. Existing Articles of Association of your Company do not contain any provision enabling meeting of Board or Committee meetings under the provisions of the Companies Act, 1956, through electronic mode i.e. video conferencing. It is prudent that the Articles of Association of your company should contain the provisions enabling the holding of and participation at the Board or Committee meeting through electronic mode i.e. Video conference.

As per the provisions of Section 31 of the Companies Act, 1956, the Company cannot alter its Articles of Association unless such alteration is approved by its shareholders in General Meeting.

A copy of Memorandum of Association and Articles of Association of the Company together with the proposed alteration is available 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.

Item no. 8

In order to meet the long term working capital requirements, to finance long term growth plans, to improve the Debt Equity ratio of the Company, to mobilize funds for normal capital

expenditure, modernization and general corporate purposes and also to reduce cost of borrowed funds presently being incurred by the Company, the Company proposes to raise resources by issue of securities including Equity Shares either through Qualified Institutions Placement (QIP), Global Depository Receipts (GDR) mechanism or through any other mode mentioned in the enclosed resolution not exceeding US \$ 30.00 Million (with or without Greenshoe option) or its Indian Rupee equivalent Rs. 1380.00 Million, in one or more tranches, at such price or prices and at such time as may be considered appropriate by the Board of Directors of the Company, to various permissible categories of investors / lenders in the domestic / international market as set out in the Resolution of the Notice.

The detailed terms of issue including the issue price of the Securities shall be in terms of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and will be decided by the Board of Directors or the Committee thereof in consultation with the merchant bankers and other advisors and/or other intermediaries as may be appointed by the Board or Committee thereof. The proposed resolution is to enable the Board of Directors to facilitate mobilization of adequate resources to meet the growing needs of the Company by way of issuance of Securities in the manner stated in the resolution.

Relevant Date for the purpose of determination of the Issue Price of the equity shares and the securities as per the SEBI ICDR Regulations shall be, in case of issue of equity shares the date of the meeting of the Board in which the Board decided to open the proposed issue and in case of issue of other securities it shall be the date of the meeting of the Board in which the Board decided to open the proposed issue or the date on which the holders of the convertible securities become entitled to apply for the equity shares.

In as much as the proposed resolution may result in an issue of Equity shares (whether upon conversion or otherwise) of the Company otherwise than to the Members of the Company or result in issue of securities for which the consent of shareholders is required, consent of the Shareholders is being sought pursuant to Section 81(1A) of the Companies Act, 1956 and other applicable provisions for the proposed issue of Securities to the Qualified Institutional Buyers as detailed in the Resolution.

As per the provisions of the SEBI ICDR Regulations in case of QIP, minimum 10% of the equity shares / securities to be allotted, shall be allotted to mutual fund agencies as may be appointed by the Board and if the said mutual fund did not subscribe the said minimum required holding of 10%, then the minimum required portion to be allotted may be offered to other Qualified Institutional Buyers.



As per the SEBI ICDR Regulations, the Special Resolution has a validity period of 12 months, the offer, issue, allotment of the equity shares and / or the securities under QIP shall be completed within 12 months from the date of passing of this Resolution in the general meeting.

However you may be aware, that the period of 12 months is over as the above mentioned Special Resolution was passed earlier by you in the last Extra Ordinary General Meeting dated 2nd March, 2010. The Company therefore intends to renew the Special Resolution for a further Period of 12 months.

The documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days except Sundays during business hours between 2.00 p.m. to 4.00 p.m. up to the date of ensuing Annual General Meeting and at the venue of the

Annual General Meeting on the date of the meeting during meeting hours.

None of the Director of the Company is in any way concerned or interested in the resolution. The Board of Directors commends the resolution to be passed as a Special Resolution by the members of the Company.

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

GOPAL RAMOURTI
MANAGING DIRECTOR

Date : 27th August, 2011

Place : Mumbai

DIRECTORS' REPORT

Dear Shareowners, Of Twilight Litaka Pharma Ltd.

Your Directors are pleased to present this Thirty Seventh Annual Report of your Company for the financial year ended on 31st March 2011.

PERFORMANCE HIGHLIGHTS

Particulars	Standalone		Consolidated
	Year ended 31st March, 2011 [₹ in crs.]	Year ended 31st March, 2010 [₹ in crs.]	Year ended 31st March, 2011 [₹ in crs.]
TOTAL INCOME	660.51	494.64	674.09
NET PROFIT AFTER TAX	49.44	32.63	51.64
Add : Surplus brought forward from the Balance Sheet	67.98	42.34	67.98
Less : Short term provision for tax after earlier year	0.39	—	0.39
Amount available for disposal	117.04	74.97	119.23
APPROPRIATIONS:			
General Reserve	4.94	3.26	4.94
Revaluation Reserve	—	—	0.60
Equity Dividend	3.72	3.19	3.72
Distribution Tax on Dividend	0.62	0.53	0.62
Surplus carried to Balance Sheet	107.76	67.99	109.35
Earnings Per Share (₹) *	23.23	15.33	24.26
Book Value per Share (₹) *	68.19	47.00	66.05

* Face Value Rs. 5/- per share.

DIVIDEND

The Board is pleased to recommend a dividend of Rs. 1.50 per share on the enhanced capital of 2,47,81,285 equity shares of Rs.5/- each, If approved by the Shareholders at the ensuing Annual General Meeting. The dividend will absorb Rs. 3,71 71,928 /- Crs. The Dividend Distribution Tax borne by the Company will amount to Rs. 61,74,258 / - Crs.

CHANGES IN CAPITAL STRUCTURE CONSEQUENT UPON CONVERSION OF CONVERTIBLE WARRANTS.

On 13th March, 2010 i.e. during Financial year ended 31st March, 2010 the Company had allotted 35,00,000 Convertible Warrants of Rs. 86/- (Eighty Six) each to Seven subscriber with the Option to Convert the same with in 18 months from the date of allotment. All the Seven Warrant holders exercised their option to convert the said warrants in to Equity shares and accordingly the Company has allotted 35,00,000 Equity Shares of Rs. 5/- each at a premium of Rs. 81/- per share of in the Month of June, 2011.

Thus Consequent upon conversion, the issued and paid up Capital has gone up from Rs. 10,64,06,425/- to

Rs. 12,39,06,425/- i.e. 2,47,81,285 Equity Shares of Rs.5/- each.

The Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) have accorded their in principal approval for the Listing of these shares on the respective Exchange.

SUBSIDIARY

During the year under report Briocia Pharma (India) Limited became Wholly owned Subsidiary of your Company by virtue of acquisition of 100% stake by the Company.

The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated 8th February 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the annual report. Accordingly, the annual report 2010-11 does not contain the financial statements of our subsidiary. The consolidated financial statements, in terms of Clause 32 of the Listing Agreement and prepared in accordance with Accounting Standard 21 as specified in Companies (Accounting Standards) Rules, 2006 also form part of this annual report.

The audited annual accounts and related information of our subsidiary, where applicable, will be made available for inspection during business hours at our registered office in Pune, India. The annual accounts of Briocia Pharma (India) Limited and the related detailed information will be made available to the members on the specific request made by any investors to the Company.

COMPANY BUSINESS DEVELOPMENT

The revenue of your Company's business division for the year under review was at Rs. 656.78 Crs. showing growth by 33% The post tax profit at Rs. 49.44 Crs. was also higher by Rs. 16.82 Crs. showing rise of 52% over the previous year.

The consolidated turnover, which includes results of Briocia Pharma (India) Limited (wholly owned subsidiary) reported sales to Rs. 674.09 Crs. for the current financial year 2010-11. Consolidated Profit before tax of the Company stood at Rs. 65.63 Crs. and profit after tax for the year at Rs. 51.64 Crs. for the current financial year 2010-11.

Your Company recently Registered following brands/products in export markets namely Lodipam, Panprox, T-Xium, Maxiclav, Antezol Paludiat are progressing well. Your Company's entry in Contract manufacturing space (CRAMS) has made optimum utilization of manufacturing capacity and positioned itself as a strong Competitor in the Pharma Industry.

The acquisition of Briocia Pharma (India) Limited for capacity expansion has added traction to the performance result and full benefit of this investment is expected in the coming financial years.



Your Company has also entered into an agreement on October 13, 2010, with M/s. Interpro Healthcare Ltd., [Interpro] a Company based in South Africa in connection with supply of technical know-how for Its products. This arrangement will enable the Company to make entry in the pharma market of South Africa in a big way.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of your Company is given in the Management Discussion and Analysis Report, which forms part of this Report.

EXPORT

During the year your Company has made registration of our various products in to the emerging markets of Malaysia, Sri Lanka, Kuwait, Honkong and Cambodia. Thus we are taking continued efforts towards increasing the market reach and improving market share through portfolio expansion, new product introductions.

CORPORATE GOVERNANCE

Your Company follows healthy Corporate Governance practices since it believes that Corporate Governance is a voluntary code of self- discipline. A separate report on the initiatives on Corporate Governance adopted by your Company along with a certificate of Compliance from the Auditors given in this Annual Report forms part of this 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.

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.

COST AUDIT

Pursuant to the provisions of Section 233B of the Companies Act, 1956 and with the prior approval of the Central Government, Mr. S. G. Jog, (Fellow Membership No. 5599) practising Cost Accountant, was appointed to conduct audit of cost records relating to formulations for the year ended March 31, 2011.

DIRECTORS

Mr. Rajendra Bora, Mr. Nainish R. Bora and Mr. MS Raghvan Ayyangar, Directors of the Company retire by rotation and

being eligible offer themselves for reappointment; The resolutions for the Directors seeking reappointment are included in the notice of the Annual General Meeting.

Mr. S. D. Tole resigned as a Director on 12th January, 2011 due to his other commitments. The Board placed on record its sincere appreciation for the services rendered by Mr. S. D. Tole to the Company during his tenure of Directorship.

As per the provisions of Listing Agreement it is Obligatory to appoint one of our Independent Director on the Board of Subsidiary Company i. e. Briocia Pharma (India) Limited. In view of this provision Mr. Avinash S. Chandvankar, Independent Director has been appointed on the Board of Briocia Pharma (India) Limited w.e.f. 26th May, 2011. 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.

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) Amendment Rules, 2011 as amended, none of the employee of the Company was in the receipt of excess of Amount prescribed in the Companies (Particulars of Employees) Amendment Rules, 2011.

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, 2011 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 CAPITAL / RESOURCES

Employees are the backbone of the organization. We always believe that Human resource influences appreciably the growth, progress, profits and the shareholders' values. During the year, your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the Company is to create culture, value system and improve behavioral skills to ensure achievement of its short and long-term objectives. The relationship with the workers at the manufacturing unit and other staff continues to be cordial and peaceful.

APPRECIATIONS AND ACKNOWLEDGEMENTS

Your Board of Directors wish to place on record their appreciation of the contribution made by the employees at all levels, who through their competence, solidarity and support enabled the Company to achieve consistent growth.

The Board takes this opportunity to express their gratitude to Bankers, Suppliers, Regulatory and government authorities, Stock Exchanges and other Business Associates for their continued support and cooperation received by your Company.

Your Directors are thankful to the esteemed shareholders, all investors, clients, vendors, for their continued faith and valued support.

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

RAJENDRA C. BORA
CHAIRMAN

Date : 27th August, 2011

Place : Mumbai



MANAGEMENT DISCUSSION AND ANALYSIS

"The Indian pharmaceutical industry is a success story providing employment for millions and ensuring that essential drugs at affordable prices are available to the vast population of this sub-continent."

Richard Gerster

PHARMA INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian pharmaceutical industry currently tops the chart amongst India's science - based industries with wide ranging capabilities in the complex field of drug manufacture and technology. A highly organized sector, the Indian pharmaceutical industry is estimated to be at worth \$ 10 Billion, growing at about 15 percent annually. It ranks very high amongst all the third world countries, in terms of technology, quality and the vast range of medicines that are manufactured and stands 14th in terms of value. It ranges from simple headache pills to sophisticated antibiotics and complex cardiac compounds, almost every type of medicine is now made in the Indian pharmaceutical industry.

India's pharmaceutical industry currently comprises of about 20,000 registered units. It has expanded drastically in the last two decades. The Indian Pharma industry produces a total of about 70,000 different drugs which is higher than in many other developed nations in the world. It meets around 70 % of the country's demand for bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, tablets, capsules, orals and injectibles.

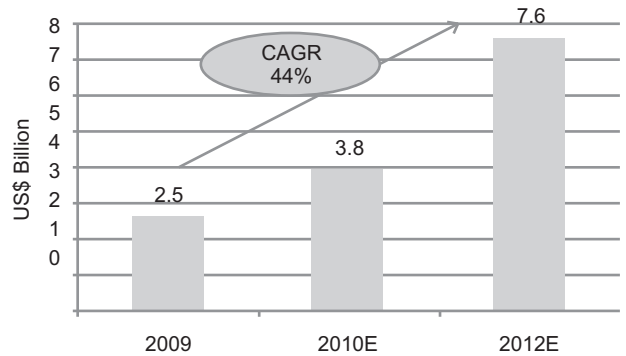
The Union Budget for 2011 - 12 has been a mixed bag of sorts for the health care sector. The step-up in the proposed 2011-12 plan allocations for health, by 20% widening the ambit of the Rashtriya Swasthya Bima Yojana to cover the unorganized workers, has brought cheer to this much-neglected sector. The hiked excise duty on medicines and medical equipment from 4 to 5 % imposition of Minimum Alternate Tax (MAT) on Special Economic Zones areas where most of the drug manufacturing units are concentrated- measures that would ultimately contribute to escalation in cost of medicine.

OPPORTUNITIES

Falling R & D productivity coupled with pricing pressure and Drugs worth US \$ 97 billion expected to go off patent from 2010-15 in US compared to US \$73 billion during 2006 -10 period has led to margin contraction. This may lead to strong growth prospects for global CRAMS industry. Innovator companies will lose patent protection for many of their blockbuster drugs over the next few years, increase in R & D cost and intolerance to side effects reduces research productivity; thereby forcing them to look for various alternatives such as cost control and introduction of generics to their portfolio. The global CRAMS market is expected to grow further to approximate US \$ 85 billion by 2012. Increase in outsourcing from developed to developing countries will continue as the The Indian CRAMS industry is estimated to grow double approximately to US \$ 7.6 billion by 2012 from US \$ 3.8 billion in 2010. With high number of USFDA approved plants, low R & D cost, quality infrastructure and established

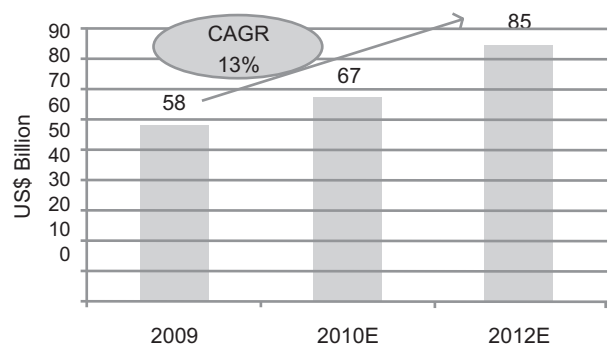
track record of IPR complications, coupled with other inherent cost advantage contract manufacturing operations is likely to dominate the CRAMS space.

Indian CRAMS Market



Source : Industry Reports, ICRA estimates

Global CRAMS Market



Twilight Litaka Pharma Limited (TLPL) has been engaged in Manufacturing and Marketing of Pharmaceutical Formulations and has also undertaken Contract Manufacturing for leading Pharmaceutical Companies both National and International. TLPL expects to leverage its existing relationships for outsourcing assignments. It further plans to supplement its domestic formulations and revenues with earnings from contract manufacturing. TLPL has completed acquisition of Briocia Pharma (India) Ltd. and now the unit has become 100 % subsidiary of TLPL which can lead to synergy of operations and there is tremendous scope and arrangement for procurement of additional job work .TLPL is not merely looking at contract manufacturing in the traditional sense, but it is expected to add value and innovate along the way. This has provided your Company with the opportunity to gain access to new technology breakthroughs and novel expertise. Contract manufacturing demands mix of infrastructure and expertise. Your Company offers both. Your Company's efforts in the field of contract manufacturing

continue and the developments are expected to add to the revenues and profitability.

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 has acquired 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.
- 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 16 years ago and is rolled out annually. 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. 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 & 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 Net Worth, Return on Capital Employed, EBIDTA and Earnings Per Share (EPS) for the last three years and for the year ended 31st March, 2011 (Stand Alone) are as follows.

Particulars	2008-09	2009-10	2010-11
Return on Capital Employed (%)	32	38	41
EBIDTA (Rs. in crs)	47.28	65.11	98.90
Basic EPS (Rs.)	10.39	15.33	23.23



INTERNATIONAL BUSINESS DIVISION (IBD)

This division, which is located at Registered Office 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.

During the year under review, the geographical expansion of exports of TLPL resulted in opening fresh markets in Burkina Faso, Gabon, Cambodia, Indonesia, Kuwait and Malaysia.

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 this section of the Annual Report viz. 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those expected or implied.

Date: 27th August, 2011
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.

The Company has always believed in fair business and corporate practice while dealing with the stakeholders i.e. employees, customers, creditors, lenders and others.

2. BOARD OF DIRECTORS

As on 31st March 2011 the Board of Directors of the Company consists of Ten Directors, Seven of whom are Non Executive Directors, out of which Five are Independent Directors.

None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Necessary disclosures have been made by the Directors of Directorships in other Companies.

During the Financial Year under review, Thirteen (13) Board Meetings were held on the following dates : 28th April, 2010, 15th May, 2010, 2nd July, 2010, 13th August, 2010, 20th August, 2010, 23rd September, 2010, 28th September, 2010, 23rd October, 2010, 30th October, 2010, 13th November, 2010, 20th November, 2010, 12th February, 2011 and 21st February, 2011.

The Name and Category and their attendance at Board Meetings held during the year and Directorship in other Companies are furnished in table below:



Name of the Director	Category of Directorship	Board Meetings attended	Whether attended last AGM held on 25th September, 2010	Directorship of other Companies
Mr. Rajendra Bora	Chairman (Promoter)	13	Yes	—
Mr. Gopal Ramourti	Managing Director (Promoter)	13	Yes	06
Mr. Sanjeev Tole**#	NED & CS	11 [@]	Yes	01
Mr. A. S. Chandvankar	NED (I)	13	Yes	02
Mr. V. K. Naik	NED (I)	01	Yes	—
Prof. P D Gupte *	NED (I)	02 [@]	No	—
Mr. Nainish Bora	Executive Director -Promoter	11	Yes	01
Mr. Abhijit Bora	Executive Director-Promoter	08	Yes	01
Mr. Ramesh Ramourti	NED	13	No	02
Mr. M S Raghavan Ayyangar	NED (I)	09	No	02
Mr. Ramesh S. Gadgil	NED (I)	05	No	—
Mr. Mohan Motwani	NED (I)	01	No	—

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

* Retired as Director on 25. 09.2010.

** Resigned w.e.f. 12.01.2011 as Director.

@ Details provided till the date of retirement.

@@ Details provided till the date of resignation.

Resigned as CS w.e.f. 31.05.2011.

3. COMMITTEES OF THE BOARD

AUDIT COMMITTEE

In terms of Clause 49 of the listing agreement as well as Section 292A of the Companies Act, 1956 the Board has constituted the Audit Committee of the Board of Directors. The Composition of Committee is as follows. The Committee met (05) Five times on 15th May,2010, 13th August, 2010, 20th August, 2010,13th November, 2010 and 12th February, 2011. Mr. Nikhil Kulkarni acts as a Secretary to the Committee.

Name of the Director	Category of Directorship	No. of Meetings attended
Mr. A. S. Chandvankar	NED (I)	05
Prof. P D Gupte *	NED (I)	02@
Mr. Nainish Bora **	Executive Director -Promoter	01
Mr. Ramesh Ramourti	NED	05
Mr. M S Raghavan Ayyangar	NED (I)	03
Mr. Ramesh S Gadgil ***	NED (I)	—

* Retired as Director on 25. 09.2010.

@ Details provided till the date of retirement.

** Appointed as Audit Committee member w.e.f. 20.11.2010.

*** Appointed as Audit Committee member w.e.f 13.05.2011.

NED & CS - Non Executive Director & Company Secretary

NED - Non Executive Director, I - Independent,

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. Nikhil Kulkarni acts as a Secretary to the Remuneration Committee. The Committee has the following powers:

- (i) 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.
- (ii) 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

Share Allotment Committee

The Company has constituted a Share Allotment Committee in its Board Meeting held on 13th May, 2011. The Committee was constituted to consider and finalize the Allotment of Shares of the Company. The Share Allotment Committee consists of four Directors of the Company; viz. Mr. Rajendra C. Bora, Mr. A S Chandvankar, Mr. Nainish Bora and Mr. Gopal Ramourti. Mr. Nikhil Kulkarni acts as a Secretary to the Share Allotment Committee.

4. 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.

5. 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.

6. Remuneration of Directors

The details of remuneration paid to the directors for the year 2010-11 are given below :

(Amt. in ₹)

Director	Salary	Perquisites	Contribution to PF	Total
Mr. Gopal Ramourti	20,00,000	19,48,000	2,40,000	41,88,000
Mr. Nainish Bora	12,00,000	9,00,000	1,44,000	22,44,000
Mr. Abhijit Bora	7,00,000	5,25,000	84,000	13,09,000

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	65,000	—
2.	Mr. A. S. Chandvankar	75,000	—
3.	Mr. Ramesh Ramourti	75,000	—
4.	Prof. P. D. Gupte	14,000	—
5.	Mr. V. K. Naik	5,000	—
6.	Mr. Mohan Motwani	5,000	—
7.	Mr. M. S. Raghavan Ayyangar	51,000	—
8.	Mr. Ramesh S. Gadgil	25,000	—
9.	Mr. Sanjeev D. Tole	55,000	—

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

7. Shareholding of Non-Executive Independent Directors as on 31.03.2011:

Name of Director	No. of Equity Shares of Rs.5/ each
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



8. Share Transfer - cum - Investors Grievance Committee

Mr. A. S. Chandvankar, a Non-Executive Independent Director is the Chairman of the Committee. Other Member of the Committee is Mr. Nainish R. Bora.

Name and Designation of the Compliance Officer: Mr. Nikhil Kulkarni , Assistant Company Secretary.

The Share Transfer-cum-Investors Grievance Committee meets every fortnight and accordingly 22 meetings of the Committee were held during the year under report.

During the year Seventeen (17) complaints regarding non-receipt of share certificates sent for transfer and non-receipt of annual report & dividend as follows were received from shareholders, all of which have been resolved:

Nature of Complaints	Received	Resolved	Pending
Share Certificates	07	07	Nil
Dividend	05	05	Nil
Non-Receipt of Annual Report	05	05	Nil
Complaints of Shareholders forwarded by:			
Stock Exchange	01	01	Nil
SEBI	05	05	Nil

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

9. 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
31.07.2008	2008	Annual General Meeting	B-22 "H" Block,	11.00 a.m.
07.03.2009	2009	Extra Ordinary General Meeting [Court Convened]	M.I.D.C., Pimpri, 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.
25.09.2010	2010	Annual General Meeting	Sumant Moolgaonkar Auditorium Hall, Ground Floor MCCA Trade Tower, "A" Wing, ICC Centre, Senapati Bapat Road , Pune 411016.	10.30 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.

10. 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. 2.14 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.
- c) CEO/ CFO Certification
The Managing Director (CEO) and Chief Financial Officer (CFO) have certified to the Board in accordance with Clause 49 (V) of Listing Agreement pertaining to CEO/CFO certification for the financial year ended March 31,2011, which is annexed hereto.

- d) Reconciliation of Share Capital Audit and Certification pursuant to Clause 47 (C) of the Listing Agreement Pursuant to Regulation 55A of SEBI (Depositories and Participants) Regulation, 1996 Certificates on quarterly basis have been received from a Company Secretary in Practice . Pursuant to Clause 47 (C) of Listing Agreement entered with BSE and NSE, Certificates on Half - yearly basis have been received from Company Secretary in Practice .

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

[Pursuant to clause 49 IV (G)] of Listing Agreement with Stock Exchange

Particulars	Mr. Nainish R Bora	Mr. Rajendra C. Bora	Mr. MS Raghavan Ayyangar
Date of Birth	08.02.1974	26.01.1950	01.08.1948
Date of Appointment	25.03.2005	28.11.1997	31.12.2005
Qualifications	Commerce Graduate and has also obtained his MBA degree	Diploma in Mechanical Engineering	Graduate in Engineering and a Post Graduate in Management. Has the following Life-fellowships of internationally reputed bodies of higher education related to general management and quality assurance - viz, FIPM (Singapore), FICM (London), FNCQM (Mumbai)
Expertise	Mr. Nainish Bora has been associated with the Company for the last 14 years, earlier in the capacity as Director - Commercial and Vice President and currently as Executive Director and Chief Financial Officer of the Company.	Mr.Bora is having more than 30 years experience in pharma field of manufacturing, distribution, marketing and administration.	Mr.MSR Ayyangar has over 40 years of experience in varied business and industry both in India and abroad. In that last 20 years has been in human health care, holistic methods, therapeutic nutrition biotechnology etc. He heads Emmessar Biotech & Nutrition Limited providing the company core strength in R & D as well as manufacture.
Directorships in other Public Limited Companies	NIL	NIL	1. Emmessar Biotech & Nutrition Ltd. as M.D. 2. Emmessar Technologies Ltd as MD & Chairman
Membership of Committees in other Public Limited Companies	NIL	NIL	NIL
No. of shares held in the Company	9870	781588	NIL

12. 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, namely www.twilightlitaka.com, which displays the general profile and product profile of the Company. The shareholding pattern and Financial results are also displayed and are updated every quarter.

To support the 'Green initiative' by the MCA, Company proposes to send all communication including Notices, Annual Reports etc. through e-mail and has requested members who have not registered their e-mail addresses so far, including change, if any, are requested to register e-mail addresses with their respective Depository participants and members who hold shares in physical form with the company at litaka@shareproservices.com



13. General Shareholder Information

a) Registered Office and Head Office

- "Himalaya Estate", 16-A Shivajinagar, Pune - 411 005
Tel. Nos : 91-20-30281700/01, Fax : 91-20-25533211, Website : www.twilightlitaka.com
- 206 Shivai Industrial Estate, 89, Andheri-Kurla Road, Saki Naka, Andheri [E], Mumbai 400072

b) Date of Incorporation : 18th January, 1974

c) Registration No/ CIN No : L24231MH1974PTC017139

d) Day, Date, Time & Venue of 37th AGM : Thursday, 29th September, 2011 at 10.00 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 : Monday, 26th September, 2011 to
Thursday, 29th September, 2011 (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, 2011 to those members whose names appear on the Company's Register of Members as holders of Equity Shares in physical form on 23rd September, 2011. 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) Electronic Clearance System (ECS) for Dividend

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 ELECTRONIC 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. The registration details should reach the Registrars & Transfer Agent of the Company i.e. M/s. Sharepro Services (I) Pvt. Ltd., on or before 20th September, 2011 to enable them to accept the request.

h) Financial Year : 1st April 2011 to 31st March 2012

i) Financial Calendar

1st Quarterly results : Upto 15th August 2011
2nd Quarterly results : Upto 15th November 2011
3rd Quarterly results : Upto 15th February 2012
4th Quarterly results : Upto 15th May 2012

The Company's Transfer Book will remain closed from 26th September, 2011 to 29th September, 2011 (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 the both 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:

M/s. 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>

l) Market Price Data

The monthly High & Low quotations of shares traded at the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Limited (NSE) during the Financial Year 2010-11

(Amt. in ₹)

Month	High Price		Low Price		No. of Shares		Total Turnover (Rs. In Lacs)	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
Apr 10	131.50	—	92.35	—	2551676	—	3072.22	—
May 10	124.30	—	98.00	—	1195163	—	1343.22	—
Jun 10	129.80	130.00	99.50	108.00	1480515	465066	1712.27	558.32
Jul 10	189.00	189.25	130.00	136.50	7318407	6223006	12393.64	10814.00
Aug 10	190.40	190.90	165.00	166.30	1896907	1675857	3372.92	2984.91
Sep 10	199.60	199.90	164.00	165.25	2878921	2647305	5269.77	4849.54
Oct 10	203.90	204.00	168.05	170.00	1764817	1522197	3344.02	2891.89
Nov 10	185.00	199.95	139.80	137.40	937650	712028	1576.18	1209.30
Dec 10	158.00	156.90	75.80	75.10	8955746	7839994	8137.97	6947.26
Jan 11	104.00	104.00	68.25	67.90	2158589	1826089	1897.92	1587.67
Feb 11	83.90	81.45	62.70	61.00	2355860	1421704	1750.02	1062.83
Mar 11	77.25	77.00	43.65	43.85	6458039	5353161	3489.11	2847.27

Note : The shares of the Company listed on NSE w.e.f. 15.06.2010

m) Comparison of Litaka Share Prices with BSE Sensex and NSE Nifty for 2010-11

Period	Change			
	Company's Share Price - BSE	Company's Share Price - NSE	Sensex	Nifty
Opening Price/Index as on 31.03.2010	95.00	129.40 (As on 30.06.2010)	17602.39	5254.25 (As on 30.06.2010)
Closing price/ Index as on 31.03.2011	56.05	56.00	19445.22	5833.75
% Increase/(Decrease)	(41.00)	(56.72)	10.47	11.03

n) Distribution Schedule as on 31.03.2011

Description	Holder's Folio	% to total shareholders	Holding(s) Shares	% to share capital
Up to 1000	17119	92.355	3889848	18.280
1001 - 2000	585	3.156	886987	4.168
2001 - 3000	226	1.219	578412	2.718
3001 - 4000	113	0.610	410173	1.927
4001 - 6000	156	0.842	763520	3.588
6001 - 8000	72	0.388	506523	2.380
8001 - 10000	52	0.281	494894	2.325
10001 and above	213	1.149	13750928	64.615
Total	18536	100	21281285	100



o) Shareholding Pattern as on 31.03.2011

Sr. No.	Category Held	No. of Shares	% to shares holding
1.	Promoter, including persons acting in concert, Directors and their relatives	4657708	21.89
2.	Institutional investors (Indian)		
	(a) Mutual Funds and UTI	-	-
	(b) Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non-Govt. Institutions)	1278489	6.01
3.	FII / NRIs / OCBs/ Banks	406548	1.91
4.	Private Bodies Corporates	5106432	23.99
5.	Indian Public	9832108	46.20
	TOTAL	21281285	100.00

p) Plant Locations

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1) 116/2 Chakan Phata
Mumbai - Pune Road
Vadgaon Maval, Pune 412 106
Tel: 02114-325901 / 61
Fax: 02114-222859
Email: tlplvadgaon@tlpl.co.in</p> | <p>2) 39/40 Vasai Taluka Industrial Estate
Sector II, Gauraipada, Vasai(E)
Nalagarh Road, Nalagarg Dist. Solan
Dist: Thane 401 208
Tel: 0250- 2455465/2450829
Email: tlplvasai@tlpl.co.in</p> |
| <p>3) B -22, H - Block MIDC, Pimpri,
Pune - 411 018
Tel : 020 - 30683760/61
Fax : 020 - 27474109
Email : tlplpimpri@tlpl.co.in</p> | <p>4) Village Dhana, Bagh Bania, Baddi
Nalagarh Road, Nalagarg Dist. Solan,
Himachal Pradesh - 174701
Tele Fax No. 01795267090
E-mail : baddi@tlpl.co.in</p> |
| <p>5) Briocia Pharma (India) Limited
(100 % Subsidiary of the Company)
Plot No. E -1, M.I.D.C., Industrial Area
Jejuri, Pune - 412 303</p> | |

q) Dematerialization of Shares:

The Company's ISIN No. is INE783B01029. As on 31.03.2011, 92.60 % of Equity Share Capital of the Company has been dematerialized.

r) Investors Correspondence

The Company's Share Department provides assistance to shareholders under the supervision of Company Secretary & Compliance Officer.

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:

Legal & Secretarial Department

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 statements and the Directors' Report for the Financial Year ended on 31.03.2011;
- 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 : 27th August, 2011

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 Ltd.

We have examined the compliance of the conditions of Corporate Governance by Twilight Litaka Pharma Ltd., for the year ended 31st March, 2011 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 the Corporate Governance. It is neither an audit nor an expression of an 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, 2011, 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 : 27th August, 2011

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

- 1] We have audited the attached Balance Sheet of Twilight Litaka Pharma Ltd. as at 31st March, 2011 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, 2011, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2011 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, 2011;
 - 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

V MOHAN
PARTNER

Membership No. 17748

Place : Mumbai
 Date : 27th August, 2011



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) During the year, the Company has taken interest free unsecured loan of Rs. 9,84,93,921 from one of the party listed in the register maintained under section 301 of the Companies Act, 1956 and interest bearing loan of Rs. 16,09,77,667/- from one company covered in the register maintained under section 301 of the Companies Act, 1956. These loans along with other existing loans from parties / Companies covered in the register maintained under section 301 of the Companies Act, 1956 have maximum amount of Rs. 26,06,65,521/- outstanding at any time during the year and the year end balance is Rs. 5,08,19,987/- as on 31st March 2011.
- 4] 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.
- 5] (a) In our opinion and according to the information and explanations 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. During the course of our audit, we have not observed any major weakness in the internal controls.
(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 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.
- 7] 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, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 8] 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	7,41,66,546	FY 2010-11	15.09.10	Not Paid

- (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 authorities are given below.

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] Based on our audit procedures and according to the information and explanation provided to us, the Company has not defaulted in repayment of dues to any financial institution or bank. However, there were certain delay in the repayment of dues to bank/financial institution.
- 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, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are 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, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

- 15] The Company has given corporate guarantee for loan taken by subsidiary from banks. According to information and explanation provided, the terms and conditions are not prejudicial to the interest of 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, the provisions of clause (xix) of the Companies (Auditor's Report) Order, 2003 are 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 : 27th August, 2011

V MOHAN
PARTNER
Membership No. 17748



BALANCE SHEET

AS AT 31ST MARCH, 2011

	SCH.	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
SOURCES OF FUNDS			
1) SHAREHOLDER'S FUNDS :			
Share Capital	1	106,406,425	106,406,425
Share Application Money (Convertible Warrents)		75,250,000	75,250,000
Reserves & Surplus	2	1,325,486,322	878,432,551
		1,507,142,747	1,060,088,976
2) LOAN FUNDS:			
Secured Loans	3	2,032,526,310	1,582,004,358
Unsecured Loans	4	543,260,425	369,931,682
		2,575,786,735	1,951,936,040
3) DEFERRED TAX LIABILITY (Net)		53,619,722	50,099,900
	TOTAL	4,136,549,204	3,062,124,916
APPLICATION OF FUNDS			
1) FIXED ASSETS :			
A) Gross Block		1,017,316,261	844,927,671
Less : Depreciation & Amortisation		207,664,823	171,189,800
Net Block	5	809,651,438	673,737,871
B) Capital Work in Progress		74,160,051	98,292,403
		883,811,489	772,030,274
2) INVESTMENTS	6	107,183,880	379,149
3) CURRENT ASSETS, LOANS & ADVANCES :			
a) Inventories	7	844,584,572	690,363,094
b) Sundry Debtors	8	2,567,308,406	1,790,983,209
c) Cash & Bank Balances	9	39,521,495	59,606,152
d) Loans and Advances	10	340,658,778	287,049,203
		3,792,073,251	2,828,001,658
Less : Current Liabilities & Provisions	11		
a) Current Liabilities		441,830,673	381,793,158
b) Provisions		204,688,743	156,493,007
		646,519,416	538,286,165
Net Current Assets		3,145,553,835	2,289,715,493
	TOTAL	4,136,549,204	3,062,124,916

Schedule & Notes forming integral part of accounts.

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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 : 27th August, 2011

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
Nikhil Kulkarni Assistant Company Secretary

Place : Mumbai
Date : 27th August, 2011

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2011

	SCH.	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
INCOME :			
Sales (Gross)		6,513,286,395	4,829,824,224
Less : Excise Duty		34,688,276	14,860,328
Net Sales		6,478,598,119	4,814,963,896
Processing & Service Charges		89,212,648	104,658,691
Other Income	12	37,325,874	26,791,677
	TOTAL	6,605,136,641	4,946,414,264
EXPENDITURE :			
Material Cost	13	5,058,686,812	3,787,918,374
Employee Costs	14	176,792,728	160,120,940
Manufacturing and Other Expenses	15	380,645,494	347,237,787
Interest :			
On fixed loans		67,937,581	54,796,771
On Others		250,784,664	160,278,381
		318,722,245	215,075,152
Depreciation and amortisation	5	36,641,337	30,699,767
Less : Transfer to Revaluation Reserve		154,612	154,612
		36,486,725	30,545,155
PROFIT BEFORE TAX		633,802,637	405,516,856
Provision for tax :			
Current tax		135,837,000	69,826,514
Deferred tax		3,519,822	9,438,852
		139,356,822	79,265,366
PROFIT AFTER TAX		494,445,815	326,251,490
Less : Short Provision for Taxation		3,891,246	-
Add : Balance brought forward from Balance Sheet		679,849,951	423,447,770
Profit available for Appropriation		1,170,404,520	749,699,260
APPROPRIATIONS :			
Proposed Dividend		37,171,928	31,921,928
Add : Dividend Distribution Tax		6,174,258	5,302,232
Transfer to General Reserve		49,444,582	32,625,149
Balance carried forward		1,077,613,752	679,849,951
Basic & Diluted EPS		23.23	15.33
[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 : 27th August, 2011

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
Nikhil Kulkarni Assistant Company Secretary

Place : Mumbai
Date : 27th August, 2011



CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2011

	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
1 Cash Flow from Operating Activity		
Net Profit Before Tax	633,802,637	405,516,856
Adjustment for :		
Depreciation & Amortisation	36,486,725	30,545,155
Loss / (Profit) on Sale of Assets (Net)	(1,523,275)	-
Interest Paid	318,722,245	215,075,152
Interest Received	(7,133,660)	(8,133,183)
Dividend Received	(35,000)	(68,100)
Operating Profit before Working Capital Changes	980,319,672	642,935,880
Adjustment for :		
Trade & Other Receivables	(829,934,772)	(422,692,468)
Inventories	(154,221,478)	(171,590,341)
Trade Payables	33,500,059	162,900,991
Cash Generated from operations	29,663,481	211,554,062
Direct Taxes (Paid) / Refunds (Net)	(71,117,080)	(69,826,514)
Net Cash flow from Operating activity (A)	(41,453,599)	141,727,548
2 Cash Flow from Investing Activity		
Purchases of Fixed Assets (including changes in Capital WIP)	(149,214,279)	(168,289,460)
Sale of Fixed Assets	2,315,002	-
Sale/(Purchase) of Investments	(106,804,731)	(2,220)
Dividend Received	35,000	68,100
Interest Received	7,133,660	8,133,183
Capital Advance	-	(135,600,000)
Net Cash Inflow / (Outflow) from Investing Activity (B)	(246,535,348)	(295,690,397)
3 Cash Flow from Financing Activity		
Proceeds from issue of Convertible Warrents	-	75,250,000
Proceeds from / (Repayment) of Borrowings :		
Term Loans / Working Capital Facilites / Other Loans	623,850,695	347,625,800
Dividend Paid	(37,224,160)	(37,224,160)
Interest Paid	(318,722,245)	(215,075,152)
Net Cash from / (utilised) in Financing Activities (C)	267,904,290	170,576,488
Net Increase / (Decrease)	(20,084,657)	16,613,639
4 Cash & Cash Equivalents		
Cash & cash equivalents at start of the year	59,606,152	42,992,513
Cash & cash equivalent at the close of year	39,521,495	59,606,152

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 : 27th August, 2011

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
Nikhil Kulkarni Assistant Company Secretary

Place : Mumbai
Date : 27th August, 2011

SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2011

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 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	56,119,962	56,274,574
Less : Amortisation on revalued Leasehold Land transferred from Profit & Loss Account	154,612	154,612
	55,965,350	56,119,962
5) GENERAL RESERVE		
As per last Balance Sheet	72,661,657	40,036,508
Add : Transfer from Profit & Loss A/C	49,444,582	32,625,149
	122,106,239	72,661,657
6) SURPLUS IN PROFIT & LOSS A/C	1,077,613,752	679,849,951
TOTAL	1,325,486,322	878,432,551



SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2011

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
SCHEDULE 3 : SECURED LOANS		
FROM BANKS		
1) TERM LOANS:	242,397,121	187,299,689
[Secured by first equitable mortgage of some of the immovable properties and personal guarantee of some of the Directors.]		
[Includes vehicle loan Rs. 60,893/- (P. Y. Rs. 4,06,664/-) secured against hypothecation of vehicle.]		
[Payable within a year Rs. 11,50,00,000/- (P. Y. Rs. 9,29,11,979/-)]		
2) WORKING CAPITAL FACILITIES :	1,790,129,189	1,394,704,669
[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]		
TOTAL	2,032,526,310	1,582,004,358

SCHEDULE 4 : UNSECURED LOANS

(A) Short Term :

From Bank :	199,999,452	20,000,000
[Payable within a year Rs. 19,99,99,452/- (P.Y.Rs. 2,00,00,000)]		
(Secured by hypothecation of all movable assets of the company and against personal guarantee of Managing Director)		

(B) Others :

(1) From Bank :	4,696,950	8,556,021
[Payable within a year Rs. 42,67,266/- (P. Y. Rs. 33,05,229/-)]		
(Against personal guarantees of Chairman & his relatives and their immovable properties.)		
(2) From Others :	338,564,023	341,375,661
[(includes Rs. 5,60,63,851/- (P.Y.Rs. 60,868,554/-) sales tax deferrals repayable in instalments from 2009-10 to 2019-20]		
[Rs. 28,767,798/- (P. Y. Nil) against personal guarantees of Chairman & his relatives and their immovable properties.]		

TOTAL	543,260,425	369,931,682
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SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2011

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
		01.04.2010			01.04.2010	Year	31.03.2011	31.03.2011	31.03.2011	31.03.2010
1	LAND (FREEHOLD)	70,268,427	586,000	-	-	-	-	-	70,854,427	70,268,427
2	LAND (LEASEHOLD)	29,615,000	-	-	2,599,274	162,500	-	2,761,774	26,853,226	27,015,726
3	FACTORY BUILDING	220,351,658	856,180	-	51,740,953	7,576,869	-	59,317,822	161,890,016	168,610,705
4	RESIDENTIAL FLATS	958,040	-	958,040	162,805	3,509	166,314	-	-	795,235
5	PLANT & MACHINERY	257,979,509	19,771,478	-	40,709,308	12,780,918	-	53,490,226	224,260,761	217,270,201
6	FACTORY & OTHER EQUIPMENTS INCLUDING COMPUTERS	124,221,932	129,607,910	-	28,526,775	9,030,846	-	37,557,621	216,272,221	95,695,157
7	MOULD, DIES JIGS, BLOCK & DESIGNS	18,120,241	682,221	-	12,956,595	964,451	-	13,921,046	4,881,416	5,163,646
8	AIR CONDITIONING SYSTEM	63,313,960	6,232,138	-	11,049,208	1,579,429	-	12,628,637	56,917,461	52,264,752
9	ELECTRICAL INSTALLATION	20,000,511	4,888,222	-	6,636,705	847,337	-	7,484,042	17,404,691	13,363,806
10	FURNITURE & FIXTURE	21,149,391	10,722,481	-	6,000,917	1,278,051	-	7,278,968	24,592,904	15,148,474
11	VEHICLES	8,604,498	-	-	3,902,893	817,427	-	4,720,320	3,884,178	4,701,605
12	INTANGIBLE ASSETS									
	a) TRADEMARKS	5,000,000	-	-	2,750,000	1,000,000	-	3,750,000	1,250,000	2,250,000
	b) SOFTWARE	2,344,504	-	-	2,344,504	-	-	2,344,504	-	-
	c) TECHNICAL KNOWHOW	3,000,000	-	-	1,809,863	600,000	-	2,409,863	590,137	1,190,137
	TOTAL	844,927,671	173,346,630	958,040	171,189,800	36,641,337	166,314	207,664,823	809,651,438	673,737,871
	PREVIOUS YEAR	722,392,758	122,534,913	-	140,490,033	30,699,767	-	171,189,800	673,737,871	



SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2011

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
SCHEDULE 6 : INVESTMENTS		
(Long term, Non Trade, at cost and Unquoted)		
(A) Subsidiary :		
Briocia Pharma (India) Limited	106,804,731	-
[1,200,000 Equity Shares of Rs. 10 each (PY. Nil)]		
(B) Others :		
a) 60 shares of Rupee Co-op Bank Ltd. of Rs. 25/- each fully paid.	1,500	1,500
b) 7000 shares of Vishweshwar Sahakari Bank Ltd. of Rs. 50/- each fully paid.	350,000	350,000
c) National Saving Certificate (Pledged with sales tax authorities)	27,649	27,649
TOTAL	107,183,880	379,149
SCHEDULE 7 : INVENTORIES		
Stores & Spares	1,436,219	1,738,084
Raw Materials*	190,293,024	137,481,277
Packing Materials	88,218,944	64,326,346
Work In Process	151,587,993	105,316,599
Finished Goods	413,048,392	381,500,788
* Includes goods in transit		
TOTAL	844,584,572	690,363,094
SCHEDULE 8 : SUNDRY DEBTORS		
(Unsecured, Considered Good unless otherwise stated)		
1) Exceeding Six months		
Considered Good	97,125,683	58,023,452
Considered Doubtful	1,537,184	900,828
	98,662,867	58,924,280
2) Others - Considered Good	2,470,182,723	1,732,959,757
	2,568,845,590	1,791,884,037
Less : Provision for Doubtful Debts	1,537,184	900,828
TOTAL	2,567,308,406	1,790,983,209
SCHEDULE 9 : CASH AND BANK BALANCES		
CASH ON HAND	2,055,392	1,342,181
BANK BALANCES		
a) With Scheduled banks		
In Current Accounts	24,340,636	39,333,638
In Time Deposits	2,489,457	2,443,000
(Rs. 400,000 pledged with Sales Tax authorities)		
Margin Money against LCs	10,625,467	16,476,740
b) With Non-scheduled banks		
Vishweshwar Sahakari Bank Ltd.	10,543	10,593
[Maximum balance Rs. 10543/- (P. Y. Rs. 10,593/-)]		
TOTAL	39,521,495	59,606,152

SCHEDULES FORMING PART OF BALANCE SHEET

AS AT 31ST MARCH, 2011

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 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. 8,53,47,193/- (previous year Rs. 13,56,00,000/-)]	245,504,961	226,915,090
2) Interest Accrued but not due	7,201,728	7,835,238
3) Prepaid expenses	578,283	667,879
4) Staff Loans & Advances	8,674,091	11,619,267
5) Deposits	10,011,167	14,381,481
6) Loan to Subsidiary	33,552,850	—
7) Balances with Excise, VAT etc authorities	35,135,698	25,630,248
TOTAL	340,658,778	287,049,203

SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS

A) CURRENT LIABILITIES		
1) Acceptances	144,843,165	127,579,869
2) Sundry Creditors		
a) Micro, Medium, Small Enterprises	11,272,975	8,414,530
b) Others	196,887,316	172,814,758
c) For Expenses	45,902,384	38,718,702
3) Unclaimed Dividend*	3,210,469	2,186,407
4) Trade Deposits	14,800,000	14,200,000
5) Other Liabilities	24,914,364	17,878,892
	441,830,673	381,793,158
B) PROVISIONS		
For Tax (net of Advance tax and TDS)	158,771,750	90,160,584
For Employee benefit	2,570,807	2,570,807
For Proposed Dividend	37,171,928	31,921,928
For Dividend Distribution Tax	6,174,258	5,302,232
For Other	—	26,537,456
	204,688,743	156,493,007
TOTAL	646,519,416	538,286,165

* 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 2011

	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
SCHEDULE 12 : OTHER INCOME		
Interest		
a) Bank Deposits (tax deducted at source Rs. 72,733/- (previous year Rs. 61,544/-)	761,126	598,220
b) Other Interest (tax deducted at source Rs. 410,244/- (previous year Rs. 5,43,146/-)	6,372,534	7,534,963
Export Incentives	5,604,516	4,512,504
Exchange Gain (net)	7,081,007	3,519,887
Claims, Refunds & Miscellaneous Income	12,407,059	9,691,937
Dividend on long term investments	35,000	68,100
Liabilities and Provisions Written Back	3,541,357	866,066
Profit on Sales of Asset	1,523,275	—
TOTAL	37,325,874	26,791,677

SCHEDULE 13 : MATERIAL COST

A) Cost of Material		
Opening Stock	201,807,623	128,169,432
Add : Purchases	4,748,816,373	3,593,099,530
	4,950,623,996	3,721,268,962
Less : Closing Stock	278,511,968	201,807,623
	(A) 4,672,112,028	3,519,461,339
B) Purchase of Finished Goods	(B) 464,393,782	369,129,354
C) Increase / Decrease in Stocks		
i) Opening Stock		
Work in Process	105,316,599	88,216,225
Finished Goods	381,500,788	297,928,843
	486,817,387	386,145,068
ii) Closing Stock		
Work in Process	151,587,993	105,316,599
Finished Goods	413,048,392	381,500,788
	564,636,385	486,817,387
Decrease / (Increase) in Stocks	(C) (77,818,998)	(100,672,319)
Cost of Material	TOTAL 5,058,686,812	3,787,918,374

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2011

	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
SCHEDULE 14 : EMPLOYEE COSTS		
Salaries, Wages, Bonus Gratuity etc..	159,539,417	145,467,221
Contributions to Provident and Other Funds	12,673,533	11,564,778
Staff Welfare Expenses	4,579,778	3,088,941
TOTAL	176,792,728	160,120,940

SCHEDULE 15 : MANUFACTURING AND OTHER EXPENSES

Power & Fuel	27,002,086	22,484,487
Consumption of Stores & Spares	8,719,924	5,960,129
Repairs & Maintenance :		
Building	1,902,344	1,284,260
Plant & Machinery	4,806,744	4,365,262
Others	1,603,990	1,694,078
Labour and Processing Charges	44,611,311	35,843,179
Factory Expenses	11,588,066	10,128,213
Research & Development Expenses	2,858,658	4,663,764
Rent, Rates & Taxes	11,313,454	10,121,194
Communication Expenses	7,888,499	7,078,942
Registration & License Fees	5,872,068	1,016,113
Travelling & Conveyance	82,757,834	66,526,452
Vehicle Expenses	3,388,532	2,546,769
Printing & Stationary	6,419,516	5,323,516
Legal & Professional Fees	14,521,798	10,475,921
Sitting fees to Directors	435,000	349,000
Sales Promotion	39,372,138	32,814,661
Insurance	2,452,728	3,012,220
Breakages and Expiry	12,678,669	16,687,437
Provision for Doubtful Debts	1,537,184	—
Commission on sales	20,941,711	14,029,635
Carriage Outward	39,269,742	35,936,654
Bank & Finance Service charges	24,116,121	46,459,815
Miscellaneous Expenses	4,587,377	8,436,086
TOTAL	380,645,494	347,237,787



NOTES TO ACCOUNTS

SCHEDULE 16 : NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.3.2011

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 up to 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 is 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.

Income from conversion charges is recognized as per terms of contract when the related services are rendered.

Export incentive entitlements are recognized as income when right to receive is established.

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 Employee 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 contribution plan in the form of Provident Fund, Family Pension Fund are charged to the Profit and Loss Account in the year when the contributions to the respective funds accrue.

NOTES TO ACCOUNTS

Retirement benefit plans such as gratuity and leave encashment is recognized at present value of amount payable determined using actuarial valuation techniques. Actuarial gains and losses are charged to Profit & Loss account.

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.

2. Notes forming part of Accounts

2.1 Estimated amount of outstanding contract/ capital commitment Rs. 8,53,47,193/- (PY.Rs.11,54,00,000/-)

2.2 Contingent Liabilities not provided for:

- a) 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. 544,297/-
- b) Corporate Guarantee given on behalf of subsidiary Rs. 15,00,00,000/- (PY Nil)

2.3 Convertible warrants:

On 13th March 2010, the Company had allotted 35,00,000 Convertible Warrants of Rs. 86/- (Rs. Eighty Six) each to seven subscribers with the Option to convert the same within 18 months from the date of allotment. All the seven warrant Holders exercised their Option to convert the said warrants in to Equity Shares and accordingly the Company has allotted 35,00,000 Equity Shares of Rs. 5/- Each at a premium of Rs. 81/- per Share in the month of June 2011.

2.4 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.



NOTES TO ACCOUNTS

2.5 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	
				31.03.2011	31.03.2010
Formulations					
Liquids	Litres	(000)	N.A.	3430	3430
Tablets	Nos.	(00000)	N.A.	60200	60200
Capsules	Nos.	(00000)	N.A.	12990	12990
Powders, Creams & Ointment	Kg.	(000)	N.A.	4100	3735

CLASS OF GOODS	PRODUCTION (#)		LOAN LICENSE PROCESSING		TOTAL	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Liquids	2422.11	1838.81	111.92	118.76	2534.03	1957.57
Tablets	53232.35	48916.54	3982.32	3756.22	57214.67	52672.76
Capsules	8259.74	6942.67	88.92	83.79	8348.66	7026.46
Powders, Creams & Ointment	1891.57	994.09	439.59	429.18	2331.16	1423.27

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		2010-11		2009-10	
			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

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

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2010-11		2009-10	
			QTY.	AMOUNT	QTY.	AMOUNT
Formulations						
Liquids	Litres	(000)	2454.73	383522382	2184.32	289584618
Tablets	Nos.	(00000)	56709.34	4451532702	54423.61	3297441298
Capsules	Nos.	(00000)	8241.86	1149141873	7369.04	930426816
Powders, Creams, Ointment & Others	Kg	(000)	1953.17	529089438	1149.53	312371492
				6513286395		4829824224
Less: Excise duty				34688276		14860328
Net Sales				6478598119		4814963896

NOTES TO ACCOUNTS

(d) CLOSING STOCK OF FINISHED GOODS

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2010-11		2009-10	
			QTY.	AMOUNT	QTY.	AMOUNT
Formulations	Litres	(000)	851.52	98029091	746.51	94768241
Liquids	Nos.	(00000)	4309.74	214394394	3153.67	188934812
Tablets	Nos.	(00000)	261.69	21782642	193.85	19765487
Capsules	Kg	(000)	529.08	78842265	425.44	78032248
Powders, Creams, Ointment & Others						
TOTAL				413048392		381500788

(e) COST OF MATERIALS CONSUMED

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2010-11		2009-10	
			QTY.	AMOUNT	QTY.	AMOUNT
Purchase of Bulk Drug	Ton	—	32147.22	3966204953	29378.46	3027637368
Capsules	Nos.	(00000)	8145.76	169560992	7251.87	129435872
Packing material			—	169153486	—	134798432
Others			—	367192597	—	227589667
TOTAL				4672112028		3519461339

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

(f) COST OF MATERIALS CONSUMED

(in Rs.)

PARTICULARS	2010-11		2009-10	
	%	AMOUNT	%	AMOUNT
Indigenous	99.66	4656336078	98.95	3482371814
Imported	0.34	15775950	1.05	37089525
TOTAL	100.00	4672112028	100.00	3519461339

(g) STORES & SPARES CONSUMED

(in Rs.)

PARTICULARS	2010-11		2009-10	
	%	AMOUNT	%	AMOUNT
Indigenous	100	8719924	100	5960129
TOTAL	100	8719924	100	5960129

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

(in Rs.)

PARTICULARS	2010-11	2009-10
Material	15775950	37089525

(i) EXPENDITURE IN FOREIGN CURRENCY

(in Rs.)

PARTICULARS	2010-11	2009-10
Material	15775950	37089525
Traveling & other expenses	682449	88742
Registration & License Fee	3396221	589314
Interest on Working Capital	10305914	6148596
Other	358450	—



NOTES TO ACCOUNTS

(j) EARNINGS IN FOREIGN CURRENCY

(in Rs.)

PARTICULARS	2010-11	2009-10
Exports at FOB value	587498840	434161859
Insurance, freight and other recoveries	16553310	6573973

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

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

(in Rs.)

PARTICULARS	2010-11	2009-10
Basic Salary	3900000	2400000
Perquisites	3373000	2180040
Contribution to Provident Fund	468000	288000
Total	7741000	4868040

2.8 (a) Payment to Auditors

(in Rs.)

PARTICULARS	2010-11	2009-10
Statutory Audit Fee	600000	600000
Tax Audit	125000	125000
Other Certifications	275000	275000
Consolidation	300000	—
Service Tax	133900	103000
Total	1433900	1103000

(b) Payment to Cost Auditors

(in Rs.)

PARTICULARS	2010-11	2009-10
Cost Audit Fee	100000	80000
Service Tax	10300	8240
Total	110300	88240

2.9 Micro, Small and Medium Enterprises

(in Rs.)

PARTICULARS	2010-11	2009-10
Principal amount due to vendor	11272975	8414530
Interest accrued and remain unpaid	—	—
Total	11272975	8414530

Names of enterprises to whom the Company owes as on 31st March, 2011 :

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, Sai Arts Pvt. Ltd., Sai Krupa Enterprises, Chintamani Packaging Pvt. Ltd., Innoflex Lamination Pvt., Hi tech Bioscience India Ltd., Suyash Laboratories Ltd., Vasata Biotech Pvt. Ltd., Vital Laboratories Ltd.

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

NOTES TO ACCOUNTS

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

PARTICULARS		2010-11	2009-10
Net Profit for the year (Rs.)	(a)	494445815	326251490
Weighted Average Number of Equity Shares	(b)	21281285	21281285
Nominal value per share (Rs.)		5	5
Basic and diluted EPS (Rs.)	[(a)/b]	23.23	15.33

Since the rate at which warrants are converted into equity shares are higher than the fair value on the date of conversion, the effect is considered anti-dilutive and hence have not been considering for calculating diluted earnings per share.

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

PARTICULARS		2010-11	2009-10
Deferred Tax Liability :			
Depreciation	(A)	57723477	52619534
Less : Deferred Tax Asset			
Allowable on payment basis under Income Tax Act, 1961	(B)	4103755	2519634
Net Deferred Tax Liability Rs. [A – B]		53619722	50099900

2.12 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	710.51 (683.83)	31596.31 (31593.10)
		EURO	213.66 (-)	13409.56 (-)
		POUND	17.05 (-)	1217.69 (-)
2.	Working Capital Loan	USD	1849.57 (1849.57)	83711.47 (84488.29)
3.	Sundry Creditors	USD	- (1.72)	- (781.96)
		EURO	- (101.58)	- (8059.54)
		CHF	8.08 (3.84)	394.11 (163.52)

2.13 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	2010-11	2009-10
Employer's Contribution to Provident Fund	8509749	7694358
Employer's Contribution to Gratuity Fund	765261	(3589336)
Employer's Contribution to Leave Encashment Fund	31540	1223640



NOTES TO ACCOUNTS

Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2011

(in Rs.)

PARTICULARS	Leave Encashment		Gratuity	
	2010-11	2009-10	2010-11	2009-10
(i) Change in Defined Benefit Obligation				
Opening defined obligation	3728047	2436781	5955450	9018375
Current service cost	513713	804207	824033	798132
Interest cost	298244	194942	476436	721470
Actuarial loss / (gain)	(731043)	292117	(15789)	(4582527)
Liabilities settled on sale of business	—	—	—	—
Benefits paid	(419723)	—	(883673)	—
Closing defined benefit obligations	3389238	3728047	6356457	5955450
(ii) Change in Fair Value of Assets				
Opening fair value of plan assets	806796	739073	6305894	5751265
Expected return on plan assets	49374	67626	519419	526411
Actuarial gain / (loss)	—	—	—	—
Contributions by employer	209610	97	185440	28218
Assets distributed on sale of business	—	—	—	—
Benefits paid	(419723)	—	(883673)	—
Closing fair value of plan assets	646057	806796	6127080	6305894
Actual return on plan assets	49374	67626	519419	526411
(iii) Amount recognized in the Balance Sheet				
Present value of obligations as at year end	3389238	3728047	6356457	5955450
Fair value of plan assets as at year end	646057	806796	6127080	6305894
Amount not recognized as an asset	—	—	—	—
Net (asset) / liability recognized	2743181	2921251	229377	(350444)
(iv) Expenses recognized in the Profit & Loss Account				
Current service cost	513713	804207	824033	798132
Interest on defined benefit obligation	298244	194942	476436	721470
Expected return on plan assets	(49374)	(67626)	(519419)	(526411)
Net actuarial loss / (gain) recognized in the current year	(731043)	292117	(15789)	(4582527)
Effect of the limit in Para 59(b) of the revised AS 15	—	—	—	—
Total expense	31540	1223640	765261	(3589336)
(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%

2.14 "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.
(d) Subsidiary	Briocia Pharma (India) Limited

NOTES TO ACCOUNTS

(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	Transaction with Subsidiary	Total
Remuneration	7741000 (4868040)	- (-)	- (-)	- (-)	7741000 (4868040)
Rent	875556 (875556)	2185608 (2185608)	756000 (756000)	- (-)	3817164 (3817164)
Interest Paid	- (-)	- (-)	4936466 (918985)	- (-)	4936466 (918985)
Loan Repaid	98493921 (-)	- (-)	127993706 (-)	- (-)	226487627 (-)
Loan Received	98493921	-	160977667 (16642003)	-	259471588 (16642003)
Conversion Charges paid	- (-)	- (-)	- (-)	4156794 (-)	4156794 (-)
Interest Received	- (-)	- (-)	- (-)	265278 (-)	265278 (-)
Loan Given	- (-)	- (-)	- (-)	40384315 (-)	40384315 (-)
Amount Received	- (-)	- (-)	- (-)	6831465 (-)	6831465 (-)

Note :

- i) Remuneration (a) Mr. Gopal Ramourti Rs.4,188,000/- Mr. Nainish Bora Rs.2,244,000/- Mr. Abhijit Bora Rs.1,309,000/-
ii) Rent (a) Mr. Rajendra C Bora Rs.875,556/- Rent (b) Mrs. L.R. Bora Rs.813,480/- ; Mrs. Sonia Gopal Rs.496,584 /- ; Mrs. Preeti Bora Rs.437,772/- ; Mrs. Pooja Bora Rs. 437,772/- Rent (c) Regent Financial Services Pvt Ltd. Rs.756,000/-
iii) Interest (c) G R Capital & Finance Pvt Ltd. Rs.4,915,466/- , Dubash Investment & Finance Co Ltd Rs. 21,000/-
iv) Loan Repaid : (a) Gopal RamourtiRs. 98,493,921/- (c) G R Capital & Finance Pvt Ltd. Rs.12,79,93,706/-
v) Loan Received : (a) Gopal RamourtiRs. 98,493,921/- (c) G R Capital & Finance Pvt Ltd. Rs.160,977,667/-
vi) Previous year figures are in brackets

2.15 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.

2.16 Figures of the pervious 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 : 27th August, 2011

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
Nikhil Kulkarni Assistant Company Secretary

Place : Mumbai
Date : 27th August, 2011



INFORMATION RELATING TO SUBSIDIARY COMPANY

FINANCIAL DETAILS OF SUBSIDIARY COMPANY FOR THE YEAR ENDED ON 31ST MARCH 2011

(Rs.)

Sr. No.	Name of the Company	Briocia Pharma (India) Limited
1	Capital	12,000,000
2	Reserves & surplus	125,420,032
3	Total Assets	362,570,322
4	Total Liabilities	362,570,322
5	Details of Investment (except in case of investment in subsidiaries)	NIL
6	Turnover	140,209,856
7	Profit/ (Loss) before Taxation	22,482,644
8	Provision for Taxation	564,159
9	Profit after Tax	21,918,485
10	Proposed/ Interim Dividend	NIL

Note : The figures appearing in S No. 6 to 9 are pertaining to the period 25.11.2010 to 31.03.2011 since Briocia has become subsidiary w.e.f. 25.11.2010

STATEMENT PURSUANT TO SECTION 212(3) & 212(5) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Sr. No.	Name of the Company	Briocia Pharma (India) Limited
1	Financial year of the subsidiary Company ended on	31st March, 2011
2	Number of Shares held by holding Company as on 31st March, 2011	1,200,000 Equity Shares of Rs. 10 each
3	Extent of Interest of holding Company at the end of the financial year of the Subsidiary	100%
4	Date from which it became a subsidiary	25.11.2010
5	The net aggregate amount of Profits/ (Losses) of the subsidiary so far as the concern member of the holding company not dealt with in the holding Company's accounts for the Period 25.11.2010 to 31.03.2011	Rs. 21,918,485/-
6	The net aggregate amount of Profits/ (Losses) of the subsidiary so far as the concern member of the holding company dealt with in the holding Company's accounts at the year ended 31st March, 2011	NIL
7	Changes in the interest of holding Company between the end of the subsidiary's financial year and 31/03/2011.	Not Applicable

Note : Previous year's figures are not given since Briocia has become subsidiary during the F.Y. 2010-2011.

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the attached consolidated Balance Sheet of Twilight Litaka Pharma Limited (the company) and its subsidiary (collectively referred to as the Group), as at 31st March 2011, and also the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of Twilight Litaka Pharma Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidencesupporting the amounts 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.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 as notified by the Companies (Accounting Standards) Rules, 2006.

Based on our audit as aforesaid and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India ;

- (i) In the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2011;
- (ii) In the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
- (iii) In the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

Place : Mumbai
 Date : 27th August, 2011

V MOHAN
PARTNER
Membership No. 17748



CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2011

	SCH.	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
SOURCES OF FUNDS			
1) SHAREHOLDER'S FUNDS :			
Share Capital	1	106,406,425	106,406,425
Share Application Money (Convertible Warrents)		75,250,000	75,250,000
Reserves & Surplus	2	1,356,101,623	878,432,551
		1,537,758,048	1,060,088,976
2) LOAN FUNDS:			
Secured Loans	3	2,170,802,471	1,582,004,358
Unsecured Loans	4	544,839,719	369,931,682
		2,715,642,190	1,951,936,040
3) DEFERRED TAX LIABILITY (Net)		54,291,789	50,099,900
	TOTAL	4,307,692,027	3,062,124,916
APPLICATION OF FUNDS			
1) FIXED ASSETS :			
A) Gross Block		1,192,958,249	844,927,671
Less : Depreciation & Amortisation		278,512,293	171,189,800
Net Block	5	914,445,956	673,737,871
B) Capital Work in Progress		186,437,711	98,292,403
		1,100,883,667	772,030,274
2) INVESTMENTS	6	379,149	379,149
3) CURRENT ASSETS, LOANS & ADVANCES :			
a) Inventories	7	884,229,884	690,363,094
b) Sundry Debtors	8	2,659,038,090	1,790,983,209
c) Cash & Bank Balances	9	43,181,592	59,606,152
d) Loans and Advances	10	313,492,335	287,049,203
		3,899,941,901	2,828,001,658
Less : Current Liabilities & Provisions	11		
a) Current Liabilities		486,751,803	381,793,158
b) Provisions		206,760,887	156,493,007
		693,512,690	538,286,165
Net Current Assets		3,206,429,211	2,289,715,493
	TOTAL	4,307,692,027	3,062,124,916

Schedule & Notes forming integral part of accounts.

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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 : 27th August, 2011

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
Nikhil Kulkarni Assistant Company Secretary

Place : Mumbai
Date : 27th August, 2011

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2011

	SCH.	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
INCOME :			
Sales (Gross)		6,645,886,383	4,829,824,224
Less : Excise Duty		37,379,890	14,860,328
Net Sales		6,608,506,493	4,814,963,896
Processing & Service Charges		94,971,953	104,658,691
Other Income	12	37,445,979	26,791,677
	TOTAL	6,740,924,425	4,946,414,264
EXPENDITURE :			
Material Cost	13	5,151,829,132	3,787,918,374
Employee Costs	14	184,757,382	160,120,940
Manufacturing and Other Expenses	15	387,750,007	347,237,787
Interest :			
On fixed loans		67,937,581	54,796,771
On Others		252,554,779	160,278,381
		320,492,360	215,075,152
Depreciation and amortisation	5	41,497,294	30,699,767
Less : Transfer to Revaluation Reserve		1,687,032	154,612
		39,810,262	30,545,155
PROFIT BEFORE TAX		656,285,281	405,516,856
Provision for tax :			
Current tax		136,401,159	69,826,514
Deferred tax		3,519,822	9,438,852
		139,920,981	79,265,366
PROFIT AFTER TAX		516,364,300	326,251,490
Less : Short Provision for Tax for earlier year		3,891,246	-
Add : Surplus brought forward from Balance Sheet		679,849,951	423,447,770
Profit available for Appropriation		1,192,323,005	749,699,260
APPROPRIATIONS :			
Proposed Dividend		37,171,928	31,921,928
Dividend Distribution Tax		6,174,258	5,302,232
Transfer to General Reserve		49,444,582	32,625,149
Transfer to Revaluation Reserve		6,012,730	-
Surplus carried forward		1,093,519,508	679,849,951
Basic & Diluted EPS		24.26	15.33
[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 : 27th August, 2011

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
Nikhil Kulkarni Assistant Company Secretary

Place : Mumbai
 Date : 27th August, 2011



CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2011

	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
1 Cash Flow from Operating Activity		
Net Profit Before Tax	656,285,281	405,516,856
Adjustment for :		
Depreciation & Amortisation	39,810,262	30,545,155
Loss / (Profit) on Sale of Assets (Net)	(1,523,275)	-
Interest Paid	320,492,360	215,075,152
Interest Received	(6,934,988)	(8,133,183)
Dividend Received	(35,000)	(68,100)
Operating Profit before Working Capital Changes	1,008,094,641	642,935,880
Adjustment for :		
Trade & Other Receivables	(860,772,831)	(422,692,468)
Inventories	(177,496,766)	(171,590,341)
Trade Payables	38,599,733	162,900,991
Cash Generated from operations	8,424,777	211,554,062
Direct Taxes (Paid) / Refunds (Net)	(71,712,195)	(69,826,514)
Net Cash flow from Operating activity (A)	(63,287,418)	141,727,548
2 Cash Flow from Investing Activity		
Purchases of Fixed Assets (including changes in Capital WIP)	(265,412,218)	(168,289,460)
Sale of Fixed Assets	2,315,002	-
Sale/(Purchase) of Investments	-	(2,220)
Dividend Received	35,000	68,100
Interest Received	6,934,988	8,133,183
Advance Against Investment	-	(135,600,000)
Net Cash Inflow / (Outflow) from Investing Activity (B)	(256,127,228)	(295,690,397)
3 Cash Flow from Financing Activity		
Proceeds from issue of Convertible Warrents	-	75,250,000
Proceeds from / (Repayment) of Borrowings :		
Term Loans / Working Capital Facilites / Other Loans	660,406,151	347,625,800
Dividend Paid	(37,224,160)	(37,224,160)
Interest Paid	(320,492,360)	(215,075,152)
Net Cash from / (utilised) in Financing Activities (C)	302,689,631	170,576,488
Net Increase / (Decrease)	(16,725,016)	16,613,639
4 Cash & Cash Equivalents		
Cash & cash equivalents at start of the year	59,606,152	42,992,513
Add : Upon Addition of Subsidiaries	300,456	-
Cash & cash equivalent at the close of year	43,181,592	59,606,152

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 : 27th August, 2011

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
Nikhil Kulkarni Assistant Company Secretary

Place : Mumbai
Date : 27th August, 2011

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2011

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 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) CAPITAL RESERVE ON CONSOLIDATION	1,581,509	—
5) REVALUATION RESERVE	69,093,386	56,119,962
5) GENERAL RESERVE		
As per last Balance Sheet	72,661,657	40,036,508
Add : Transfer from Profit & Loss A/C	49,444,582	32,625,149
	122,106,239	72,661,657
6) SURPLUS IN PROFIT & LOSS A/C	1,093,519,508	679,849,951
TOTAL	1,356,101,623	878,432,551



SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2011

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
SCHEDULE 3 : SECURED LOANS		
FROM BANKS		
1) TERM LOANS:	329,049,528	187,299,689
[Secured by first equitable mortgage of some of the immovable properties and personal guarantee of some of the Directors.]		
[Includes vehicle loan Rs. 60,893/- (P. Y. Rs. 4,06,664/-) secured against hypothecation of vehicle.]		
[Payable within a year Rs. 11,50,00,000/- (P. Y. Rs. 9,29,11,979/-)]		
2) WORKING CAPITAL FACILITIES :	1,841,752,943	1,394,704,669
[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]		
TOTAL	2,170,802,471	1,582,004,358

SCHEDULE 4 : UNSECURED LOANS

(A) Short Term :

From Bank :	199,999,452	20,000,000
[Payable within a year Rs. 19,99,99,452/- (P.Y.Rs. 2,00,00,000)]		
(Secured by hypothecation of all movable assets of the company and against personal guarantee of Managing Director)		

(B) Other :

(1) From Bank :	4,696,950	8,556,021
[Payable within a year Rs. 42,67,266/- (P. Y. Rs. 33,05,229/-)]		
(Against personal guarantees of Chairman & his relatives and their immovable properties.)		
(2) From Others :	340,143,317	341,375,661
[(includes Rs. 5,60,63,851/- (P.Y.Rs. 60,868,554/-) sales tax deferrals repayable in instalments from 2009-10 to 2019-20]		
[Rs. 28,767,798/- (P. Y. Nil) against personal guarantees of Chairman & his relatives and their immovable properties.]		

TOTAL	544,839,719	369,931,682
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SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2011

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
		01.04.2010			01.04.2010	Year	31.03.2011	31.03.2011	31.03.2011	31.03.2010
1	LAND (FREEHOLD)	70,268,427	586,000	-	-	-	-	-	70,854,427	70,268,427
2	LAND (LEASEHOLD)	60,602,123	-	-	4,792,383	420,202	-	5,212,585	55,389,538	56,325,143
3	FACTORY BUILDING	309,092,055	856,180	-	83,427,622	10,929,941	-	94,357,563	215,590,672	228,278,103
4	RESIDENTIAL FLATS	958,040	-	958,040	162,805	3,509	166,314	-	-	795,235
5	PLANT & MACHINERY	270,810,117	20,397,626	-	49,317,113	13,004,577	-	62,321,690	228,886,053	221,940,323
6	FACTORY & OTHER EQUIPMENTS INCLUDING COMPUTERS	156,991,063	132,861,621	-	48,990,666	9,873,232	-	58,863,898	230,988,786	109,258,137
7	MOULD, DIES JIGS, BLOCK & DESIGNS	18,120,241	1,258,646	-	12,956,595	989,075	-	13,945,670	5,433,217	5,163,646
8	AIR CONDITIONING SYSTEM	63,313,960	6,232,138	-	11,049,208	1,579,429	-	12,628,637	56,917,461	52,264,752
9	ELECTRICAL INSTALLATION	23,508,117	5,122,457	-	8,750,069	927,349	-	9,677,418	18,953,156	14,900,556
10	FURNITURE & FIXTURE	23,034,503	10,910,282	-	6,890,888	1,351,824	-	8,242,712	25,702,073	16,280,174
11	VEHICLES	8,604,498	-	-	3,902,893	817,427	-	4,720,320	3,884,178	4,701,605
12	INTANGIBLE ASSETS									
	a) TRADEMARKS	5,000,000	-	-	2,750,000	1,000,000	-	3,750,000	1,250,000	2,250,000
	b) SOFTWARE	2,344,504	-	-	2,344,504	-	-	2,344,504	-	-
	c) TECHNICAL KNOWHOW	3,000,000	-	-	1,809,863	600,000	-	2,409,863	590,137	1,190,137
	TOTAL	1,015,691,339	178,224,950	958,040	1,192,958,249	41,497,294	166,314	278,512,293	914,445,956	783,624,683
	PREVIOUS YEAR	722,392,758	122,534,913	-	844,927,671	30,699,767	-	171,189,800	673,737,871	-



SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2011

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
SCHEDULE 6 : INVESTMENTS		
(Long term, Non Trade, at cost and Unquoted)		
a) 60 shares of Rupee Co-op Bank Ltd. of Rs. 25/- each fully paid.	1,500	1,500
b) 7000 shares of Vishweshwar Sahakari Bank Ltd. of Rs. 50/- each fully paid.	350,000	350,000
c) National Saving Certificate (Pledged with sales tax authorities)	27,649	27,649
TOTAL	379,149	379,149
SCHEDULE 7 : INVENTORIES		
Stores & Spares	1,436,219	1,738,084
Raw Materials*	219,656,219	137,481,277
Packing Materials	94,345,230	64,326,346
Work In Process	154,907,189	105,316,599
Finished Goods	413,885,027	381,500,788
* Includes goods in transit		
TOTAL	884,229,884	690,363,094
SCHEDULE 8 : SUNDRY DEBTORS		
(Unsecured, Considered Good unless otherwise stated)		
1) Exceeding Six months Considered Good	98,634,409	58,023,452
Considered Doubtful	1,537,184	900,828
	100,171,593	58,924,280
2) Others - Considered Good	2,560,403,681	1,732,959,757
	2,660,575,274	1,791,884,037
Less : Provision for Doubtful Debts	1,537,184	900,828
TOTAL	2,659,038,090	1,790,983,209
SCHEDULE 9 : CASH AND BANK BALANCES		
CASH ON HAND	2,091,215	1,342,181
BANK BALANCES		
a) With Scheduled banks		
In Current Accounts	27,159,910	39,333,638
In Time Deposits (Rs. 400,000 pledged with Sales Tax authorities)	2,489,457	2,443,000
Margin Money against LCs and Bank guarantee	11,430,467	16,476,740
b) With Non-scheduled banks		
Vishweshwar Sahakari Bank Ltd. [Maximum balance Rs. 10543/- (P. Y. Rs. 10,593/-)]	10,543	10,593
TOTAL	43,181,592	59,606,152

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2011

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 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. 9,88,51,147/- (P. Y. Rs. 13,56,00,000/-)]	246,023,330	226,915,090
2) Interest Accrued but not due	7,317,559	7,835,238
3) Prepaid expenses	657,984	667,879
4) Staff Loans & Advances	8,761,584	11,619,267
5) Deposits	10,220,092	14,381,481
6) Balances with Excise, VAT etc authorities	40,511,786	25,630,248
TOTAL	313,492,335	287,049,203

SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS

A) CURRENT LIABILITIES		
1) Acceptances	144,843,165	127,579,869
2) Sundry Creditors		
a) Micro, Medium, Small Enterprises	11,272,975	8,414,530
b) Others	227,628,217	172,814,758
c) For Expenses	56,454,055	38,718,702
3) Unclaimed Dividend*	3,210,469	2,186,407
4) Trade Deposits	14,820,000	14,200,000
5) Other Liabilities	28,522,922	17,878,892
	486,751,803	381,793,158
B) PROVISIONS		
For Tax (net of Advance tax and TDS)	160,843,894	90,160,584
For Employee benefit	2,570,807	2,570,807
For Proposed Dividend	37,171,928	31,921,928
For Dividend Distribution Tax	6,174,258	5,302,232
For Other	—	26,537,456
	206,760,887	156,493,007
TOTAL	693,512,690	538,286,165

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



SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2011

	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
SCHEDULE 12 : OTHER INCOME		
Interest		
a) Bank Deposits (tax deducted at source Rs. 72,733/- (previous year Rs. 61,544/-)	813,983	598,220
b) Other Interest (tax deducted at source Rs. 410,244/- (previous year Rs. 5,43,146/-)	6,121,005	7,534,963
Export Incentives	5,702,068	4,512,504
Exchange Gain (net)	7,149,343	3,519,887
Claims, Refunds & Miscellaneous Income	12,559,948	9,691,937
Dividend on long term investments	35,000	68,100
Liabilities and Provisions Written Back	3,541,357	866,066
Profit on Sales of Asset	1,523,275	—
TOTAL	37,445,979	26,791,677

SCHEDULE 13 : MATERIAL COST

A) Cost of Material		
Opening Stock	233,956,351	128,169,432
Add : Purchases	4,846,523,161	3,593,099,530
	5,080,479,512	3,721,268,962
Less : Closing Stock	314,001,449	201,807,623
	(A) 4,766,478,063	3,519,461,339
B) Purchase of Finished Goods	(B) 464,393,782	369,129,354
C) Increase / Decrease in Stocks		
i) Opening Stock		
Work in Process	108,052,883	88,216,225
Finished Goods	381,696,620	297,928,843
	489,749,503	386,145,068
ii) Closing Stock		
Work in Process	154,907,189	105,316,599
Finished Goods	413,885,027	381,500,788
	568,792,216	486,817,387
Decrease / (Increase) in Stocks	(C) (79,042,713)	(100,672,319)
Cost of Material	TOTAL	5,151,829,132
		3,787,918,374

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2011

	Year Ended 31.03.2011 Rs.	Year Ended 31.03.2010 Rs.
SCHEDULE 14 : EMPLOYEE COSTS		
Salaries, Wages, Bonus Gratuity etc..	167,052,944	145,467,221
Contributions to Provident and Other Funds	12,862,119	11,564,778
Staff Welfare Expenses	4,842,319	3,088,941
TOTAL	184,757,382	160,120,940

SCHEDULE 15 : MANUFACTURING AND OTHER EXPENSES

Power & Fuel	32,274,930	22,484,487
Consumption of Stores & Spares	8,996,820	5,960,129
Repairs & Maintenance :		
Building	1,967,641	1,284,260
Plant & Machinery	5,009,565	4,365,262
Others	1,890,285	1,694,078
Labour and Processing Charges	40,454,517	35,843,179
Factory Expenses	13,250,274	10,128,213
Research & Development Expenses	2,858,658	4,663,764
Rent, Rates & Taxes	11,314,287	10,121,194
Communication Expenses	7,992,558	7,078,942
Registration & License Fees	5,872,068	1,016,113
Travelling & Conveyance	82,999,927	66,526,452
Vehicle Expenses	3,404,011	2,546,769
Printing & Stationary	6,602,237	5,323,516
Legal & Professional Fees	15,881,674	10,475,921
Sitting fees to Directors	435,000	349,000
Sales Promotion	39,372,138	32,814,661
Insurance	2,503,810	3,012,220
Breakages and Expiry	12,678,669	16,687,437
Provision for Doubtful Debts	1,537,184	—
Commission on sales	20,941,711	14,029,635
Carriage Outward	40,217,246	35,936,654
Bank & Finance Service charges	24,557,237	46,459,815
Miscellaneous Expenses	4,737,561	8,436,086
TOTAL	387,750,008	347,237,787



NOTES TO CONSOLIDATED ACCOUNTS

SCHEDULE 16 : NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31.3.2011

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 Principles of Consolidation :

The consolidated financial statements relate to Twilight Litaka Pharma Limited (the 'Company') and its wholly owned subsidiary. The financial statements of the subsidiary company used in consolidation are drawn up to the same reporting date as of the company.

The consolidated financial statements have been prepared on the following basis:

- (a) The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions
- (b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner, as the Company's separate financial statements.
- (c) The subsidiary considered in the consolidated financial statement is :

NAME OF THE SUBSIDIARY	% ownership interest as at	
	31st March, 2011	31st March, 2010
Briocia Pharma (India) Limited	100%	Nil

1.4 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.

1.5 Depreciation and Amortization:-

A) Of Holding Company :

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.

Fixed Assets individually costing up to Rs.5,000/- are fully depreciated in the year of purchase.

Intangible Assets are amortized over their economic life not exceeding 5 years from the date of acquisition.

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.

Depreciation on Revalued assets is adjusted against the revaluation reserve to the extent of revaluation.

B) Of Subsidiary :

In respect of fixed assets other than Land, the Company has charged depreciation under Written down value method as per the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

NOTES TO CONSOLIDATED ACCOUNTS

Fixed Assets individually costing up to Rs.5,000/- are fully depreciated in the year of purchase.

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.

Depreciation on Revalued assets is adjusted against the revaluation reserve to the extent of revaluation.

1.6 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.

1.7 Investments:-

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

1.8 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.

Income from conversion charges is recognized as per terms of contract when the related services are rendered.

Export incentive entitlements are recognized as income when right to receive is established .

1.9 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.

1.10 Employee 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 contribution plan in the form of Provident Fund, Family Pension Fund are charged to the Profit and Loss Account in the year when the contributions to the respective funds accrue.

Retirement benefit plans such as gratuity and leave encashment is recognized at present value of amount payable determined using actuarial valuation techniques. Actuarial gains and losses are charged to Profit & Loss account.

1.11 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.

1.12 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.



NOTES TO CONSOLIDATED ACCOUNTS

1.13. 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 recognized 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.

1.14 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.

1.15 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.

1.16 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.

1.17 Capital reserve on consolidation :

Capital reserve on consolidation represents the difference between the Company's share in the net worth of subsidiary, and the cost of its investment at each point of time of making the investment in the subsidiary. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the investment after making necessary adjustments for material events between the date of such financial statements and the date of respective investment.

2. Notes forming part of Consolidated Accounts

2.1 Estimated amount of outstanding contract/ capital commitment Rs. 98,851,147/- (PY.Rs.115,400,000/-)

2.2 Contingent Liabilities not provided for:

- a) 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. 544,297/-
- b) The subsidiary has not considered it necessary to make provision in respect of Excise duty Demand of Rs. 41,12,014/- not accepted by the company as the same has been decided in favor of the company but has been disputed by the Department in Appeal before higher authorities

2.3 Convertible warrants:

On 13th March 2010, the Company had allotted 35,00,000 Convertible Warrants of Rs. 86/- (Rs. Eighty Six) each to seven subscribers with the Option to convert the same within 18 months from the date of allotment. All the seven warrant Holders exercised their Option to convert the said warrants in to Equity Shares and accordingly the Company has allotted 35,00,000 Equity Shares of Rs. 5/- Each at a premium of Rs. 81/- per Share in the month of June 2011.

2.4 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.

NOTES TO CONSOLIDATED ACCOUNTS

2.5 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	
				31.03.2011	31.03.2010
Formulations					
Liquids	Litres	(000)	N.A.	6830	3430
Tablets	Nos.	(00000)	N.A.	84200	60200
Capsules	Nos.	(00000)	N.A.	12990	12990
Powders, Creams & Ointment	Kg.	(000)	N.A.	4100	3735

CLASS OF GOODS	PRODUCTION (#)		LOAN LICENSE PROCESSING		TOTAL	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Liquids	3156.26	1838.81	111.92	118.76	3268.18	1957.57
Tablets	55607.79	48916.54	3982.32	3756.22	59590.11	52672.76
Capsules	8259.74	6942.67	88.92	83.79	8348.66	7026.46
Powders, Creams & Ointment	1891.57	994.09	439.59	429.18	2331.16	1423.27

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		2010-11		2009-10	
			QTY.	AMOUNT	QTY.	AMOUNT
Formulations						
Liquids	Litres	(000)	746.51	94768241	653.61	82139231
Tablets	Nos.	(00000)	3154.39	189130644	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				381696620		297928843

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

CLASS OF GOODS	UNIT OF MEASUREMENT		2010-11		2009-10	
			QTY.	AMOUNT	QTY.	AMOUNT
Formulations						
Liquids	Litres	(000)	3181.76	394549168	2184.32	289584618
Tablets	Nos.	(00000)	59078.94	4573105903	54423.61	3297441298
Capsules	Nos.	(00000)	8241.86	1149141873	7369.04	930426816
Powders, Creams, Ointment & Others	Kg	(000)	1953.17	529089439	1149.53	312371492
				6645886383		4829824224
Less: Excise duty				37379890		14860328
Net Sales				6608506493		4814963896



NOTES TO CONSOLIDATED ACCOUNTS

(d) CLOSING STOCK OF FINISHED GOODS

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2010-11		2009-10	
			QTY.	AMOUNT	QTY.	AMOUNT
Formulations						
Liquids	Litres	(000)	858.64	98618752	746.51	94768241
Tablets	Nos.	(00000)	4324.10	214641368	3153.67	188934812
Capsules	Nos.	(00000)	261.69	21782642	193.85	19765487
Powders, Creams, Ointment & Others	Kg	(000)	529.08	78842265	425.44	78032248
TOTAL				413885027		381500788

(e) COST OF MATERIALS CONSUMED

(in Rs.)

CLASS OF GOODS	UNIT OF MEASUREMENT		2010-11		2009-10	
			QTY.	AMOUNT	QTY.	AMOUNT
Purchase of Bulk Drug	Ton	—	32866.09	4052226684	29378.46	3027637368
Capsules	Nos.	(00000)	8145.76	169560992	7251.87	129435872
Packing material			—	169153486	—	134798432
Others			—	375536901	—	227589667
TOTAL				4766478063		3519461339

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

(f) COST OF MATERIALS CONSUMED

(in Rs.)

PARTICULARS	2010-11		2009-10	
	%	AMOUNT	%	AMOUNT
Indigenous	99.67	4750702113	98.95	3482371814
Imported	0.33	15775950	1.05	37089525
TOTAL	100.00	4766478063	100.00	3519461339

(g) STORES & SPARES CONSUMED

(in Rs.)

PARTICULARS	2010-11		2009-10	
	%	AMOUNT	%	AMOUNT
Indigenous	100	8996820	100	5960129
TOTAL	100	8996820	100	5960129

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

(in Rs.)

PARTICULARS	2010-11	2009-10
Material	15775950	37089525
Capital goods	1842490	—
TOTAL	17618440	37089525

(i) EXPENDITURE IN FOREIGN CURRENCY

(in Rs.)

PARTICULARS	2010-11	2009-10
Material	15775950	37089525
Traveling & other expenses	682449	88742
Registration & License Fee	3396221	589314
Interest on Working Capital	10305914	6148596
Capital goods	1842490	—
Other	358450	—

NOTES TO CONSOLIDATED ACCOUNTS

(j) EARNINGS IN FOREIGN CURRENCY**(in Rs.)**

PARTICULARS	2010-11	2009-10
Exports at FOB value	587498840	434161859
Insurance, freight and other recoveries	16553310	6573973

2.6 Dues to/from various parties are subject to confirmation.**2.7 Managerial Remuneration u/s 198 of the Companies Act, 1956 :****(in Rs.)**

PARTICULARS	2010-11	2009-10
Basic Salary	4140000	2400000
Perquisites	3373000	2180040
Contribution to Provident Fund	496800	288000
Total	8009800	4868040

2.8 (a) Payment to Auditors**(in Rs.)**

PARTICULARS	2010-11	2009-10
Statutory Audit Fee	800000	600000
Tax Audit	225000	125000
Other Certifications	275000	275000
Consolidation	300000	-
Service Tax	164800	103000
Total	1764800	1103000

(b) Payment to Cost Auditors**(in Rs.)**

PARTICULARS	2010-11	2009-10
Cost Audit Fee	125000	80000
Service Tax	12875	8240
Total	137875	88240

2.9 Micro, Small and Medium Enterprises**(in Rs.)**

PARTICULARS	2010-11	2009-10
Principal amount due to vendor	11272975	8414530
Interest accrued and remain unpaid	-	-
Total	11272975	8414530

Names of enterprises to whom the Company owes as on 31st March, 2011 :

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, Sai Arts Pvt. Ltd., Sai Krupa Enterprises, Chintamani Packaging Pvt. Ltd. Innoflex Lamination Pvt. Hi tech Bioscience India Ltd. Suyash Laboratories Ltd. Vasata Biotech Pvt. Ltd. Vital Laboratories Pvt. Ltd.

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



NOTES TO CONSOLIDATED ACCOUNTS

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

PARTICULARS		2010-11	2009-10
Net Profit for the year (Rs.)	(a)	516364300	326251490
Weighted Average Number of Equity Shares	(b)	21281285	21281285
Nominal value per share (Rs.)		5	5
Basic and diluted EPS (Rs.)	[(a)/b]	24.26	15.33

Since the rate at which warrants are converted into equity shares are higher than the for value on the date of conversion, the effect is considered anti-dilutive and hence have not been considering for calculating diluted earnings per share.

2.11 Deferred Tax calculation as per Accounting Standard (AS-22):

(in Rs.)

PARTICULARS		2010-11	2009-10
Deferred Tax Liability :			
Depreciation	(A)	58972082	52619534
Less : Deferred Tax Asset			
allowable on payment basis on the Income Tax Act, 1961	(B)	4680293	2519634
Net Deferred Tax Liability Rs. [A - B]		54291789	50099900

2.12 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	710.51	31596.31
			(683.83)	(31593.10)
		EURO	213.66	13409.56
			(-)	(-)
	POUND	17.05	1217.69	
		(-)	(-)	
2.	Working Capital Loan	USD	1849.57	83711.47
			(1849.57)	(84488.29)
3.	Sundry Creditors	USD	-	-
			(1.72)	(781.96)
		EURO	-	-
			(101.58)	(8059.54)
	CHF	8.08	394.11	
		(3.84)	(163.52)	

2.13 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	2010-11	2009-10
Employer's Contribution to Provident Fund	8509749	7694358
Employer's Contribution to Gratuity Fund	758154	(3589336)
Employer's Contribution to Leave Encashment Fund	31540	1223640

NOTES TO CONSOLIDATED ACCOUNTS

Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2011

(in Rs.)

PARTICULARS	Leave Encashment		Gratuity	
	2010-11	2009-10	2010-11	2009-10
(i) Change in Defined Benefit Obligation				
Opening defined obligation	3728047	2436781	6257764	9018375
Current service cost	513713	804207	873294	798132
Interest cost	298244	194942	500621	721470
Actuarial loss / (gain)	(731043)	292117	(61911)	(4582527)
Liabilities settled on sale of business	—	—	—	—
Benefits paid	(419723)	—	(883673)	—
Closing defined benefit obligations	3389238	37,28,047	6686095	59,55,450
(ii) Change in Fair Value of Assets				
Opening fair value of plan assets	806796	739073	6684374	5751265
Expected return on plan assets	49374	67626	553850	526411
Actuarial gain / (loss)	—	—	—	—
Contributions by employer	209610	97	189660	28218
Assets distributed on sale of business	—	—	—	—
Benefits paid	(419723)	—	(883673)	—
Closing fair value of plan assets	646057	806796	6544211	6305894
Actual return on plan assets	49374	67626	553850	526411
(iii) Amount recognized in the Balance Sheet				
Present value of obligations as at year end	3389238	3728047	6686095	5955450
Fair value of plan assets as at year end	646057	806796	6544211	6305894
Amount not recognized as an asset	—	—	—	—
Net (asset) / liability recognized	2743181	2921251	141884	(350444)
(iv) Expenses recognized in the Profit & Loss Account				
Current service cost	513713	804207	873294	798132
Interest on defined benefit obligation	298244	194942	500621	721470
Expected return on plan assets	(49374)	(67626)	(553850)	(526411)
Net actuarial loss / (gain) recognized in the current year	(731043)	292117	(61911)	(4582527)
Effect of the limit in Para 59(b) of the revised AS 15				
Total expense	31540	1223640	758154	(3589336)
(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%

2.14 "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

Mr. Ajay Bora - Managing Director

(from : 1.10.10 to 09.03.11)

Of Subsidiary



NOTES TO CONSOLIDATED ACCOUNTS

- | | |
|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (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	8009800 (4868040)	- (-)	- (-)	8009800 (4868040)
Rent	875556 (875556)	2185608 (2185608)	756000 (756000)	3817164 (3817164)
Interest Paid	- (-)	- (-)	4936466 (918985)	4936466 (918985)
Loan Repaid	98493921 (-)	- (-)	127993706 (-)	226487627 (-)
Loan Received	98493921 (-)	- (-)	160977667 (16642003)	259471588 (16642003)

Note :

- i) Remuneration (a) Mr. Gopal Ramourti Rs.4,188,000/- Mr. Nainish Bora Rs.2,244,000/- Mr. Abhijit Bora Rs.1,309,000/- Mr. Ajay Bora Rs. 268,800/-
- ii) Rent (a) Mr. Rajendra C Bora Rs.875,556/- Rent (b)Mrs. L.R. Bora Rs.813,480/- ; Mrs. Sonia Gopal Rs.496,584 /- ; Mrs. Preeti Bora Rs.437,772/- ; Mrs. Pooja Bora Rs. 437,772/- Rent(c) Regent Financial Services Pvt Ltd. Rs.756,000/-
- iii) Interest (c) G R Capital & Finance Pvt Ltd. Rs.4,915,466/- , Dubash Investment & Finance Co Ltd Rs. 21,000/-
- iv) Loan Repaid : (a) Gopal RamourtiRs. 98,493,921/- (c) G R Capital & Finance Pvt Ltd. Rs. 12,79,93,706/-
- v) Loan Received : (a) Gopal RamourtiRs. 98,493,921/- (c) G R Capital & Finance Pvt Ltd. Rs.160,977,667/-
- vi) Previous year figures are in brackets

2.15 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.

2.16 Figures of the pervious 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 : 27th August, 2011

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
Nikhil Kulkarni Assistant Company Secretary

Place : Mumbai
Date : 27th August, 2011

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 1

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

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

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

Total Liabilities : 4 1 3 6 5 4 9
 Total Assets : 4 1 3 6 5 4 9

Sources of Funds

Paid-up Capital : 1 0 6 4 0 6
 Share Application Money (Convertible Warrants) : 7 5 2 5 0
 Deferred Tax liability : 5 3 6 2 0
 Reserves & Surplus : 1 3 2 5 4 8 6
 Secured Loans : 2 0 3 2 5 2 6
 Unsecured Loans : 5 4 3 2 6 0

Application of Funds

Net Fixed Assets : 8 8 3 8 1 1
 Investments : 1 0 7 1 8 4
 Net Current Assets : 3 1 4 5 5 5 4

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

Turnover : 6 6 0 5 1 3 7
 Total Expenditure : 5 9 7 1 3 3 4
 Profit Before Tax : 6 3 3 8 0 3
 Profit After Tax : 4 9 4 4 4 6
 Earning per share (Rs.) : 2 3 . 2 3
 Dividend Rate % : 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 : P A R A C E T A M O L
 Item Code No. (ITC Code) : 3 0 0 3 . 2 0
 Product Description : S O Y A P R O T E I N I S O L A T E



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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 **37th Annual General Meeting** of the Company held on **Thursday**, the **29th Sept., 2011**, at **10.00 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

PROXY



TWILIGHT LITAKA PHARMA LIMITED

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

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 37th Annual General Meeting of the Company to be held on Thursday, 29th Sept., 2011 at

10.00 a.m. and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2011.

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.

BOOK POST



If undelivered please return to:

TWILIGHT LITAKA PHARMA LIMITED

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

www.twilightlitaka.com