



TML: CS: 2016-17:

27th September, 2016

The General Manager,
Corporate Relations Department
BSE Limited, 1st Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001.

The National Stock Exchange of India Ltd.
Exchange Plaza , 5th Floor,
Plot No. C/1, 'G' Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Dear Sir/Madam,

Sub: Annual Report 2015-16

In accordance with the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015), we submit herewith the soft copy of the Annual Report for the financial year 2015-16 duly approved and adopted by the shareholders of the Company at the 46th Annual General Meeting of the Company held on Wednesday, 14th September, 2016 at 10.30 AM at Registered Office of the Company situated at 69/-A, GIDC Industrial Estate, Dist. Valsad, Vapi – 396 196, Gujarat.

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

Thanking you,
Yours faithfully,

For **THEMIS MEDICARE LTD.**

PRAKASH D. NARINGREKAR
CFO & COMPANY SECRETARY



Themis Medicare Limited

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

Tel. : 91-22-6760 7080 • Fax : 91-22-6760 7070 / 2874 6621

Regd. Office : Plot No. 69-A, G.I.D.C. Industrial Estate, Vapi - 396 195, Gujarat.

CIN No.: L24110GJ1969PLC001590 • Tel / Fax No.: Regd. Off. : 0260 2431447 / 2430219

• E-mail : themis@themismedicare.com • Website : www.themismedicare.com



QUALITY YOU CAN TRUST



Annual - Report

2015 - 2016



Vision

To become the most admired research based pharmaceutical company with leadership in market share, research and profit by:

Including a high performance culture

Manufacturing the highest quality products

Being preferred in - sourcing partner for global pharmaceutical companies for research based unique products

Board of Directors

Shri. Hoshang Sinor

Chairman

Shri. Vijay Agarwal

Director

Dr. Laszlo Kovacs

Representative of Foreign

Collaborator

Dr. Sachin Patel

Deputy Managing Director

Shri. Hariharan Subramaniam

Director

Shri. Humayun Dhanrajgir

Director

Dr. Dinesh Patel

Managing Director & CEO

Shri. Rajneesh Anand

Director

Mr. Lajos Kovacs

Representative of Foreign Collaborator

Ms. Dharmishta Raval

Director

Mrs. Jayshree D. Patel

Alternate Director to

Dr. Laszlo Kovacs

(w. e. f. 30th March, 2016)

Mrs. Reena S. Patel

Alternate Director to

Mr. Lajos Kovacs

(w. e. f. 30th March, 2016)

Executive Management Board

Dr. Dinesh S. Patel

PH.D. CChem., FRSC (Lond.)

Overall Management

Dr. Sachin D. Patel

PH.D. CChem., University Of

Cambridge. U.K.

Research &

Business Development

REGISTERED OFFICE

Plot No. 69A, G.I.D.C. Industrial Estate,

Vapi – 396 195 Dist. Valsad, Gujarat - 396 195.

CIN: L24110GJ1969PLC001590

CORPORATE OFFICE

11/12 Udyog Nagar Industrial Estate,

S. V. Road, Goregaon (W), Mumbai - 400 104.

PLANTS/FACTORIES

Synthetic

69 / A, GIDC Industrial Estate,

Vapi, Dist. Valsad, Gujarat - 396 195

Bio-Tech

“Artemis Biotech” (A Division of Themis Medicare)

Plot No. 1 & 5, IDA, Jeedimetla, Hyderabad - 500 055.

Formulation

Sector 6-A, Plot No. 16, 17 & 18, IIE, BHEL, Haridwar

STATUTORY AUDITORS

M. T. Ankleshwaria & Co. (Chartered Accountants)

COST AUDITORS

B. J. D. Nanabhoy & Co. (Cost Accountants)

BANKERS

Union Bank of India

Bank of Baroda

E-mail: themis@themismedicare.com | **visit us at:** www.themismedicare.com

Dr. Shashikant P. Kurani

M.SC., PH.D., LL.M., D.P.L.P.

Regulatory & Scientific Affairs

Shri. Prakash D. Naringrekar

M.Com., ACS

Legal & Finance

Shri. T. Damodar Reddy

Graduate in Chemical Technology

API - Business Biotech

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Message from

The Managing Director & CEO

Dear Stakeholder,

I take immense pleasure in addressing the co-owners of the Company this year too!

The Annual Report for the year 2015-16 is before you along with this statement of mine. I feel proud to report robust consolidated bottom line of exceeding Rs. 1900 lacs which is one of the highest financial performance brought out by your company during the recent times.

This performance needs to be reviewed at the backdrop of losses incurred during 2011-12 and 2012-13 as also recovery path cautiously adopted by the Company thereafter.

To give you flavor of some of the efforts initiated by your Company, which resulted in better performance, I state:

- Traditional dependence of the Company on API business was reduced without curtailing the remunerative API business opportunities.
- Reduction in operational cost was achieved by weeding out un-remunerative API products which blocked sizable working capital coupled with costly imports.
- Increased thrust was given on improvement in finished dosage formulation business.
- Domestic formulation marketing team was gradually strengthen which now accounts for 800 plus hardcore marketing professionals.
- New research based differentiated formulation products were introduced and marketed through Pharma majors of international repute.
- On the financial side, Long term borrowings were regularly repaid (including full repayment of Public Deposits) resulting in lower financial cost.

Joint Venture and Associate Companies also performed in line with expectations!

At the same time I recall the famous dictum *"Even the best can be improved"*. With this philosophy in mind, I assure you that the Company's management at all levels shall strive hard to improve the performance year after year. On the business performance side, we shall put in all out efforts to surpass the pharma industry growth numbers in the coming years.

Further, during the first quarter of financial year 2016-17 your Board has taken a decision to infuse Rs. 25 crores through preferential allotment of 500000 Equity Shares at a price of Rs. 500/- as well as contribution from some of the Indian Promoters by allotment of 125000 convertible warrants at price of Rs. 500/- each. The funds will be judiciously used to improve the performance quantitatively as also in quality.

This investment in time of need depicts the confidence of investing community as also of the promoters in your Company.

I appreciate the trust shown by all the shareholders in the Company right from the initial public offering in 1995 with all patience like elderly family members. Your trust will definitely be rewarded in coming years, barring unforeseen circumstances.

Finally, I shall be failing in my duties if the continuous support given by all the stakeholders like suppliers, customers, bankers, Government agencies, foreign collaborators and employees is not acknowledged by me. I am sure the same support and patronage will be extended by all of you in future also!!

Sincerely,

Dinesh S. Patel

Managing Director & CEO

Notice to Members

NOTICE is hereby given that the 46th Annual General Meeting of the Members of **THEMIS MEDICARE LIMITED** will be held at the registered office of the Company at Plot no. 69-A, GIDC Industrial Estate, Vapi, Dist. Valsad, Gujarat-396 195 on Wednesday, 14th September, 2016 at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2016, together with the Auditors' Report and Directors' Report thereon.
2. To appoint a Director in place of Mr. Rajneesh Anand (DIN 00134856) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and at fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 M/s M. T. Ankleshwaria & Co. Chartered Accountants (Registration no. 100501W), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of 46th Annual General Meeting till the conclusion of the 47th Annual General Meeting of the Company at a remuneration as fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an

ORDINARY RESOLUTION:

"RESOLVED THAT, pursuant to the provisions of section 188(1) and 188 (1)(f) and all other applicable provisions of the Companies Act, 2013 read with Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014, and in terms of applicable provisions of the Listing Regulations (including any statutory modification(s) or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to Mrs. Jayshree D. Patel, Alternate Director to Dr. Laszlo Kovács and a relative of Dr. Dinesh S. Patel – Managing Director & CEO, Dr. Sachin D. Patel – Dy. Managing Director as well as Mrs. Reena S. Patel, Alternate Director to Mr. Lajos Kovacs, to hold and continue an office or place of profit as Consultant of Themis Medicare Limited on a monthly fees of Rs. 3,50,000/- (Rupees Three Lacs Fifty Thousand only) for a period of five years w. e. f. 4th May, 2016."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a

ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 188(1) and 188 (1)(f) and all other applicable provisions of the Companies Act, 2013 read with Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014, and in terms of applicable provisions of the Listing Regulations (including any statutory modification(s) or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to Mrs. Reena S. Patel., Alternate Director Mr. Lajos Kovacs and a relative of Dr. Dinesh S. Patel – Managing Director & CEO, Dr. Sachin D. Patel – Dy. Managing Director as well as Mrs. Jayshree D. Patel, Alternate Director to Dr. Laszlo Kovacs, to hold and continue an office or place of profit as Vice President – System & Administration, of Themis Medicare Limited, on the following terms and conditions for a period of five years w. e. f. 4th May, 2016.:

- i. Salary: Basic Salary Rs. 1,88,000/- per month plus HRA of Rs. 57,000/- per month.
- ii. Reimbursements: She shall be entitled to reimbursement of expenses incurred for the purpose of performance of her duties.
- iii. Terminal benefits: She shall also be entitled to followings as per company's policy: a) Contributions to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together, are not taxable under the Income-Tax Act, 1961. b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service
- iv. The increase in salary shall be as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this resolution."

6. To fix the remuneration of M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai to conduct the audit of the cost accounts for the year 2016-17 as an **ORDINARY RESOLUTION**.

"RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment hereof, for the time being in force), M/s. B.J.D. Nanabhoy & Co., Cost Accountants (Firm Registration no. 0011) Mumbai, appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost accounts maintained by the Company in respect of bulk drugs and formulations for the financial year ended 31st March, 2017, on a remuneration as fixed by the Board of Directors of the Company for the aforesaid financial year, plus service tax and out-of-pocket expenses in performance of their duties.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this Resolution."

By order of the Board of Directors
SD/-

PRAKASH D. NARINGREKAR
CFO & COMPANY SECRETARY
Membership No.: ACS 5941

MUMBAI : 11th May, 2016
Regd. Office : Plot No. 69-A, GIDC Industrial Estate,
Vapi-396 195, Dist. Valsad, (Gujarat).
CIN : L24110GJ1969PLC001590

NOTES:

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

1. The Instrument appointing the Proxy, duly completed, stamped and signed, should reach the Registered Office of the Company not less than forty-eight hours before the time of the Annual General Meeting. Members are requested to note that a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In terms of Section 152 of the Companies Act, 2013, Mr. Rajneesh Anand (DIN 00134856) Director, retire by rotation at the Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company has recommended his re-appointment.

Brief resume of Director seeking re- appointment at the 46th Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) 2015.

Name of the Director	Mr. Rajneesh Anand
Date of Birth	05.03.1954
Date of appointment	03.10.2008
Expertise in specific functional areas	Over 39 years of industrial experience in the areas of production, Planning, Project implementation, Engineering, Finance, Administration etc.
Qualifications	B.E.(Mech), MIE, DMS
shareholding of non-executive director	5600 Equity Shares
Relationship with other Directors	Not related to any Director

5. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
9. The Company has notified closure of Register of Members and Share Transfer Books from 8th September, 2016 to 14th September, 2016 (both days inclusive).
10. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2007-08, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Link inTime. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
12. Instructions for shareholders voting electronically are as under:
 - (i) Pursuant to the provisions of Section 108 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, as amended and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations,

2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

- (ii) The Board of Directors of the Company has appointed Mr. Shirish Shetye, a Practicing Company Secretary, Mumbai as a Scrutinizer to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (iii) The voting period begins on Saturday, 10th September, 2016 (at 9.00 am) and ends on Tuesday, 13th September, 2016 (till 5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date), i.e. 7th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for the relevant to Themis Medicare Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- A. The Ballot Form will be provided for the benefit of shareholders, who do not have access to E-voting facility.
- B. Pursuant to the applicable provisions of the Companies Act, 2013 & Listing Regulations, members who do not have access to E-voting facility, may exercise their right to vote on business to be transacted at the Annual General Meeting of the Company by submitting the Ballot Form.
- C. At the end of the discussion on the resolutions on which voting is to be held, the members who are present at the meeting but have not cast their votes by availing the e-voting facility will be allowed voting with the assistance of Scrutinizer by way of ballot /polling paper.
- D. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company

www.themismedicare.com and on the website of CDSL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.

By order of the Board of Directors
SD/-
PRAKASH D. NARINGREKAR
 CFO & COMPANY SECRETARY
 Membership No.: ACS 5941

MUMBAI : 11th May, 2016
 Regd. Office : Plot No. 69-A, GIDC Industrial Estate,
 Vapi-396 195, Dist. Valsad, (Gujarat).
 CIN : L24110GJ1969PLC001590

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

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

Item No. 4:

Following are the material facts relating to Item no. 4 of the accompanying Notice.

At the 41st Annual General Meeting of the Company held on 30th July 2011, consent of the members was accorded for appointment of Mrs. Jayshree D. Patel to hold and continue an office or place of profit as Consultant of Themis Medicare Limited on a monthly fees of Rs. 2,45,000/- (Rupees Two Lacs Forty Five Thousand only) for a period of five years w. e. f. 4th May, 2011.

The Nomination and Remuneration Committee as well as Board at their meeting held on 11th May, 2016 considered and approved her re-appointment as a Consultant on revised remuneration, considering her vast experience of more than 33 years in the field of finance, administration & distribution. Mrs. Jayshree D. Patel consented to act as a Consultant on revised fees as approved by the Board.

Looking at the vast experience of Mrs. Jayshree D. Patel, her role in the capacity as a Consultant will be of immense benefit to the Company. Further, the fees payable to her as a consultant will be inline with the industry norms as per the opinion of the Board.

As per Section 188 of the Companies Act 2013, consent of the members is required to be obtained for holding office or place of profit by a relative of Director of the Company.

On 30th March, 2016 Mrs. Jayshree D. Patel was re-appointed as an Alternate Director to Dr. Laszlo Kovacs. Being relative of Dr. Dinesh S. Patel – Managing Director & CEO and Dr. Sachin D. Patel – Dy. Managing Director as well as Mrs. Reena S. Patel, Alternate Director to Mr. Lajos Kovacs, they are to be treated as concerned or interested in the aforesaid matter.

The members are recommended to pass the above resolution.

Item No. 5:

Following are the material facts relating to Item no. 5 of the accompanying Notice.

Mrs. Reena S. Patel is associated with the Company for almost 15 years and she has been actively taking part in the development of Information Technology related aspects as well as Human Resources and administrative matters of the Company. With her active involvement, the Company has successfully completed implementation of ERP system in various factories and head office. She is also instrumental in initiating the process of setting

up of the systems in the areas of Human Resource Management and administration activities of the Company. Mrs. Reena Patel is technically qualified in her field.

The Nomination and Remuneration Committee as well as Board at their meeting held on 11th May, 2016 considered and approved her re-appointment as Vice President – System & Administration, of Themis Medicare Limited on revised remuneration, considering her vast experience of more than 15 years in the field of Information Technology, Human Resource Management and administration activities.

On 30th March, 2016 Mrs. Reena S. Patel was appointed as Alternate Director to Mr. Lajos Kovacs. Being relative of Dr. Dinesh S. Patel – Managing Director & CEO and Dr. Sachin D. Patel – Dy. Managing Director as well as Mrs. Jayshree D. Patel, Alternate Director to Dr. Laszlo Kovacs, they are to be treated as concerned or interested in the aforesaid matter.

Following is the extract of the terms of contract and remuneration payable to Mrs. Reena S. Patel:

1. She will be entitled to a salary of Rs. 1,88,000/- per month.
2. She will be entitled to House Rent Allowance of Rs. 57,000/- per month.

In addition to above, she shall be entitled to the following perquisites:

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund, if any, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Contribution to Gratuity Trust not exceeding half months salary for each completed year of service.
3. Provision of Car for use on Company's business.
4. Reimbursement of Telephone expenses.

The members are recommended to pass the above resolution.

Item No. 6:

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on 11th May, 2016, the Board has, considered and approved the appointment of M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai as the cost auditor for the financial year 2016-17 at a remuneration of Rs. 2,57,000/- per annum plus applicable service tax and reimbursement of out of pocket expenses, if any, in connection with the Cost Audit.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

The members are recommended to pass the above resolution.

By order of the Board of Directors
SD/-

PRAKASH D. NARINGREKAR
CFO & COMPANY SECRETARY
Membership No.: ACS 5941

MUMBAI : 11th May, 2016
Regd. Office : Plot No. 69-A, GIDC Industrial Estate,
Vapi-396 195, Dist. Valsad, (Gujarat).
CIN : L24110GJ1969PLC001590

Directors' Report

The Members,

Themis Medicare Limited

Your Directors take pleasure in presenting the 46th Annual Report along with the Audited Financial Statements for the financial year ended 31st March, 2016. The Company operates only in one business segment viz., "Pharmaceuticals" and this report covers its Pharmaceutical business performance.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS:

The Company's performance during the year ended 31st March, 2016 as compared to the previous financial year, is summarized below:

(₹ in lacs)

Particular	2015-16	2014-15
Income	20562.88	17933.73
Less: Expenses	19110.38	17776.17
Profit/ (Loss) before tax	1452.50	157.56
Deferred tax	53.99	46.94
Profit after Tax	1506.49	204.50

APPROPRIATION

Final Dividend	-	-
Tax on distribution of dividend	-	-
Transfer of General Reserve	-	-
Balance carried to Balance sheet	1506.49	204.50

b. OPERATIONS:

The Company continues to be engaged in the activities pertaining to manufacturing of pharmaceutical products, especially in Formulation and API activity.

There was no change in nature of the business of the Company, during the year under review.

c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March 2016 is attached and marked as Annexure I and forms part of this report.

d. DIVIDEND:

With a view to conserve resources as well as

considering the requirements of fourth proviso to Section 123(1) of the Companies Act, 2013, your Directors have not recommended dividend for the financial year under review.

e. TRANSFER TO RESERVES:

Your Board has not recommended transfer of any amount of profit to reserves during the year under review. Hence, the entire amount of profit for the year has been carried forward to the Statement of Profit and Loss.

f. REVISION OF FINANCIAL STATEMENT:

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

g. DEPOSITS:

Except for unclaimed deposits of Rs. 5.07 lacs the Company does not have outstanding deposits from public. In respect of outstanding deposits from Directors & Promoter Members for which the Hon 'ble Company Law Board, Regional Bench, Mumbai, has allowed repayment on or before 31.03.2018 on the original terms & conditions of deposits.

Your Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

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

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report, except for a proposal for issue of equity shares on preferential basis to Non-Promoters, the process for which will be initiated hereafter subject to all statutory approvals and compliances.

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

The Board has received declarations from the

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

j. STATEMENT UNDER SECTION 178:

Your Company has Constituted Nomination and Remuneration Committee as well as Stakeholder Relation Committee as contemplated under section 178(1) of the Companies Act, 2013. The Nomination and Remuneration Committee consider that the Qualifications, Experience and positive attributes of the Directors on the Board of the Company are sufficient enough to discharge their duties as such. In view of paucity of profits, remuneration is being paid to full time directors in line with schedule V of the Companies Act, 2013 as also only sitting fees are paid to other Directors for attending Board and Audit and Risk Management Committee meetings at present.

k. COMMENTS OF THE BOARD ON AUDITORS' REPORT:

i) Observations of Statutory Auditors on Accounts for the year ended 31st March 2016: There are no qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditors in respect of financial statement as on and for the year ended 31st March, 2016.

ii) Secretarial Audit Report for the year ended 31st March 2016: Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s. Shirish Shetye and Associates, Company Secretaries had been appointed to conduct Secretarial Audit and issue Report for the financial year 2015-16.

Secretarial Audit Report issued by M/s. Shirish Shetye and Associates, Company Secretaries in Form MR-3 for the financial year 2015-16 forms part of this report.

In respect of the observations made by in the Secretarial Audit report. Following are the explanations and comments offered by the Board.

- As required under the Factories Act and the rules made there under, at Vapi Unit, the Company has not carried out Safety Audit regularly and the sufficient safety measures are not being taken care of. At Hyderabad Unit Safety Audit was carried out; however necessary corrective measures were not taken up.

→ The concerns about sufficient safety measure as per the report are under implementation in respect of Vapi factory. Further the fresh Safety Audit of Hyderabad Unit was carried out recently and the recommendations are being implemented.

- At Hyderabad Unit, the Company engages contract labour, however as informed to me necessary compliances will be done during the current year.

→ The above observation is self explanatory.

- At Vapi Unit Redressal mechanism under The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not set up. At Hyderabad Unit this mechanism is not brought to the notice of employees.

→ The Company is taking corrective action in respect of the redressal mechanism at Vapi and Hyderabad Factories.

The Secretarial Audit Report is annexed herewith as Annexure II.

I. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

The details as required under section 186 has been furnished in Annexure III which forms part of this report.

m. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

The details of transactions/contracts/arrangements entered by the Company with

related parties as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in Annexure IV and forms part of this Report.

All Related Party Transactions that were entered into during the financial year were at arm's length and were in the ordinary course of business. All Related Party Transactions were placed before the Audit and Risk Management Committee and the Board of Directors for their approval. The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in the Listing Agreement.

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

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

The current and the future transactions are/will not be deemed to be 'material' in nature as defined in the Act & Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as they do not exceed 10 per cent of the annual turnover of the Company based on future business projections.

Thus, in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, these transactions do not require approval of the members by way of a Special Resolution. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board has been adopted by the Company and uploaded on the Company's website at the link: <http://www.themismedicare.com/wp-content/uploads/2015/08/Related-Party-Policy.pdf>

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

n. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

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

The Internal Financial control followed by the Company are adequate and commensurate with the size and nature of the business and were operating effectively during the year under review.

Internal Audit function of the Company is carried out through Independent Chartered Accountants Firms to test and verify the Company's Internal Control System. The Company's assets are adequately safeguarded against significant misuse or loss. The Company has in place adequate Internal Financial Controls with respect to maintenance of accounting records and Financial transactions.

o. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

There are no orders passed by the regulators or courts or Tribunals for/against the Company during the year under review.

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

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

q. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

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

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

As per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and other applicable Regulations, details of equity shares issued under Employees Stock Option Scheme during the financial year under review is furnished in Annexure V attached herewith which forms part of this Report.

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

The provisions of Section 67(3) as well as disclosure under rule 16(4) of Companies (Share Capital and Debentures) Rules 2014 are not applicable in respect of Equity shares allotted for ESOP granted to employees.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

In the last Annual General Meeting held on 21st September, 2015 the members of the Company have re-appointed Dr. Dinesh S. Patel as Managing Director & CEO and Dr. Sachin D. Patel as Deputy Managing Director of the Company for a period of 5 years with effect from 29th June 2015.

Mrs. Jayshree D. Patel had resigned as an Alternate Director to Dr. Laszlo Kovacs on his arrival to India. However, she was reappointed as Alternate Director to Dr. Laszlo Kovacs on 30th March, 2016. Further, Mrs. Jayshree D. Patel's term as Consultant ended on 3rd May, 2016. The Remuneration Committee as well as Board has approved her continuance as a Consultant for a further period of 5 years effective from 4th May, 2016 on revised fees payable. A special resolution is being put at the ensuing Annual General Meeting seeking approval of the members.

Mrs. Reena S. Patel was appointed as an Alternate Director to Mr. Lajos Kovacs in the Board Meeting held on 30th March, 2016. At the Board Meeting held on 11th May, 2016, Mrs. Reena Patel was appointed as Vice President, Systems and Administrations on revised remuneration within the limits stipulated under the Companies Act, 2013. A special resolution is being put at the ensuing Annual General Meeting seeking approval of the members.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr Rajneesh Anand, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Necessary resolutions for the re-appointment of the aforesaid Directors is included in the Notice convening the ensuing AGM and details of the proposal for re-appointment are mentioned in the Explanatory Statement to the Notice.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS:

A calendar of meetings was prepared and circulated in advance to the Directors. Pursuant to the provisions of the Companies Act, 2013 and rules made there under the Board met Six (6) times during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2016, the Board of Directors hereby confirms that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures according to the accounting standards;
- ii. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for that year;
- iii. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and

- detecting fraud and other irregularities;
- iv. the annual accounts of the Company have been prepared on a going concern basis;
- v. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively ;
- vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details of Director seeking appointment/ re-appointment at the 46th Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Name of the Director	Mr. Rajneesh Anand
Date of Birth	05.03.1954
Date of appointment	03.10.2008
Expertise in specific functional areas	Over 39 years of industrial experience in the areas of production, Planning, Project implementation, Engineering, Finance, Administration etc.
Qualifications	B.E.(Mech), MIE, DMS
shareholding of non-executive director	5600 Equity Shares

c. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors is constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

- i. Mr. Vijay Agarwal, Chairman,
- ii. Mr. Humayun Dhanrajgir, Member and
- iii. Mr. H. Subramaniam, Member.

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the policy framed for

appointment of and payment of remuneration to the Directors of the Company, are as under:

- Minimum Qualification
- Positive Attributes
- Independence
- Industry and relevant operational experience

d. AUDIT AND RISK MANAGEMENT COMMITTEE:

The Board of Directors in its meeting held on 5th November, 2015 has renamed the Audit Committee as Audit & Risk Management Committee. The Audit & Risk Management Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit and Risk Management Committee is in conformity with the provisions of the said section. The Audit & Risk Management Committee comprises of:

- i. Mr. Humayun Dhanrajgir, Chairman,
- ii. Mr. H. N. Sinor, Independent Director
- iii. Mr. Vijay Agarwal, Independent Director and
- iv. Dr. Dinesh S. Patel, MD & CEO

The scope and terms of reference of the Audit Committee is in accordance with the Act and the Listing Regulations.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

e. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholder's Relationship Committee, comprising of Mr. H. Subramaniam, Dr. Sachin D. Patel and Mr. Rajneesh Anand.

Mr. H. Subramaniam is the Chairman of the Stakeholders' Relationship Committee. The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee.

f. VIGIL MECHANISM POLICY/ WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers)

Rules, 2014, framed “Vigil Mechanism Policy” for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

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

The said Policy is available on the website of the Company at <http://www.themismedicare.com/wp-content/uploads/whistle-blower-policy.pdf>

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

g. RISK MANAGEMENT:

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

During the year the Audit Committee is renamed as ‘Audit and Risk Management Committee’. The said Committee and Board discusses various aspects involved in Business risk’s to the Company and the manner to mitigate the same.

h. CORPORATE SOCIAL RESPONSIBILITY POLICY:

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as under:

- i. Ms. Dharmishtaben Raval, Chairperson,
- ii. Mr. H. Subramaniam, Member and
- iii. Dr. Sachin D. Patel, Member

The Company has formulated policy for CSR activities and is placed on the website of the Company.

During the year under consideration, the Company was not required to spend on CSR activities. However, during the Financial year 2016-17 necessary amount will be spent towards the CSR activities. The Committee recommended CSR spending on Women Empowerment and

Education during the year 2016-17 in line with requirements of the Companies Act, 2013 and Schedule VII thereto. The Board has accepted the recommendations of the CSR Committee.

i. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

The Board of Directors at its meeting held on 10th February, 2016 has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“SEBI Listing Regulations”).

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

The performance of the committees was evaluated by the Board with the help of inputs received from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board concluded that all Board Committees were discharging its functions effectively.

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

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent

directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

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

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

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review has been marked as Annexure VI.

k. PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES:

None of the managerial personnel i.e. Managing Director and Whole time Directors of the Company are in receipt of remuneration/ commission from the Holding or Subsidiary Company of the Company.

4. AUDITORS' REPORTS:

a. APPOINTMENT OF AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. M. T. Ankleshwaria & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office up to the conclusion of the ensuing Annual General Meeting. The consent of the Auditors along with certificate under Section 139 of the Act have been obtained from the Auditors to the effect that their appointment, if made,

shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company. The Board recommends the appointment of M/s. M. T. Ankleshwaria & Co., Chartered Accountants as the Statutory Auditors of the Company.

Necessary resolution for reappointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

b. COST AUDITORS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, as per the recommendation of the Audit and Risk Management Committee, the Board of Directors at their meeting dated 11th May, 2016, appointed B. J. D. Nanabhoy & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2016-17 for the applicable Product Groups covered under the Notification dated 31st December, 2014. The Company received the approval of the Central Government for the said appointment. The Cost Audit Report will be filed within the stipulated period of 180 days from the closure of the financial year.

5. OTHER DISCLOSURES

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

a. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2016 made under the provisions of Section 92(3) of the Act is attached as Annexure VII which forms part of this Report.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange

earnings and outgo etc. are furnished in Annexure VIII which forms part of this Report.

c. CORPORATE GOVERNANCE:

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

d. PREVENTION OF SEXUAL HARASSMENT:

We have zero tolerance for sexual harassment at workplace and have adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of Complaints of Sexual Harassment at workplace.

During the financial year ended 31st March, 2016 your Company has not received any complaint relating to sexual harassment.

6. MANAGEMENT DISCUSSION & ANALYSIS:

(a) Industry structure and developments:

The pharmaceutical sector of India accounts for about 2.4 % of the global pharmaceutical industry and is expected to expand at a rate of approx 15 % by 2020. During the year India emerged as the third-biggest global generic Active Pharmaceutical Ingredient (API) market.

The major growth factors for sector are drug research, increased penetration of specialty drugs, wider access to medicines and emerging markets. The medicine developments owe its success to improved science and technology. The methods of research are evolving with great speed and the new innovations opened fresh avenues and horizon to the pharmaceutical sector.

(b) Opportunities and Threats:

Pharma business being associated with basic human needs, introduction of newer and cost

effective medicines in different therapeutic groups enjoys maximum opportunities in a densely populated country like India.

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

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

The Company operate in single segment i.e. pharmaceuticals. However, the Company has given more thrust for last couple of years on Formulations SKUs as compared to API. The results of the Company under review also depicts that Formulation business has grown much faster rate than APIs.

(d) Outlook: Your Company's capabilities are in introduction of new and differentiated pharmaceutical formulations. Fully aware of its strength the Company is going ahead with hand holding strategy with Indian and International Pharmaceutical majors. This strategy has paid well in the recent past with introduction of the differentiated Pain management injections with support of an international major pharma company in India. The Company is also finding new avenues in the international market also.

(e) Risks and concerns: Risks, liabilities and losses are part and parcel of any industry and need to be tackled through well forecasted strategies and actions. The government policies are creating new risks for domestic market by including new molecules to the price control umbrella and also the issuing ban on various Fixed Dose Combinations. To mitigate and avoid risks in the current scenario, the Company is focusing on shifting API to Formulation business and also improving its market access for the existing products.

Besides, the risks in Domestic market there are various risks in the International markets as well, an important one being regulatory risk,

Plant inspections, vendor approvals etc.

(f) Internal control systems and their adequacy :

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

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

The operational performance during the year under review was one of the best in recent past. Shift of business focus to Formulation activity has started showing positive operational performance results. The financial performance is getting improved due to better margins, control over cost as well as reduction of interest cost in view of repayment of term loan instalments and Public Deposits. However, much needs to be done in this area as past losses burden is still impacting the financial performance of the Company.

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

The core of the Human Resource philosophy at Themis is empowering human resources towards achievement of company aspirations.

Your Company has a diverse mix of youth and experience which nurtures the business. As on March 31, 2016 the total employee strength was 1126. Our objective to build organizational capability through skill development across levels ensures that we invest in training and enhancing people skills in line with the dynamic business needs. The Company's industrial relations continued to be harmonious during the year under review. In our endeavour to be employee centric, your Company revamped existing HR policies to be more people friendly and offered them a better work life balance. We continued to rely on technology to reach out to employees and improve efficiencies by automating policies and work flows. During the current year, HR would focus on enabling change to deliver the desired business outcomes. The objective is to create an HR organisation focusing on responding to business challenges of tomorrow. During the period the Company has issued second trench of ESOPs includes 66,730 ESOP options to 52 employees under the THEMIS MEDICARE ESOS – 2012.

7. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board of Directors

SD/-
Dr. Dinesh S. Patel
 Managing Director & CEO
 DIN - 00033273

SD/-
H. Dhanrajgir
 Independent Director
 DIN - 00004006

Place: Mumbai
Dated: 11th May, 2016

Annexure I

PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

(Information in respect of each subsidiary / Associate Companies /
Joint Venture Companies to be presented with amounts in Rs)

Part-A

1	Name of the subsidiary/ Joint Venture/Associate Companies	Subsidiary Companies			Joint Venture
		Artemis Biotech Ltd. (CIN No. U24233 MH2011PLC212359)	Themis Lifestyle Pvt. Ltd (CIN No. U33111 MH2010PTC209797)	HIDPUL kft	Richter Themis Medicare (India) Pvt. Ltd. (CIN No. U24230 GJ2004PTC044969)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	Applied for closure of the Company in Hungary	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	NA	NA	HUF	NA
4	Share capital	INR. 5,00,000/-, 50000 Equity Shares of Rs. 10/- each	INR. 1,00,000/-, 10000 Equity Shares of Rs. 10/- each	500 HUF	INR.140,000,000/- 14,000,000 equity shares of Rs 10 each fully paid up
5	Reserves and Surplus	(30529)	(30529)	-	260,192,817
6	Total Assets	519500	207404	-	1252267703
7	Total Liabilities	519500	207404	-	1252267703
8	Investments	0	0	-	6000
9	Turnover	0	0	-	595043862
10	Profit before taxation	(10305)	(10305)	-	102005032
11	Provision for taxation	0	0	-	36696782
12	Profit after taxation	(10305)	(10305)	-	65308250
13	Proposed Dividend	Nil	Nil	-	-
14	% of shareholding	95%	99%	100%	49%

Names of the subsidiaries which are yet to commence operations.

- Artemis Biotech Ltd. (CIN No. U24233MH2011PLC212359)
- Themis Lifestyle Pvt. Ltd. (CIN No. U33111MH2010PTC209797)

Part-B**Statement Pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies.**

Name of associate	Gujarat Themis Biosyn Ltd (CIN No. L24230GJ1981PLC004878)	Long Island Nutritionals. Pvt. Ltd. (CIN No. U15500MH1995PTC087434)
1. Latest audited Balance Sheet Date	31.03.2016	31.03.2016
2. Shares of Associate held by the company on the year end	Equity Shares	Equity Shares
3. No. of Shares	3369605	26208
4. Amount of Investment in Associates (Rs.)	33696000	3806000
5. Extend of Holding%	23.19%	37.14%
6. Description of how there is significant influence	Since there is 23.19% investment and also representing the Board	Since there is 37.14% investment and also representing the Board

Annexure II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Themis Medicare Limited,

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other relevant records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (vi) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
 - (vii) Employees State Insurance Act, 1948;
 - (viii) Employers Liability Act, 1938;
 - (ix) Employment Exchange (Compulsory Notification of Vacancies) Rules, 1968;
 - (x) Environment Protection Act, 1986 and other environmental laws;
 - (xi) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013;
 - (xii) Equal Remuneration Act, 1976;
 - (xiii) Factories Act, 1948 and the rules made there under;
 - (xiv) The Contract Labour (Regulation and Abolition) Act, 1970;
 - (xv) Water (Prevention & Control of Pollution) Act, 1974, Environment (Protection) Act, 1986, Air (Prevention & Control of Pollution) Act, 1981 and Hazardous Wastes (Management & Handling) Rules, 1989 and Amendment Rule, 2003, Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 and amendments thereof;
 - (xvi) Indian Boiler Act, 1923;
 - (xvii) Indian Contract Act, 1872;
 - (xviii) Professional Tax Act, 1975;
 - (xix) Indian Stamp Act, 1999 read with The Bombay Stamp Act, 1958;
 - (xx) Industrial Dispute Act, 1947;
 - (xxi) Maternity Benefits Act, 1961;
 - (xxii) Minimum Wages Act, 1948;
 - (xxiii) Negotiable Instruments Act, 1881;
 - (xxiv) Payment of Bonus Act, 1965;
 - (xxv) Payment of Gratuity Act, 1972;
 - (xxvi) Payment of Wages Act, 1936 and other applicable labour laws;
 - (xxvii) The National & Festival Holidays Act, 1963;
 - (xxviii) Pharmacy Act, 1948;
 - (xxix) Drugs and Cosmetics Act, 1940;
 - (xxx) Drug (Prices Control) Order, 2013;
 - (xxxi) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
 - (xxxii) Food Safety & Standard Act, 2006;
 - (xxxiii) Narcotic Drugs and Psychotropic Substances Act, 1985;
 - (xxxiv) The Medicinal & Toilet Preparations (Excise Duties) Act, 1955;
 - (xxxv) Bombay Prohibition Act, 1949;
 - (xxxvi) Petroleum Act, 1934;
 - (xxxvii) Poisons Act, 1919;
 - (xxxviii) The Indian Copyright Act, 1957;
 - (xxxix) The Patents Act, 1970;
 - (xl) The Trade Marks Act, 1999.
- I have also examined compliances with the applicable clauses of the following:
- (f) Secretarial Standards issued by the Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
- During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:
1. *As required under the Factories Act and the rules made there under, at Vapi Unit, the Company has not carried out Safety Audit regularly and the sufficient safety measures are not being taken care of. At Hyderabad Unit Safety Audit was carried out; however necessary corrective measures were not taken up.*
 2. *At Hyderabad Unit, the Company engages contract labour, however as informed to me necessary compliances will be done during the current year.*

3. At Vapi Unit Redressal mechanism under The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not set up. At Hyderabad Unit this mechanism is not brought to the notice of employees.

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items

before the meeting and for meaningful participation at the meeting.

Majority decision is carried through with unanimous consent and recorded as part of the minutes.

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

I further report that during the audit period the Company has allotted 18,040 equity shares on 11th August, 2015, 18,900 equity shares on 5th November, 2015 and 9700 equity shares on 10th February, 2016, pursuant to Themis Medicare Employees Stock Option Scheme, 2012.

Shirish Shetye

Place: Mumbai

Practicing Company Secretary

Date: 11th May, 2016

FCS 1926: CP No. 825

Annexure III

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans & investments:

Name of the party	Nature & Purpose of transactions	Amount at the beginning of the year	Transactions during the year	Balance at the end of the year	Purpose of proposed utilization by Recipient
Gujarat Themis Biosyn Ltd.	Investment as per directives of BIFR (being a newly inducted promoter).	Rs. 336.96 Lakhs	Nil	336.96	Investment for working/capital requirements as per BIFR directives
	Unsecured Loan	Rs. 350 Lakhs	205.99 Lakhs	144.01 Lakhs	Unsecured Loan given for working requirements as per BIFR directives
Long Island Nutritionals Pvt. Ltd.	Investment in Right issue of shares.	Rs. 38.06 Lakhs	Nil	Rs. 38.06 Lakhs	Investment for working and capex requirements
Richter Themis Medicare (India) Pvt. Ltd.	Investment in Joint Venture.	Rs. 686 Lakhs	Nil	Rs. 686 Lakhs	Investment for factory installation and business requirements

Details for guarantees given:

Name of the party	Purpose for giving corporate guarantee	Amount of guarantee	Purpose of proposed utilization by Recipient
Long Island Nutritionals Pvt. Ltd.	Collateral Security against Loan taken by the party from a Nationalized bank.	Rs. 250 Lakhs	For working capital and term loan.

Annexure IV

Form No. AOC-2

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

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

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

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board
1.	Themis Distributors Pvt. Ltd. (Termed as promoter-Shareholder of the Company)	Sale of formulations	Continuous basis	Sale on Principal to Principal basis. Sale:Rs. 1834.03 Lacs.	Approved in Board Meeting held on 6 th Feb, 2015
2.	Vividh Distributors Pvt. Ltd. (Termed as promoter-Shareholder of the Company)	Sale of formulations	Continuous basis	Sale on Principal to Principal basis. Sale:Rs. 1169 Lacs.	Approved in Board Meeting held on 6 th Feb, 2015
3.	Vividhmargi Investments Pvt. Ltd. (Termed as promoter-Shareholder of the Company)	Sale of formulations	Continuous basis	Sale on Principal to Principal basis. Sale:Rs. 720.00 Lacs.	Approved in Board Meeting held on 6 th Feb, 2015
4.	Long Island Nutritionals Pvt. Ltd. (Associate Company)	Purchase of Goods.	As and when Ordered.	Purchase on Principal to Principal basis. Purchase:Rs. 2.72 Lacs.	Approved in Board Meeting held on 6 th Feb, 2015
5.	Richter Themis Medicare (I) Pvt. Ltd. (Joint Venture)	Purchase of Goods and steam.	As and when Ordered.	Sale on Principal to Principal basis. Sale: Rs. 16.24 Lacs. Purchase on Principal to Principal basis. Purchase of Capital goods: Rs. 20.00 Lacs. Purchase of RM: Rs. 176.38 Lacs. Purchase of Steam: 29.33 Lacs.	Approved in Board Meeting held on 6 th Feb, 2015
6.	Themis Lifestyle Pvt. Ltd.	NA	NA	NA	NA
7.	Artemis Biotech Limited	NA	NA	NA	NA
8.	Dr. Dinesh S. Patel (MD & CEO)	Service Agreement	5 Years (w.e.f. 29/06/2015)	Rs. 47.04 Lakhs	27 th May, 2015
9.	Dr. Sachin D. Patel (Dy. Managing Director)	Service Agreement	5 Years (w.e.f. 29/06/2015)	Rs. 46.32Lakhs	27 th May, 2015
10.	Mrs. Jayshree D. Patel@	A Consultant	5 Years (w.e.f. 04/05/2011)	Rs. 29.80 Lakhs	4 th May, 2011
11.	Mrs. Reena S. Patel@@	Vice President – System & Administration	Employment	Rs. 16.2 Lakhs	4 th Nov, 2014
12.	Mr. Rajneesh Anand	i) Director & CEO of Richter Themis Medicare (I) Pvt. Ltd. ii) Consultant in Gujarat Themis Biosyn Ltd.	Employment/ Consultant	Rs. 143.69 Lakhs	i) 22 nd Sep, 2005 ii) 6 th August, 2014
13.	Mr. Prakash D. Naringrekar	CFO & Company Secretary	Employment for 3 years (w.e.f. 03/04/2014)	Rs. 18.01 Lakhs	1 st April 2014

• No advances paid/received in any of the above mentioned transactions

@ Approved by the Board at its meeting held on 11th May, 2016 for further period of 5 years, i.e upto 4th May, 2021 on revised fees subject to approval of Members of the Company.

@@ Approved by the Board at its meeting held on 11th May, 2016 for further period of 5 years, i.e upto 4th May, 2021 on revised fees subject to approval of Members of the Company.

Annexure V

Disclosure of details pertaining to the shares allotted under Employees Stock Option Scheme under the provisions of Section 62(1)(b) of the Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 during the year under review:

In case if the voting rights are not directly exercised, to provide additional details as specified in Rule 16(4) of the Companies (Share Capital and Debenture) Rules, 2014.

Total No. of Shares covered by ESOP Scheme approved by the Shareholders	400,000 (Four Lakhs) Equity Shares	
Grant	I	II
Options granted	133,000 Equity Shares	66,730 Equity Shares
Options vested	133,000 Equity Shares	NIL
Options exercised	64,500 Equity Shares	NA
The total number of shares arising as a result of exercise of option	64,500 Equity Shares	NA
Options forfeited	NIL	NA
Options lapsed	51,100 options	NA
Extinguishment or modification of options	NA	
The exercise price	Rs. 77.85/-	Rs. 334.75
Pricing formula	As per the ESOS Scheme approved by the members of the Company.	
Variation of terms of options	NA	NA
Money realized by exercise of options	Rs. 5,021,325/-	NIL
Total number of options in force (Themis ESOS 2012)	17400 options	66730
Employee wise details of options granted to:		
- Key Managerial Personnel & Senior Managerial Personnel	Mr. Prakash D. Naringrekar (CS & CFO) – 5000 Options	Mr. Prakash D. Naringrekar (CS & CFO) – 1,650 Options
- Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year	NA	NA
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	NA	NA
Issued Capital (excluding outstanding warrants and conversions of the Company at the time of grant. (Only in case of Listed Companies)	On 11-August-15 = Rs. 8,46,83,600/- On 5-November-15 = Rs. 8,48,64,000/- On 10-February-16 = Rs. 8,50,53,000/-	NA
Diluted EPS calculated in accordance with International Accounting Standard (IAS) 33	NA	NA

Annexure VI

DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

- 1) **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary of the Company and ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2015-16:**

Name	% Increase in the remuneration	Ratio of the remuneration of each Director / to median remuneration of the employees.
Mr. Hoshang N. Sinor**	33.33	3.96
Mr. Humayun Dhanrajgir**	(6.66)	2.77
Mr. Vijay Agarwal**	5.88	3.56
Ms. Dharmishta Raval**	66.66	1.98
Mr. Hariharan Subramaniam**	-	1.58
Dr. Laszlo Imre Kovacs**	-	0.40
Mr. Lajos Kovacs**	(33.33)	0.40
Mrs. Jayshree Dinesh Patel	-	-
Mrs. Reena Sachin Patel@	-	-
Mr. Rajneesh Anand**	33.33	2.38
Dr. Dinesh S. Patel (Managing Director & CEO)	-	46.57
Dr. Sachin D. Patel (Whole-time director)	-	45.86
Mr. Prakash Naringrekar (CFO & Company Secretary)	19.51	NA

**Entitled for sitting fees only, based on attendance. Pursuant to Companies Act, 2013 and Rules made thereunder, sitting fees payable to Directors increased from Rs. 20,000 to Rs. 40,000 for attending each Board and Audit Committee meeting during the year.

@ Appointed on Board Meeting held on 30th March, 2016

- 2) **The percentage increase in the median remuneration of employees in the financial year : 21.30%**
- 3) **The number of permanent employees on the rolls of the Company: 1126**
- 4) **Explanation on the relationship between average increase in remuneration and the Company's Performance:**
For Directors: In View of inadequacy of profit generated by the Company during past few years the remuneration is paid as per schedule V of The Companies Act, 2013. There is no increase in the remuneration paid during the year 2015-2016 over 2014-2015.
For Employees: Average increase in the remuneration of employees compare to last year is 13.37%. The increase in remuneration is mainly due to increase in number of employees during the year as well as annual increments given to eligible employees.
- 5) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**
 Normal increase in the remuneration of CFO & Company Secretary in line with Company's remuneration policy.
- 6) **Variations in the market capitalization of the Company:**
 The Market Capitalisation as on March 31, 2016 was Rs. 30692.32 Lakhs (Rs. 11,660.93 Lakhs as on March 31, 2015).

- 7) **Price Earning Ratio:**
Price Earning Ratio of the Company was 20.37 as on March 31, 2016 and was 57.14 as at March 31, 2015.
- 8) **Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer :**
The Company came out with initial public offer (IPO) in March, 1995 at price of Rs. 120 Per share (Face value Rs 10+ Premium Rs. 110). The market price of the share as on March 31st 2016 was Rs. 357.10 on BSE Ltd and Rs. 360.45 on the National Stock Exchange of India Limited. The variation in price is 200.37%.
- 9) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 13.33 %, whereas there was no increase in the managerial remuneration for the same financial year. The increase in Managerial remuneration was due to normal increments and there was no exceptional circumstances for increase.
- 10) **The key parameters for variable component of remuneration availed by the directors are as follows:**
There is no variable remuneration availed by Directors except for sitting fees paid to Non-Executive Directors.
- 11) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NA**
- 12) **It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Remuneration Policy of the Company.**

Annexure VII

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2016

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

I. REGISTRATION AND OTHER DETAILS:

CIN	: L24110GJ1969PLC001590
Registration Date	: 31/05/1969
Name of the Company	: THEMIS MEDICARE LIMITED
Category / Sub-Category of the Company	: Company Limited by shares/Indian Non-Government Company
Address of the Registered office and contact details	: PLOT NO 69-A, GIDC IND ESTATE, VAPI, DIST- VALSAD, Gujarat-396195 • Contact Details: Tel: 91-22-67607080; Fax: 91-22-67607019 Email: themis@themismedicare.com Web: www.themismedicare.com
Whether listed company	: Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	: Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai - 400078. Tel : +91 22 25963838 Fax : +91 22 2594 6969 E-mail: rnt.helpdesk@linkintime.co.in Web: www.linkintime.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name, CIN & address of the Company	Subsidiary / Associate Company	% of shares held	Applicable section
1	Artemis Biotech Ltd. (CIN: U24233MH2011PLC212359) 11/12, Udyog Nagar, S.V.Road, Goregaon – West, Mumbai-400104, Maharashtra.	Subsidiary Company	95%	Sections 2(46) and 2(87) of Companies Act, 2013.
2	Themis Lifestyle Pvt. Ltd. (CIN:U33111MH2010PTC209797) 11/12, Udyog Nagar, S.V.Road, Goregaon – West, Mumbai-400104, Maharashtra.	Subsidiary Company	99%	Sections 2(46) and 2(87) of Companies Act, 2013.
3	HIDPUL kft. Budapest, Budafoki út 15, 1111 Hungary (Applied for closure of the Company in Hungary)	Subsidiary Company	100%	Sections 2(46) and 2(87) of Companies Act, 2013.
4	Gujarat Themis Biosyn Ltd. (CIN: L24230GJ1981PLC004878) Plot NO. 69-A, G.I.D.C. Industrial Estate, Vapi, Dist-Valsad-396 195, Gujarat.	Associate Company	23.19%	Section 2(6) of Companies Act, 2013.
5	Long Island Nutritionals. Pvt. Ltd. (CIN: U15500MH1995PTC087434) SSI Development Co-op. Society Ltd., Plot No. - 7, Gala No.102, Udyog Nagar, S.V. Road, Goregaon West, Mumbai- 400104, Maharashtra	Associate Company	37.14%	Section 2(6) of Companies Act, 2013
6	Richter Themis Medicare (India) Pvt. Ltd. (CIN: U24230GJ2004PTC044969) Plot NO. 69-A, G.I.D.C. Industrial Estate, Vapi, Dist-Valsad-396 195, Gujarat.	Joint Venture	49%	Section 2(6) of Companies Act, 2013

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

Category code	Category of Shareholder	Number of shares held at the beginning of the year				Number of shares held at the end of the year				% Change During the Year
		Total	Demat	Physical	% of Total Shares	Total	Demat	Physical	% of Total Shares	
(A)	PROMOTER AND PROMOTER GROUP									
[1]	INDIAN									
	INDIVIDUALS / HINDU UNDIVIDED FAMILY	2728041	2672041	56000	32.2145	2728041	2728041	0	32.0381	-0.1765
	BODIES CORPORATE	2026946	2026946	0	23.9355	2442946	2442946	0	28.6899	4.7544
	Sub Total	4754987	4698987	56000	56.1500	5170987	5170987	0	60.7280	4.5779
[2]	FOREIGN				0.0000				0.0000	0.0000
	BODIES CORPORATE	1300308	884308	416000	15.3549	884308	884308	0	10.3853	-4.9696
	Sub Total	1300308	884308	416000	15.3549	884308	884308	0	10.3853	-4.9696
	Total (A)	6055295	5583295	472000	71.5049	6055295	6055295	0	71.1133	-0.3917
									0.0000	0.0000
(B)	PUBLIC SHAREHOLDING								0.0000	0.0000
[1]	INDIAN								0.0000	0.0000
	INDIVIDUALS / HINDU UNDIVIDED FAMILY	21383	21175	208	0.2525	100704	100496	208	1.1827	0.9302
	Sub Total	21383	21175	208	0.2525	100704	100496	208	1.1827	0.9302

[2]	INSTITUTIONS				0.0000				0.0000	0.0000
	FINANCIAL INSTITUTIONS / BANKS	1000	0	1000	0.0118	1000	0	1000	0.0117	-0.0001
	Sub Total	1000	0	1000	0.0118	1000	0	1000	0.0117	-0.0001
[3]	NON-INSTITUTIONS				0.0000				0.0000	0.0000
	BODIES CORPORATE	219770	218669	1101	2.5952	273425	272324	20000	3.2111	0.6159
	INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH.	1278592	1153398	125194	15.0985	1125049	1001955	123094	13.2126	-1.8859
	INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	773093	753093	20000	9.1292	868044	848044	20000	10.1943	1.0651
	CLEARING MEMBER	17657	17657	0	0.2085	14317	14317	0	0.1681	-0.0404
	NON RESIDENT INDIANS (REPAT)	88282	51782	36500	1.0425	49224	12724	36500	0.5781	-0.4644
	NON RESIDENT INDIANS (NON REPAT)	13288	13288	0	0.1569	7842	7842	0	0.0921	-0.0648
	INDEPENDENT DIRECTOR					20100	19900	200	0.2361	0.2361
	Sub Total	2390682	2207887	182795	28.2308	2358001	2177106	199594	27.6923	-0.5384
	Total (B)	2413065	2229062	184003	28.4951	2459705	2277602	200802	28.8867	0.3917
	Total (A)+(B)	8468360	7812357	656003	100.0000	8515000	8332897	182103	100.0000	0.0000
(C)	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED								0.0000	0.0000
	SHARES HELD BY CUSTODIANS								0.0000	0.0000
	Sub Total	0	0	0		0	0	0	0.0000	0.0000
	Total (C)	0	0	0		0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	8468360	7812357	656003	100.0000	8515000	8332897	182103	100.0000	0.0000

B. SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	VIVIDHMARGI INVESTMENTS PRIVATE LTD.	1252842	14.79	0	1452842	17.06	0	2.27
2	GEDEON RICHTER INVESTMENT MANAGEMENT LTD.	884308	10.44	0	884308	10.39	0	(0.05)
3	JAYSHREE DINESH PATEL	788092	9.31	0	636414	7.47	0	(1.84)
4	DINESH SHANTILAL PATEL	676707	7.99	0	676707	7.95	0	(0.04)
5	VIVIDH DISTRIBUTORS PRIVATE LTD.	616100	7.27	0	716100	8.41	0	1.14
6	SACHIN DINESH PATEL	520405	6.14	0	520405	6.11	0	(0.03)
7	SZEPILONA INTERNATIONAL LIMITED	416000	4.91	0	0	0	0	(4.91)

8	REENA SACHIN PATEL	340241	4.02	0	340241	4.00	0	(0.02)
9	MADHUBEN SHANTILAL PATEL	163996	1.94	0	163996	1.93	0	(0.01)
10	THEMIS DISTRIBUTORS PRIVATE LTD.	158004	1.86	0	274004	3.22	0	1.36
11	DINESH SHANTILAL PATEL(HUF)	98900	1.17	0	98900	1.16	0	(0.01)
12	MARGI RUPEN CHOKSI	83900	0.99	0	0	0	0	(0.99)
13	SHANTILAL DAHYABHAI PATEL	55800	0.69	0	55800	0.66	0	(0.03)
14	RUPEN ASHWIN CHOKSI	0	0	0	200	0.00	0	0
15	ANAY RUPEN CHOKSI	0	0	0	117689	1.38	0	1.38
16	NYSHA RUPEN CHOKSI	0	0	0	117689	1.38	0	1.38
Total		6055295	71.48	0	6055295	71.12	0	(0.40)

C. CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	6055295	71.6537 %	6055295	71.12
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	NA	NA	NA	NA
3.	At the End of the year	6055295	71.50 %	6055295	71.12

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

Sr. No.	For each of the Top Ten Shareholders	Shareholding at the beginning of the year		For each of the Top Ten Shareholders	Shareholding at the end of the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1	ANUJ ANANTRAI SHETH	250000	2.9522	ANUJ ANANTRAI SHETH	250000	2.64
2	RAJIV M DOSHI	115000	1.358	URJITA J MASTER	139050	1.63
3	URJITA J MASTER	56562	0.6679	RAJIV M DOSHI	115000	1.35
4	GAGANDEEP CREDIT CAPITAL PVT LTD	50000	0.5904	INDIA INFOLINE LIMITED	52116	0.61
5	CHAMPAKLAL SHAH	38647	0.4564	GAGANDEEP CREDIT CAPITAL PVT LTD	50000	0.58
6	SAMIR NANDLAL SHAH	38500	0.4546	SAMIR NANDLAL SHAH	38500	0.45
7	PRESCIENT SECURITIES PRIVATE LIMITED	35490	0.4191	TARIKA SINGH	37147	0.44
8	VIDHURITA PATNAIK	34050	0.4021	PRESCIENT SECURITIES PRIVATE LIMITED	35490	0.42

9	BASANTKUMAR LABHASHANKAR THAKUR	34000	0.4015	SAVITA DAULATRAJ BAFNA	34000	0.40
10	ARUP MOHAN PATNAIK	32100	0.3791	HITESH KUVELKAR	24855	0.29

*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated

E. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Hoshang N. Sinor (2nd Holder) (Independent Director)				
	At the beginning of the year	2100	0.02	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	2100	0.02
2	Mr. Humayun Dhanrajgir (Independent Director)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	-	-
3	Mr. Rajneesh Anand (Non-Executive Director)				
	At the beginning of the year	600	0.007	-	-
	Increase in Share holding during the year (ESOP Share)	-	-	5000	0.06
	At the End of the year	-	-	5600	0.06
4	Mr. Vijay Agarwal (Independent Director)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	-	-
5	Ms. Dharmishtaben Raval (Independent Director)				
	At the beginning of the year	12400	0.1464	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	12400	0.1456
6	Mr. Hariharan Subramaniam (Independent Director)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	-	-

7	Mrs. Jayshree Dinesh Patel (Alternate Director to Dr. Laszlo Kovacs) (Re-appointed on 30th March, 2016)				
	At the beginning of the year	788092	9.3063	788092	9.3063
	Decrease in Share holding during the year	-	-	151678	1.8323
	At the End of the year	-	-	636414	7.474
8	Dr. Laszlo Imre Kovacs (Non-Executive Director/Promoter)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	-	-
9	Mr. Lajos Kovacs (Non-Executive Director/Promoter)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	-	-
10	Dr. Sachin D. Patel (Dy. MD) (Whole-time director)				
	At the beginning of the year	520405	6.1453	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year			520405	6.1116
11	Dr. Dinesh S. Patel (Managing Director & CEO)				
	At the beginning of the year	676707	7.991	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year			676707	7.9472
12	Mrs. Reena Sachin Patel (Alternate Director to Mr. Lajos Kovacs) (Appointed on 30th March, 2016)				
	At the beginning of the year	340241	4.0178		
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	340241	3.9958
13	Mr. Prakash Naringrekar (CFO & Company Secretary)				
	At the beginning of the year	500	0.00	-	-
	Increase in Share holding during the year (ESOP Shares)	-	-	1800	0.02
	At the End of the year	-	-	2300	0.03

V. INDEBTEDNESS:

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

(Rs. In Lakhs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2614.51	2193.93	722.12	5530.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2614.51	2193.93	722.12	5530.55
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	1025.74	-	44.7	1070.44
Net Change	(1025.74)	-	(44.7)	(1070.44)
Indebtedness at the end of the financial year				
i) Principal Amount	1588.77	2193.93	677.42	4460.12
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1588.77	2193.93	677.42	4460.12

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amt in ₹)

Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
	Dinesh S. Patel (Managing Director & CEO)	Sachin D. Patel (Whole-time director)	
Gross salary	42,00,000	42,00,000	84,00,000
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission	-	-	-
- as % of profit	-	-	-
- others(Provident Fund)	5,04,000	4,32,000	9,36,000
Others, please specify	-	-	-
Total (A)	47,04,000	46,32,000	93,36,000
Ceiling as per the Act	As per Applicable Ceiling prescribed in Schedule V of the Companies Act, 2013	As per Applicable Ceiling prescribed in Schedule V of the Companies Act, 2013	As per Applicable Ceiling prescribed in Schedule V of the Companies Act, 2013

VII. REMUNERATION/SITING FEES TO OTHER DIRECTORS:
(Amt in ₹)

Particulars of Remuneration	Name of Directors					Total Amount
	Mr. H. N. Sinor	Mr. H. Dhanrajgir	Mr. Vijay Agarwal	Mr. H. Subramaniam	Ms. D. Raval	
1. Independent Directors						
• Fee for attending board / committee meetings	400000	280000	360000	160000	200000	1400000
• Commission	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-
Total (1)	400000	280000	360000	160000	200000	1400000
2. Other Non-Executive Directors						
• Fee for attending board / committee meetings	240000	40000	40000	-	-	320000
• Commission	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-
Total (2)	240000	40000	40000	-	-	320000
Total (B)=(1+2)						1720000
Overall Ceiling as per the Act	1% of net profit					

The Company maintains Non-Executive Chairman's office at its own expenses. The Company from time to time reimburses/pays the expenses in relation to the Chairman's office in connection with performance of his duties as the Chairman of the Company.

VIII. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Amt in ₹)

Sr. No.	Particulars of Remuneration	Prakash Naringrekar Key Managerial Personnel (CFO & Company Secretary)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1400241
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-
2	Stock Option	314958
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify(Provident Fund)	86040
5	Others,	-
	Total	1801239

IX. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Annexure VIII

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

(A) Conservation of energy:

Themis has three manufacturing plants in India. Based on the energy consumption and requirements at plants this year special efforts were made to conserve energy at Hyderabad Biotech Factory.

Steps taken or impact on conservation of energy	No
Steps taken by the company for utilizing alternate sources of energy	No
Capital investment on energy conservation equipments	Nil

(B) Technology absorption:

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

(C) Foreign exchange earnings and Outgo:

	1 st April, 2015 to 31 st March, 2016	1 st April, 2014 to 31 st March, 2015
	[Current F.Y.]	[Previous F.Y.]
	Amount in (Rs. Lakhs)	Amount in (Rs. Lakhs)
Actual Foreign Exchange earnings	7335.00	5738.69
Actual Foreign Exchange outgo	659.42	793.27

Report on Corporate Governance

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

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

- Indian Corporate Sector has witnessed various measures from Government and regulators for Transparency and Governance, especially in the Corporate Business Segment. Listed Corporate entities have assumed a great responsibility in this direction due to Globalization, knowledge sharing through social media as well as legislative measures followed in the Indian Scenario. On this backdrop the Company has initiated maintaining and improving high level of commitment towards effective Corporate Governance. The Company has over the years, apart from following the statutory requirements on Corporate Governance has initiated systems on transparency, disclosure, control, accountability, establishing trust with all stakeholders including the investors, employees, suppliers, customers and the medical profession at large. The Company is regularly guided by the professionals on the Board as well as the representatives of the foreign collaborators in evolving the culture to comply with the Code of Governance. The innovative ideas on transparency and Internal Control are being implemented with the Board approvals.

2. BOARD OF DIRECTORS

I. Composition and Category:

- The Board of the Company has an optimum combination of Professional Independent Directors as well as Executive and Non-Executive Directors to maintain the independence of the Board. The Independent Directors on the Board are more in number than statutorily required, resulting in professional and business acumen of all fields at the Board level. The Chairman of the Board is Non- Executive Non-Promoter Director.
- The present strength of the Board is Twelve Directors comprising of Five Indian Independent Professional Directors, Two Directors represent Foreign Collaborators/Promoters, Four Indian Promoter Directors of which One is Managing Director & CEO, and One is Whole Time Director and Two Alternate Director. One is Non-Executive Director.

II. Appointment and Tenure:

- The Directors of the Company are appointed by members at the General Meetings and two-third directors, other than Independent Directors retire by rotation pursuant to the provisions of the Companies Act, 2013. The Executive Directors on the Board serve in accordance with the terms of their contract of service with the Company.

III. Board Independence:

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

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

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM Attended	Number of Directorship in other Companies#	Number of Committee positions held in other Companies##	
						Chairman	Member
Mr. Hoshang N. Sinor	Chairman	Independent Director	6	Yes	6	4	3
Mr. Humayun Dhanrajgir	Director	Independent Director	5	No	7	1	8
Mr. Vijay Agarwal	Director	Independent Director	5	Yes	7	1	6
Mr. Hariharan Subramaniam	Director	Independent Director	4	No	0	-	-
Ms. Dharmishta N. Raval	Director	Independent Director	5	Yes	6	-	4
Mr. Rajneesh Anand	Director	Non-Executive	5	Yes	0	-	-
Dr. Laszlo Kovacs	Director	Representing Promoter / Non-Executive	1	No	0	-	-
Mr. Lajos Kovacs	Director	Representing Promoter / Non-Executive	1	No	0	-	-
Dr. Dinesh S. Patel@	Managing Director & CEO	Promoter/ Executive Director	6	Yes	2	-	-
Dr. Sachin D. Patel @	Deputy Managing Director	Promoter / Executive Director	6	Yes	2	-	-
Mrs. Jayshree Dinesh Patel*@	Alternate Director	Representing Promoter / Non-Executive	5	Yes	2	-	-
Mrs. Reena Sachin Patel**@	Alternate Director	Representing Promoter / Non-Executive	-	NA	-	-	-

Notes:

- # Excludes directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013
- ## No. of Committee positions (Chairmanship/Membership) held in other Companies is excluding Foreign, Private Ltd., and Section 8 Companies. Further only two Committees i.e., Audit Committee and Stakeholders Relationship Committee are Considered as per Regulation 26 (1) (b) of the Regulations.
- * Alternate Director to Dr. Laszlo Kovacs. (Re-appointed on 30th March, 2016).
- ** Alternate Director to Mr. Lajos Kovacs. (Appointed on 30th March, 2016).
- @ Relatives as per provisions of Section 2(77) of The Companies Act, 2013.

<ul style="list-style-type: none"> • Dates of Board Meetings held during the F.Y. 2015 -16 6 Board Meetings were held during the year on following dates: • 27th May, 2015 • 11th August, 2015 • 21st September, 2015 • 5th November, 2015 • 10th February, 2016 • 30th March, 2016 	<ul style="list-style-type: none"> • Risk Management Risk Management is a process with methods and tools for managing risks. Business risk are regularly discussed in Board Meeting and risk mitigation strategies are implemented in the company. • Management Discussion and Analysis Report(MD & A) The MD & A report forms part of the Annual Report and provided elsewhere in this report
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V. Shareholdings of Non - Executive Directors in the Company as on 31st March, 2016 :

Sr. No.	Name of Director	No. of Equity shares of Rs.10/- each held	% holding
1.	Mr. Hoshang N. Sinor (2 nd Holder)	2100	0.02
2.	Mr. Humayun Dhanrajgir	NIL	NIL
3.	Mr. Rajneesh Anand	5600	0.07
4.	Mr. Vijay Agarwal	NIL	NIL
5.	Ms. Dharmishtaben N. Raval	12400	0.15
6.	Mr. Hariharan Subramaniam	NIL	NIL
7.	Dr. Laszlo Imre Kovacs	NIL	NIL
8.	Mr. Lajos Kovacs	NIL	NIL
9	Mrs. Jayshree D. Patel	636414	7.47
10	Mrs. Reena S. Patel	340241	4.00
	TOTAL	996755	11.71

VI. Separate Meeting of Independent Directors:

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made there under, the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. All independent directors of the Company shall strive to be present at such meeting. The meeting shall review the performance of non-independent directors and the Board as a whole, review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors, assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board has a separate meeting of independent directors to get updated on all business-related issues and new initiatives. At such meeting, the directors share points of view and leadership thoughts on relevant issues.

During the financial year 2015-2016, one meeting of Independent directors of the Company was held wherein broadly the above matters were discussed.

VII. Familiarization Programme for Independent Directors:

All directors inducted to the board are introduced to our Company culture through appropriate orientation sessions. Presentation made by Executive directors and senior management to provide an overview of our operations, and to familiarize the new non-executive directors with our operations. They are also introduced to our organization structure, our services, group structure and subsidiaries, constitution, board procedures, matters reserved for the Boards and our major risks and management strategy. They seek to enable the Independent Directors to understand the business and strategy and leverage their expertise and experience to the maximum benefit of the Company.

Details of programs conducted by the Company for the financial year 2015-2016 are available on the website of the Company at <http://www.themismedicare.com/wp-content/uploads/2015/08/Directors-Familiarisation-Programme.pdf>

VIII. Committees of Board:

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

A. Audit & Risk Management Committee:

Pursuant to Regulation 21 of the Listing Regulations, the Company does not come in the top 100 entities which has to mandatorily constitute a Risk Management Committee. However the Board of Directors in their meeting held on 5th November, 2015 renamed Audit Committee as Audit & Risk Management Committee to monitor and review risk management plan on regular basis.

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

The terms of reference of the Committee are briefly described below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Reviewing and monitoring the auditor's independence and performance.
4. Recommending to the Board, the appointment and remuneration of Cost Auditor.
5. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
6. Reviewing, with the management, the annual financial statements and quarterly financial statements
7. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and frequency of internal audit.
9. Discussing with internal auditors any significant findings and follow-up thereon.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Approval or any subsequent modification of transactions of the Company with related parties.
15. To evaluate internal financial controls and risk managements systems.
16. Approval of appointment of CFO.

Composition:

The Company has already constituted an Audit & Risk Management Committee comprising of 4 members out of which 3 are Independent Directors and 1 is Executive Director.

Meetings:

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

- 27th May, 2015
- 11th August, 2015
- 5th November, 2015
- 10th February, 2016

Audit & Risk Management Committee attendance during the year are as under:

Name	Status	No. of Meetings Attended
Mr. Humayun Dhanrajgir	Chairman	3
Mr. Hoshang N. Sinor	Member	4
Mr. Vijay Agarwal	Member	4
Dr. Dinesh S. Patel	Member	4

Attendees:

The Statutory, Internal & Cost Auditors are also invited to attend the meetings. Mr. Prakash D. Naringrekar, Company Secretary acts as Secretary to the Audit & Risk Management Committee.

B. NOMINATION & REMUNERATION COMMITTEE:

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

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

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

- **Composition:**

Nomination & Remuneration Committee was constituted by the Board with 3 Independent Directors.

The Company Secretary acts as the Secretary of the Committee.

- **Meetings:**

During the period under consideration, 2 (Two) Meetings of the Nomination & Remuneration Committee of the Company were held as follows:

- 27th May, 2015
- 10th February, 2016

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

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	2
Humayun Dhanrajgir	Member	2
Mr. H. Subramaniam	Member	2

- **Board Evaluation**

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

Following are the major criteria applied for performance evaluation —

1. Attendance and contribution at Board and Committee meetings and application of his/her expertise, leadership qualities and knowledge to give overall strategic direction for enhancing the shareholder value.
2. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
3. His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls and systems in place, etc.
4. Independent Directors performance is evaluated also based on his/her help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct and his/her ability to bring an objective view in the evaluation of the performance of the board and management.

Retirement Policy for Directors of the Company:

The age of retirement for all executive directors is 70 years as per Companies Act requirements. The nomination and remuneration committee may, at its discretion and subject to shareholders' approval, determine their continuation as members of the Board upon superannuation/retirement.

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

C. Remuneration of Directors:

- a. Pecuniary relationship or transactions of the non-executive directors.
The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for attending Board and Committee meetings and fees for rendering services in their professional capacity.
Non-Executive Directors are paid Rs. 40,000/- for attending each Board and Audit & Risk Management Committee Meetings.
- b. Criteria of making payments to non-executive directors.
Criteria of making payments to Non-Executive Directors is disclosed and the same is available on <http://www.themismedicare.com/wp-content/uploads/2016/05/Criteria-Of-Making-Payments-To-Non-Executive-Directors.pdf>
- c. disclosures with respect to remuneration: in addition to disclosures required under the

Companies Act, 2013, the following disclosures shall be made:

- i. The Executive Directors are paid Salary as permissible under the provisions of the Companies Act, 2013 & Schedule V therein.
- ii. Details of fixed component and performance linked incentives, along with the performance criteria : NA
- iii. Service contracts, notice period, severance fees: For Executive Directors service contract is normally 5 years, renewable at the discretion of Board. Notice period is 90 days either side.
- iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.- Mr. Rajneesh Anand has exercised 5000 Stock options granted to him vide Themis ESOS 2012 during the year 2015-16 . The options were granted at market price

The details of Remuneration and Sitting Fees paid to Executive and Non-Executive Directors for the year 2015-16 are as follows: (Amt in ₹)

Sr. No.	Name of Director	Salary	Perquisites	Sitting Fees (Rs.)	Total
1.	Mr. Hoshang N. Sinor	NA	NA	400000	400000
2.	Mr. Humayun Dhanrajgir	NA	NA	280000	280000
3.	Mr. Rajneesh Anand	NA	NA	240000	240000
4.	Mr. Vijay Agarwal	NA	NA	360000	360000
5.	Ms. Dharmishta Raval	NA	NA	200000	200000
6.	Mr. Hariharan Subramaniam	NA	NA	160000	160000
7.	Mrs. Jayshree Dinesh Patel	NA	NA	0	0
8.	Mrs. Reena Sachin Patel@	NA	NA	0	0
9.	Dr. Laszlo Imre Kovacs	NA	NA	40000	40000
10.	Mr. Lajos Kovacs	NA	NA	40000	40000
11.	Dr. Sachin D. Patel	4805077	NA	NA	4632000
12.	Dr. Dinesh S. Patel	4905923	NA	NA	4704000

- Note:
- 1) Gratuity is included in computation of remuneration paid to Executive Directors.
 - 2) @ Appointed at Board Meeting held on 30th March, 2016
 - 3) Mrs. Jayshree D. Patel is paid consultancy fees.
 - 4) Mrs. Reena S. Patel is paid remuneration as a Whole Time employee.

D. STAKEHOLDERS RELATIONSHIP COMMITTEE/ Stakeholders' grievance committee::

• **Composition:**

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act. Stakeholder Relationship Committee has been constituted to monitor and review investors' grievances.

Mr. Prakash Naringrekar, CFO & Company Secretary, acts as Compliance Officer for redressal of Shareholders/ Invertors grievance.

• **Meetings:**

The broad terms of reference of the stakeholders' relationship committee are as under:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
- Consider and approve issue of share certificates (including issue of renewed or

duplicate share certificates), transfer and transmission of securities, etc

Four Stakeholders Relationship Committee meetings were held during the year 2015-16 of the Company as follows:

- 27th May, 2015
- 11th August, 2015
- 5th November, 2015
- 10th February, 2016

- **The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:**

Sr. No.	Name	Status	No. of Meetings Attended
1.	Mr. H. Subramaniam	Chairman	3
2.	Mr. Rajneesh Anand	Member	4
3.	Dr. Sachin D. Patel	Member	4

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

Mr. Prakash D. Naringrekar, CFO & Company Secretary
Themis Medicare Ltd.
11/12 Udyog Nagar,
S.V. Road, Goregaon (West),
Mumbai-400 104.

- **Details of investor complaints received and redressed during the year 2015-16 are as follows:**

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

Code of Conduct

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

All the Board members and Senior Management of the Company as on 31st March, 2016 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Managing Director, forms part of this report.

IX. General Body Meetings:

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

AGM/EGM	Date & Time	Location	Special Resolution
43 rd AGM	30.08.2013 At 10.30 am	Registered Office	NA
44 th AGM	29.09.2014 at 10.30 am	Registered Office	NA
45 th AGM	21.09.2015 At 10.30 am	Registered Office	Appointment of Dr. Dinesh S. Patel as Managing Director and CEO, Dr. Sachin D. Patel as Whole Time Director Power to borrow money u/s 180(1)(c) of the Companies Act, 2013

- whether any special resolution passed last year through postal ballot – details of voting pattern: **NA**

- whether any special resolution is proposed to be conducted through postal ballot: **NA**
- procedure for postal ballot: **NA**

X. Means Of Communication:

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

- & (b) The Quarterly, Half yearly and Annual results were published in widely circulated newspapers viz, Times of India and Economic Times – Surat Edition.
- All the data related to quarterly, half yearly and Annual Financial Results, Shareholding Pattern, News release etc. is provided on the website - www.themismedicare.com/investors/reports
- The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites.
- During the financial year, the Company has not made presentation to the institutional investors /analysts.

XI. General Shareholders Information:

Annual General Meeting Date & Time	: 14 th September, 2016 at 10.30 AM
Venue	: Plot no. 69A, G.I.D.C. Industrial Estate, Vapi, Dist - Valsad, Gujarat – 396195
Financial Calendar (Tentative)	: April to March
Results for the Quarter ending (With Limited Review by the Statutory Auditors)	:
First Quarter Results	By 14 th August
Half yearly Results	By 14 th November
Third Quarter Results	By 14 th February
Audited Results for the year	By end of May
Dates of Book Closure/ Record Date	: 8th September, 2016 to 14th September, 2016 (both days inclusive)
Listing on Stock Exchanges at	: BSE Limited. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.
Listing Fees paid for 2016-17	: The Company has paid listing fees to the above Stock Exchanges
Stock Code	
Bombay Stock Exchange, Mumbai	: 530199
National Stock Exchange, Mumbai	THEMISMED
DEMAT ISIN Number for NSDL & CDSL	: INE083B01016
Websites	: www.bseindia.com www.nseindia.com

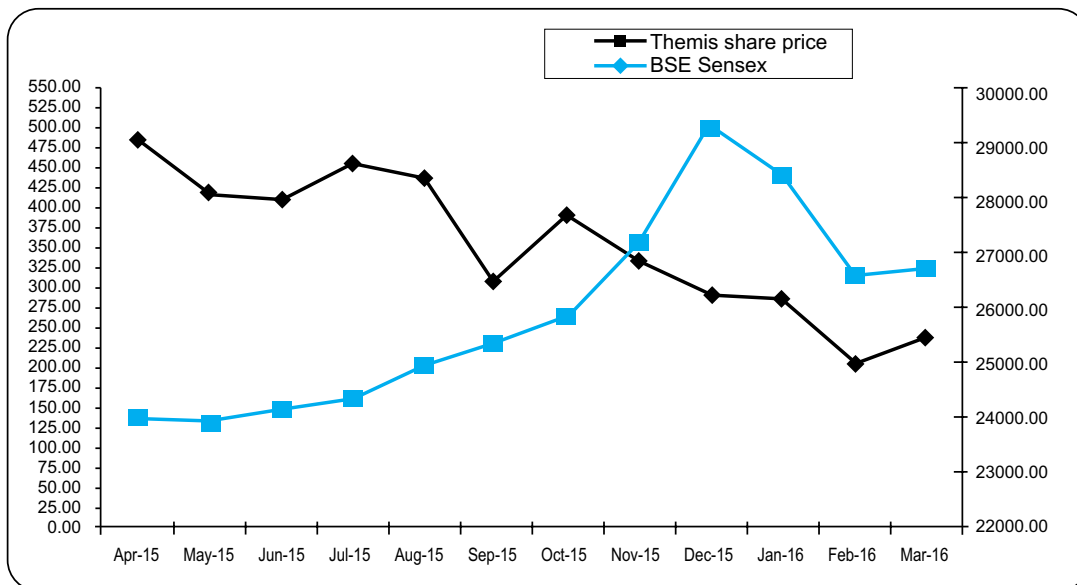
XII. Market Price Data and Performance in comparison to BSE Sensex

High/low of market price of the Company's shares traded on Bombay Stock

Exchange, Mumbai and National Stock Exchange, Mumbai during the financial year 2015-16 is furnished below:

STOCK PRICE & BSE SENSEX DATA							
MONTH	BSE SENSEX	BSE Limited , MUMBAI			NATIONAL STOCK EXCHANGE OF INDIA LIMITED		
		HIGH PRICE	LOW PRICE	MONTHLY VOLUME (NOS.)	HIGH PRICE	LOW PRICE	MONTHLY VOLUME (NOS.)
Apr-15	29094.61	155.1	122	28985	152.8	123	13433
May-15	28071.16	143	121.2	6359	147	121.6	7244
Jun-15	27968.75	173	123.4	51933	177.4	123.2	20579
Jul-15	28578.33	178.8	145	27558	179.3	150.3	34698
Aug-15	28417.59	229.4	172.2	97458	224.7	176.25	85326
Sep-15	26471.82	260.9	200.1	30366	262.6	202.1	33150
Oct-15	27618.14	306	228	80924	308.8	234.5	58609
Nov-15	26824.3	440.6	265	275338	438.75	260.6	69648
Dec-15	26256.42	599	401.5	194400	607	406	170694
Jan-16	26197.27	543.8	340	101207	541.8	346.6	31054
Feb-16	25002.32	383.5	251	60691	382.5	249	41891
Mar-16	25479.62	368.8	281.5	60323	367.5	299	26936

THEMIS MEDICARE LIMITED
BSE SENSEX / SHARE PRICES GRAPH



Registrar & Share Transfer Agent : Link Intime India Pvt Ltd. (Unit: Themis Medicare Limited)
C-13, Pannalal Silk Mill Compound, L.B.S. Marg, Bhandup (West),
Mumbai- 400 078
Tel: 91-22-25963838 | Fax: 91-22- 2594 6969

XIII. Share Transfer System:

All the transfers received are processed by the Registrar and Share Transfer Agent and are approved by the Share Transfer Committee, which normally meets as and when required. Share transfers are registered and returned within maximum of 21 days from the date of lodgment if documents are complete in all respects.

XIV. Distribution of Equity Shareholding:

As on 31st March, 2016						
Holding of shares (In Nos)			No. of Shareholders	% of Shareholders	Shares	% of Shareholders
1	to	500	3900	88.26	449155	5.27
501	to	1000	211	4.77	175418	2.06
1001	to	2000	126	2.85	191931	2.25
2001	to	3000	49	1.11	126158	1.48
3001	to	4000	31	0.70	111881	1.31
4001	to	5000	22	0.50	99954	1.17
5001	to	10000	33	0.75	216319	2.54
10001	&	Above	47	1.06	7144184	83.90
Total			4219	100.00	8515000	100.00

Dematerialisation of shares	: 8332897 Shares i.e. 97.86% of the paid-up capital has been dematerialized as on 31.03.2016.
Outstanding GDRs / ADRs / Warrants or any Convertible instruments conversion date and Likely impact of equity.	: Not Applicable
Commodity price risk or foreign exchange risk and hedging activities;	: Not Applicable
Plant Locations	: <u>Vapi Plant</u> Plot no. 69A, G.I.D.C. Vapi – 396 195, Dist. Valsad, Gujarat
	: <u>Hyderabad Plant</u> Plot no. 1 & 5, Industrial Development Area, Jeedimatla, Hyderabad – 500 855.
	: <u>Haridwar Plant</u> Sector 6-A, Plot no.16, 17 & 18, IIE, BHEL, Haridwar-249 403
Address for Correspondence	: Secretarial Department, Themis Medicare Ltd. 11/12 Udyog Nagar, S.V. Road, Goregaon (West), Mumbai-400 104. Tel No: 91-22-67607080 Fax No. 91-22-67607019
Contact person for Investors Complaints	: Mr. Prakash D. Naringrekar CFO & Company Secretary E-mail: prakash@themismedicare.com
Registrar & Share Transfer Agent	: Link Intime India Pvt. Ltd. C- 1, Pannalal Silk Mill Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078 Tel: 91-22-2596 3838 Fax: 91-22-2594 6969 E-mail: rnt.helpdesk@linkintime.co.in Web site: www.linkintime.com

XV. Other Disclosures:
a) Materially significant related party transactions:

The related party transactions in case of our Company are not materially significant which requires Members approval. However, the management, Audit Committee and the Board ensures such transactions are at arm's length.

The policy on related party transactions as approved by the Board is uploaded on the Company's website and the link for the same is <http://www.themismedicare.com/wp-content/uploads/2015/08/Related-Party-Policy.pdf>

b) Disclosure of Pending Cases/Instances of Non Compliance

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

c) Whistle Blower Policy/ Vigil Mechanism

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

d) Mandatory Requirements

The Company has complied with all mandatory items of clause 49 of the Listing Agreement as applicable till 30th November 2015 and Listing Regulations from 1-12-2015 onwards. The Company has executed fresh agreements with BSE and NSE as required under the newly enacted Listing Regulation.

e) Non-Mandatory Requirements
i. The Board

The Company maintains Non-Executive Chairman's office at its own expenses. The Company from time to time reimburses/pays the expenses in relation to the Chairman's office in connection with performance of his duties as the Chairman of the Company.

ii. Shareholder Rights – Half yearly results

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

iii. Audit Qualification

There are no qualifications contained in the Audit Report.

iv. Separate Posts of Chairman and CEO/Managing Director

The Posts of Chairman and Managing Director are separate.

v. Reporting of Internal Auditors

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

vi. The Company has no material subsidiary and hence there is no need to frame any policy for determining "material" subsidiary
vii. The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities.
viii. There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the Listing Regulations.
ix. Disclosure of the Compliance with Corporate Governance Requirements

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

Declaration Regarding Compliance By Board Members and Senior Management Personnel with the Company's Code of Conduct

I, Dr. Dinesh Patel, Managing Director of Themis Medicare Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Schedule V (D) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2016.

For Themis Medicare Limited
SD/-

Dr. Dinesh S. Patel
Managing Director & CEO

Place: Mumbai

Date: 11th May, 2016

Auditors' Report On Corporate Governance

The Members,
Themis Medicare Ltd.

We have examined the compliance of conditions of Corporate Governance by Themis Medicare Limited ("the Company") for the year ended on 31 March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in regulation 15(2) of the Listing Regulations for the period 1 December 2015 to 31 March 2016.

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

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

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

For **M. T. ANKLESHWARIA & CO.**
CHARTERED ACCOUNTANTS

SD/-

MADHU T. ANKLESHWARIA
PROPRIETOR

Membership No. 30128

Place: Mumbai

Date: 11.05.2016

CEO-CFO CERTIFICATE

To,
The Board of Directors
Themis Medicare Limited,

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

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March 2016 and based on our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For Themis Medicare Ltd

SD/-
Dr. Dinesh S. Patel
Managing Director & CEO

For Themis Medicare Ltd

SD/-
Prakash D. Naringrekar
CFO & Company Secretary

Independent Auditors' Report

TO THE MEMBERS OF THEMIS MEDICARE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Themis Medicare Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements")

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the Companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports wherever available, referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements / financial information of Two subsidiaries and One jointly controlled entities, whose financial statements / financial information reflect total assets of Rs.6136.11 lacs as at 31st March, 2016, total revenues of Rs.2990.48 lacs , net profit of Rs.320 lacs and net cash flows amounting to Rs.383.03 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs.105.80 lacs for the year ended 31st March, 2016 as considered in the consolidated financial statements, in respect of Two associate Companies, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited except for one associate company and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements / financial information and on the report from other auditors for one associate company.

Our opinion on the consolidated financial statements, and our report on Other legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors wherever available and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representation received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and as certified by the management of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group Companies , its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and jointly controlled companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The consolidated financial statements disclose the impact, if any, of pending litigations as at 31-03-2016 on the consolidated financial position of the Group , its associates and jointly controlled entities.
 - ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India during the year ended 31- 03-2016.

For M. T. ANKLESHWARIA & CO.
CHARTERED ACCOUNTANTS,
FIRM REGISTRATION NO: 100501W

SD/-

MADHU T. ANKLESHWARIA
PROPRIETOR.
Membership No. 30128.

Place: Mumbai
Date: 11 /05 /2016

Annexure A to Independent Auditors' Report

Referred to in paragraph other matters of the Independent Auditors' Report of even date to the members of THEMIS MEDICARE LIMITED on the consolidated financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Act.

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31 2016, we have audited the Internal financial controls over financial reporting of Themis Medicare Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial control based on "Internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit,. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal financial controls, both applicable to our audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining on understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, A Company's internal financial control over financial reporting includes those policies and procedures that :
- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
 - (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associates companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, two associate companies and one jointly controlled company, which are companies incorporated in India, is based on the information and explanations given by the management of the Holding Company as the audited financial statements are not available of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For M.T.ANKLESHWARIA & CO.
CHARTERED ACCOUNTANTS,
FIRM REGISTRATION NO: 100501W
SD/-

MADHU T. ANKLESHWARIA
PROPRIETOR.
Membership No. 30128.

Place: Mumbai
Date: 11 /05 /2016

Consolidated Balance Sheet as at 31st March, 2016

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2.1	851.50	846.84
(b) Reserves and surplus	2.2	7,037.38	5,073.44
2 Non-current liabilities			
(a) Long-term borrowings	2.3	6,165.80	7,464.10
(b) Deferred tax liabilities (Net)	2.4	250.66	337.97
(c) Other Long term liabilities	2.5	382.49	352.49
(d) Long Term Provisions	2.6	69.81	49.32
3 Current liabilities			
(a) Short-term borrowings	2.7	5,188.42	5,377.98
(b) Trade payables	2.8	5,362.96	6,015.23
(c) Other current liabilities	2.9	1,733.36	1,651.00
(d) Short-term provisions	2.10	572.11	517.12
TOTAL		27,614.49	27,685.49
II ASSETS			
1 Non-current assets			
(a) Fixed assets	2.11		
(i) Tangible assets		11,416.48	12,214.03
(ii) Intangible assets		232.44	17.86
(iii) Capital work-in-progress		576.33	349.58
(b) Non-current investments	2.12	563.90	459.10
(c) Long-term loans and advances	2.13	1,429.83	1,270.01
(d) Other non current assets	2.14	35.36	27.65
2 Current assets			
(a) Inventories	2.15	5,846.97	6,230.02
(b) Trade receivables	2.16	4,784.40	4,556.21
(c) Cash and Bank balances	2.17	1,485.10	869.57
(d) Short-term loans and advances	2.18	1,243.68	1,691.46
TOTAL		27,614.49	27,685.49

Significant Accounting Policies

1

Notes to financial statement

2-3

Other Notes

4

The notes referred to above form an integral part of the financial statements.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**

CHARTERED ACCOUNTANTS

REGISTRATION NO: 100501W

SD/-

MADHU T. ANKLESHWARIA

PROPRIETOR

MEMBERSHIP NO: 30128

PLACE: MUMBAI

DATE: 11 / 05 / 2016

SD/-

PRAKASH D. NARINGREKAR

COMPANY SECRETARY & CFO

MEMBERSHIP NO.: ACS 5941

For and on behalf of the Board

SD/-

(Mr. HUMAYUN DHANRAJIR)

DIRECTOR

DIN: 00004006

SD/-

(Dr. DINESH PATEL)

MANAGING DIRECTOR & CEO

DIN: 00033273

Consolidated Statement of Profit and Loss for the year ended 31st March, 2016

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2016	Year ended 31st March, 2015
I. Revenue from Operations	3.1	23,279.74	20,188.15
II. Other income	3.2	317.97	1,259.17
III. Total Revenue (I + II)		23,597.71	21,447.32
IV. Expenses:			
Cost of materials consumed	3.3	7,093.21	8,234.49
Purchases of Stock-in-Trade		1,375.82	982.35
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	3.4	266.16	41.12
Employee benefits expense	3.5	3,633.84	3,264.15
Finance costs	3.6	1,226.00	1,452.89
Depreciation and amortization expense	3.7	1,112.30	1,149.36
Other expenses	3.8	6,938.07	5,868.59
Total Expenses		21,645.40	20,992.95
V Profit (Loss) before tax (III- IV)		1,952.31	454.37
VI Tax expense:	3.9		
(1) Current Tax			
(2) Deferred Tax		125.82	(89.42)
		125.82	(89.42)
VII Profit (Loss) for the year (V-VI)		1,826.49	543.79
VIII Add: Share of Profit in associate for the year		105.80	77.43
Group Profit after Tax available for appropriation(VII + VIII)		1,932.29	621.22
IX Earnings per equity share: (Face Value of Rs. 10/- each)			
(1) Basic		22.69	7.34
(2) Diluted		22.51	7.24

Significant Accounting Policies **1**
 Notes to financial statement **2-3**
 Other Notes **4**
 The notes referred to above form an integral part of the financial statements.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
 CHARTERED ACCOUNTANTS
 REGISTRATION NO: 100501W
 SD/-

MADHU T. ANKLESHWARIA
 PROPRIETOR
MEMBERSHIP NO: 30128
PLACE: MUMBAI
DATE: 11 / 05 / 2016

SD/-
PRAKASH D. NARINGREKAR
 COMPANY SECRETARY & CFO
 MEMBERSHIP NO.: ACS 5941

For and on behalf of the Board

SD/-
(Mr. HUMAYUN DHANRAJGIR)
 DIRECTOR
 DIN: 00004006

SD/-
(Dr. DINESH PATEL)
 MANAGING DIRECTOR & CEO
 DIN: 00033273

Consolidated Cash Flow Statement For The Year Ended 31st March 2016

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX & INTEREST & EXTRAORDINARY ITEMS	3284.12	1984.68
ADJUSTMENTS FOR :		
DEPRECIATION	1112.30	1149.36
INTEREST / DIVIDEND	(183.91)	(101.67)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4212.51	3032.37
ADJUSTMENTS FOR :		
TRADE AND OTHER RECEIVABLES	59.77	(154.56)
INVENTORIES	383.05	404.36
TRADE PAYABLES	(880.30)	(9.38)
	(437.48)	240.42
CASH GENERATED FROM OPERATIONS	3775.03	3272.79
INTEREST & FINANCE CHARGES	(1226.01)	(1452.88)
DIRECT TAXES PAID	(125.82)	89.42
	(1351.83)	(1363.46)
NET CASH FLOW FROM OPERATING ACTIVITIES	2423.20	1909.33
B. CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASE OF FIXED ASSETS	(629.93)	(628.79)
CAPITAL SUBSIDY	-	-
PURCHASE / SALE OF INVESTMENTS	(104.80)	(99.92)
INTEREST RECEIVED	32.67	26.01
DIVIDEND RECEIVED	151.24	75.66
NET CASH USED IN INVESTING ACTIVITIES	(550.82)	(627.04)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
REPAYMENTS / PROCEEDS - LONG TERM BORROWINGS(NET)	(1049.08)	(660.53)
INCREASE/(DECREASE) IN FINANCE LEASE LIABILITIES	23.32	13.59
ISSUE OF EQUITY SHARES	4.66	1.79
SECURITIES PREMIUM	31.65	12.12
DIVIDEND PAID	-	(150.92)
TAX ON DIVIDEND	-	(30.72)
FIXED DEPOSITS	(44.69)	(150.46)
MONEY RECEIVED AGAINST ESOP / WARRANTS	-	-
ICD	6.03	(897.61)
ECB LOAN	(293.33)	66.77
NET CASH USED IN FINANCING ACTIVITIES	(1321.44)	(1795.97)
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	550.94	(513.68)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	(3966.63)	(3452.95)
CASH AND CASH EQUIVALENTS AS AT THE CLOSE OF THE YEAR	(3415.69)	(3966.63)

- 1 FIGURES IN BRACKETS DENOTE CASH OUTFLOW.
- 2 CASH & CASH EQUIVALENT IS CASH & BANK BALANCE AS PER BALANCE SHEET.
- 3 PREVIOUS YEAR FIGURES HAVE BEEN REARRANGED & REGROUPED WHEREVER NECESSARY.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
 CHARTERED ACCOUNTANTS
 REGISTRATION NO: 100501W
 SD/-

MADHU T. ANKLESHWARIA
 PROPRIETOR
 MEMBERSHIP NO: 30128
 PLACE: MUMBAI
 DATE: 11 / 05 / 2016

SD/-
PRAKASH D. NARINGREKAR
 COMPANY SECRETARY & CFO
 MEMBERSHIP NO.: ACS 5941

For and on behalf of the Board

SD/-
(Mr. HUMAYUN DHANRAJGIR)
 DIRECTOR
 DIN: 00004006

SD/-
(Dr. DINESH PATEL)
 MANAGING DIRECTOR & CEO
 DIN: 00033273

NOTE NO. 1**Significant Accounting Policies****(i) Basis Of Preparation**

- a) The Consolidated Financial Statements are prepared in accordance with Accounting Standard (AS) 21 on consolidated financial statements notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).
- b) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.
- c) The Consolidated Financial Statements have been prepared and presented in accordance with the generally accepted accounting principles in India. (Indian GAAP) under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.
- d) 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.
- e) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - "Financial Reporting of interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006 (as amended).

f) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

g) Tangible fixed assets and depreciation:**Tangible fixed assets:**

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Tangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Tangible fixed assets under construction are disclosed as capital work in progress. Losses arising from retirement and gains or losses arising from disposal of an tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Intangible fixed assets:

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Depreciation/amortisation:

Depreciation is provided on straight line method over the estimated useful life of each asset as determined by the management. The rates of depreciation prescribed in Schedule II of the Companies Act, 2013 are considered at the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

In case of Richter Themis Medicare (India) Private Limited, a Joint Venture Company which is providing the depreciation at the following rates on straight line method which are higher than the rates specified in Schedule II of the Companies Act, 2013 based on the useful life as determined by the management:

Assets	Periods / Rate
Machinery and Equipment : On Single Shift	5.00%
Office Equipment, Furniture & Fixture	15.00%
Vehicles	20.00%
Computer	20.00%
Leasehold land	Over the lease period.
Intangible assets - Technology Transfer Fees	over the Agreement period
	(5 Years)

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Depreciation on assets other than Trademarks is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

Depreciation/amortization for the year is recognized in the statement of profit and loss.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the statement of profit and loss.

h) Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. The recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exists or may have decreased.

i) Borrowing costs

Borrowing cost directly attributable to the acquisition or construction of qualifying assets are capitalized till the month in which the asset is ready to use, as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which these are incurred.

j) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

k) Inventories

Inventories which comprise raw materials, packing materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realizable value. Cost of inventories comprises all costs of purchase, costs of conversion and other cost incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work-in-progress, fixed production overheads are allocated on the basis of normal capacity of production facilities. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand and demand deposits with banks with original maturities of three months or less.

m) Revenue recognition

- (i) Revenue from sale of goods in the course of ordinary activities is recognized when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is exclusive of sales tax, value added taxes (VAT) and service tax, and is net of returns, trade discounts and quantity
- (ii) Interest income is recognized on time proportion basis after taking into account the amount outstanding and the interest rate applicable.
- (iii) Dividend income is recognized when the right to receive payment is established.

n) Research and Development

Revenue expenditure on research and development is recognized as expense in the year in which it is incurred and the expenditure on capital assets is depreciated over the useful lives of the assets.

o) Foreign currency transactions

- (i) The Company is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

Translation

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the statement of profit and loss. Non monetary items are stated in the balance sheet using the exchange rate at the date of the transaction.

- (ii) Foreign currency exposure in respect of Long Term Foreign currency Monetary items, for financing fixed assets, outstanding at the close of the financial year are revalored at the contracted and /or appropriate exchange rates at the close of the year. The gain or loss due to decrease / increase in Rupee liability due to fluctuation in rate of exchange is recognized in the Profit and Loss Account.
- (iii) Though the accounting policy detailed in (i) and (ii) above have been consistently followed in terms with the Accounting Standard 11, the policy followed in current year retrospectively w.e.f. 1st April, 2007, has been overridden by an amendment to the aforementioned accounting standard for limited period of time.

p) Employee benefits

In case of Defined Contribution plans the Company's contributions to these plans are charged to the statement of Profit and Loss as incurred. The Company's provident fund, gratuity and leave wages are defined benefit plans. The Company maintains gratuity fund with a separate trust formed by the Company, to which contributions are made on an annual basis. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation at the balance sheet date using the Projected Unit Credit Method by an independent actuary, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

q) Income taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and deferred tax liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

r) Provision and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources, when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

s) Earning per share

Basic earnings per share is calculated by dividing the Net Profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

NOTE NO. 2.1

SHARE CAPITAL	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Authorised				
Equity Shares of Rs. 10/- each	10,000,000	1,000.00	10,000,000	1,000.00
Issued, Subscribed & fully Paid up				
Equity Shares of Rs. 10/- each fully paid	8,515,000	851.50	8,468,360	846.84
TOTAL	8,515,000	851.50	8,468,360	846.84

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	8,468,360	846.84	8,450,500	845.05
Issued during the year	46,640	4.66	17,860	1.79
Shares outstanding at the end of the year	8,515,000	851.50	8,468,360	846.84

Share Holding Information - Equity Shares

Name of the Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
<i>Shri Dinesh S. Patel</i>	676,707	7.95	676,707	7.99
<i>Mrs. Jayshree D. Patel</i>	636,414	7.47	788,092	9.31
<i>Dr. Sachin D. Patel</i>	520,405	6.11	520,405	6.15
<i>Vividh Margi Investment Pvt Ltd</i>	1,452,842	17.06	1,252,842	14.79
<i>Vividh Distributors Pvt Ltd</i>	716,100	8.41	616,100	7.28
<i>Gedeon Richter Investment Management Ltd</i>	884,308	10.39	884,308	10.44

Terms / rights attached to shares
Equity Shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE NO. 2.2

(₹ in Lakhs)

RESERVES & SURPLUS	As at 31st March, 2016	As at 31st March, 2015
a.) Capital Reserves		
Opening Balance	30.00	30.00
(+) Capital Subsidy received during the year	-	-
Closing Balance	30.00	30.00
b.) General Reserve		
Opening Balance	6,885.63	6,997.46
(-) Transitional effect as per the Provision of Schedule II of the Companies Act, 2013	-	(186.70)
(+) Current Year Transfer	74.87	74.87
Closing Balance	6,960.50	6,885.63
c.) Securities Premium		
Opening Balance	312.12	300.00
(+) Current Year Transfer	31.65	12.12
Closing Balance	343.77	312.12
d.) Surplus		
Opening balance	(2,154.31)	(2,519.02)
(+) Net Profit/(Net Loss) For the current year	1,932.29	621.22
(-) Proposed Dividends	-	(150.92)
(-) Dividend Tax thereon	-	(30.72)
(-) Transfer to Reserves	(74.87)	(74.87)
Closing Balance	(296.89)	(2,154.31)
TOTAL	7,037.38	5,073.44

NOTE NO 2.3

(₹ in Lakhs)

LONG TERM BORROWINGS	As at 31st March, 2016	As at 31st March, 2015
Secured		
(a) Term Loans		
from Banks (Secured by an equitable mortgage created by deposit of title deeds of the Company's factory land and buildings situated at Vapi, Hyderabad, Haridwar and Baroda and hypothecation of Plant & Machinery both present and future and also secured by personal gurantees of Directors of the Company)	799.90	1,862.48
Terms of Repayment:		
(i) Term Loan from Bank of Baroda Rs. 228.66 lacs. Repayable in 16 quarterly installments after a holiday period of one year from first disbursement.		
(ii) Term Loan from The Zoroastrian Co-op. Bank Ltd. Rs. 46.05 lacs Repayable in 34 monthly installments.		
(iii) Term Loan from Union Bank of India Rs. 2306.88 lacs and from Bank of Baroda Rs. 430.33 lacs. Repayable in 20 quarterly installments commencing from Sept 2013.		
(b) Long term maturities of finance lease obligations (Secured By hypothecation of vehicles acquired under hire purchase arrangement) Repayable in 36 equated Monthly Installments as per various arrangements.	33.71	20.51
Total Secured Long Term borrowings	833.61	1,882.99
Unsecured		
(a) Term Loans		
Foreign Currency Loan - From a Foreign Promoter Repayable in 25 quarterly Installments up to 31st March, 2020.	1,629.19	1,912.65
(b) Deposits		
Fixed Deposits Repayable in 1, 2, and 3 years, based on the deposit period.	581.87	558.64
Total Unsecured Long Term Borrowings	2,211.06	2,471.29
Total	3,044.67	4,354.28
Groups Proportionate Share in Long Term Borrowings of the Joint Venture	3,121.13	3,109.82
Total	6,165.80	7,464.10

NOTE NO. 2.4

(₹ in Lakhs)

DEFERRED TAX LIABILITY (Net)	As at 31st March, 2016	As at 31st March, 2015
(A) Deferred Tax Assets		
Provision for unencashed Leave	136.11	119.59
Bonus	91.38	68.41
Provision for Gratuity	46.99	32.50
Total	274.48	220.50
(B) Deferred Tax Liability		
for Depreciation	404.55	404.55
NET	130.07	184.05
Groups Proportionate Share in Deferred Tax Liability of the Joint Venture	120.59	153.92
Total	250.66	337.97

NOTE NO. 2.5

OTHER LONG TERM LIABILITIES	As at 31st March, 2016	As at 31st March, 2015
Deposit from Dealers and Suppliers	382.49	352.49
Total	382.49	352.49

NOTE NO. 2.6

LONG TERM PROVISIONS	As at 31st March, 2016	As at 31st March, 2015
Groups Proportionate Share in Long Term provision of Joint Venture	69.81	49.32
Total	69.81	49.32

NOTE NO. 2.7

SHORT TERM BORROWINGS	As at 31st March, 2016	As at 31st March, 2015
Secured		
Loans repayable on demand		
from banks		
i) Cash Credits against hypothecation of raw materials, Stock in Process, finished goods, packing material and book debts and also guaranteed by the Directors of the Company.	2,763.75	2,305.09
ii) Bills Discounted	1,750.02	1,991.21
iii) Advance as Packing Credit for Export	422.38	567.54
Total	4,936.15	4,863.84
Unsecured		
Other Loans and Advances		
Advance from Customers	40.34	296.92
Intercorporate Deposits	211.93	217.22
Total	252.27	514.14
Total	5,188.42	5,377.98

NOTE NO. 2.8

(₹ in Lakhs)

TRADE PAYABLES	As at 31st March, 2016	As at 31st March, 2015
Trade Payables	5,148.06	5,826.15
Groups Proportionate Share in Trade Payables of Joint Venture	214.90	189.08
Total	5,362.96	6,015.23

NOTE NO. 2.9

OTHER CURRENT LIABILITIES	As at 31st March, 2016	As at 31st March, 2015
(a) Current maturities of long-term debt	1,219.46	1,157.58
(b) Current maturities of finance lease obligations	28.81	18.70
(c) Unclaimed dividends	3.72	3.72
(d) Duties and Taxes (incl. Excise duty, service tax, TDS)	41.05	32.19
(e) Over drawn Bank Balances as per Books of account only	36.38	11.36
Total	1,329.42	1,223.55
Groups Proportionate Share in Other Current Liabilities of Joint Venture	403.94	427.45
Total	1,733.36	1,651.00

NOTE NO. 2.10

SHORT TERM PROVISIONS	As at 31st March, 2016	As at 31st March, 2015
(a) Provision for Employee Benefits		
(i) Gratuity	250.28	212.28
(ii) Leave Encashment	77.04	73.23
(b) Others		
(i) Proposed Dividend	-	-
(ii) Tax on Dividend	-	-
Total	327.32	285.51
Groups Proportionate Share in Short Term Provisions of Joint Venture	244.79	231.61
Total	572.11	517.12

NOTE NO. 2.11

	(₹ in Lakhs)										
	Fixed Assets			Gross Block			Accumulated Depreciation				Net Block
	Balance as at 1st April 2015	Additions	Adjustment	Deductions	Balance as at 31st March 2016	Balance as at 1st April 2015	Depreciation charge for the period	Adjustments	Disposals	Balance as at 31st March 2016	Balance as at 31st March 2015
a											
Tangible Assets (Not Under Lease)											
Land	1,022.40	-	-	-	1,022.40	-	-	-	-	-	1,022.40
Buildings	2,303.99	-	-	-	2,303.99	716.64	55.76	-	-	772.40	1,531.59
Plant and Equipment	9,263.01	188.34	-	-	9,451.35	4,054.16	563.62	-	-	4,617.77	5,208.84
Furniture and Fixtures	721.79	13.54	-	-	735.33	685.93	44.23	-	-	730.16	35.86
Vehicles	205.18	-	-	25.12	180.06	103.06	12.14	-	15.95	99.25	102.12
Office equipment	57.57	1.93	-	-	59.50	46.49	2.65	-	-	49.14	11.07
Electrical Installation	407.03	-	-	-	407.03	290.72	58.39	-	-	349.11	116.32
Total (i)	13,980.97	203.81		25.12	14,159.66	5,897.00	736.79		15.95	6,617.83	8,083.97
Tangible Assets (Under Lease)											
Land	1,061.08	-	-	7.88	1,053.20	-	-	-	-	-	1,061.08
Vehicles	76.18	57.89	-	-	134.07	33.18	10.25	-	-	43.43	43.00
Total (ii)	1,137.26	57.89		7.88	1,187.27	33.18	10.25			43.43	1,104.08
Groups Proportionate Share in Tangible Assets											
of Joint Venture (iii)	5,472.41	69.70	-	-	5,542.11	2,446.42	291.19	73.69	-	2,811.31	3,025.98
Total (i+ii+iii)	20,590.64	331.40		33.00	20,889.04	8,376.60	1,038.23	73.69	15.95	9,472.57	12,214.03
b											
Intangible Assets											
Trademarks / Patent	15.95	213.97	-	-	229.92	-	-	-	-	-	15.95
Groups Proportionate	12.35	0.99	-	-	13.34	10.44	0.38	-	-	10.82	1.91
Total	28.30	214.96			243.26	10.44	0.38			10.82	17.86
Total	20,618.94	546.36		33.00	21,132.30	8,387.04	1,038.61	73.69	15.95	9,483.39	12,231.89

NOTE NO. 2.12

(₹ in Lakhs)

NON CURRENT INVESTMENTS	As at 31st March, 2016		As at 31st March, 2015	
NON CURRENT INVESTMENTS AT COST				
LONG TERM INVESTMENTS-UNQUOTED				
A) TRADE : IN SHARES OF COMPANIES				
i) 16000 (Previous Year 16000) Equity Shares of The Kapol Co.op.Bank Ltd. of Rs.10 each fully paid up		1.60		1.60
ii) 600 (Previous Year 600)Equity Shares of Jeedimetla Effluent Treatment Ltd of Rs 100/- each fully paid up		0.60		0.60
iii) 26208 (Previous year 26208), Equity Shares of Rs. 100 each fully paid up of Long Island Nutritionals Pvt. Ltd. Add: Goodwill on acquisition	8.94		38.06	
Add: Shre in Profit (current year)	-	8.94	(29.12)	8.94
iv) 100 (Previous Year 100) Equity Shares of The Zoroastrain Co.op.Bank Ltd. of Rs.25 each fully paid up		0.03		0.03
Total		11.17		11.17
B) OTHER THAN TRADE :				
a) IN GOVT.SECURITIES				
(i) National Savings Certificates [including Rs 0.84 lacs (Previous year Rs.0.84 lacs) deposited as security with various Government and Semi-Government departments.] (NSC worth Rs. 0.10 lacs is held in the name of a Director of the Company)		0.43		1.43
(ii) 5 1/2 yrs Kisan Vikas Patra (including Rs 0.10 lacs deposited as security with Sales tax Authorities at Daman.)		0.15		0.15
b) IN BONDS				
20 (Previous year 20) 20 yrs Deep Discount Bonds of Sardar Sarovar Narmada Nigam Limited of Rs.3600 each fully paid up.		0.72		0.72
Total		1.30		2.30
LONG TERM INVESTMENTS-QUOTED				
(i) 3369605 (Previous Year 3369605) shares of Rs 5/- each of Gujarat Themis Biosyn Ltd. fully paid up (Market Value Rs 1711.76 lacs, previous year Rs 1277.08 lacs) (an associate Company) Add: Goodwill on acquisition	443.51		336.96	
Add: Shre in Profit (current year)	105.80	549.31	106.55	443.51
(ii) 505 (Previous Year 505) Equity shares of Union Bank of India of Rs 10 each fully paid. (Market Value Rs 0.66 lacs, previous year Rs 0.79 lacs)		0.56		0.56
(iii) 9000 (Previous Year 1800 of Rs.10/-each) Equity Shares of Bank of Baroda of Rs 2/- each fully paid (Market Value Rs. 13.24 lacs, previous year Rs. 14.70 lacs)		1.53		1.53
Total		551.40		445.60
Groups Proportionate Share in Non Current Investments (Unquoted) of Joint Venture		0.03		0.03
Total		563.90		459.10
NOTE : AGGREGATE VALUE OF QUOTED INVESTMENTS		551.40		445.60
AGGREGATE VALUE OF UNQUOTED INVESTMENTS		12.50		13.50

NOTE NO. 2.13

(₹ in Lakhs)

LONG TERM LOANS AND ADVANCES UNSECURED CONSIDERED GOOD	As at 31st March, 2016		As at 31st March, 2015	
a) Capital Advances		-		-
b) Security Deposits		246.99		244.81
c) Other Loans and Advances				
Advance Tax and Tax deducted at Source	317.45		310.76	
Mat Credit Entitlement	303.08	620.53	303.08	613.84
Total		867.52		858.65
Groups Proportionate Share in Long Term Loans and Advances of Joint Venture		562.31		411.36
Total		1,429.83		1,270.01

NOTE NO. 2.14

OTHER NON CURRENT ASSETS	As at 31st March, 2016	As at 31st March, 2015
Other Bank Balances:		
a) Deposit for more than 12 months maturity	35.02	27.05
b) In Deposit account towards Share Application money	0.33	0.33
Total	35.35	27.38
Groups Proportionate Share in Other Non Current Assets of Joint Venture	0.01	0.27
Total	35.36	27.65

NOTE NO. 2.15

INVENTORY	As at 31st March, 2016		As at 31st March, 2015	
(at cost or net realisable value, whichever is lower)				
a) Raw Materials and components	854.24		932.84	
b) Goods-in transit	-	854.24	35.72	968.56
c) Work-in-progress		1,305.44		1,299.79
d) Finished goods		1,618.14		1,794.89
e) Stores and spares		15.01		24.95
f) Packing Material and Power and Fuel		718.52		677.39
Total		4,511.35		4,765.58
Groups Proportionate Share in Inventories of Joint Venture		1,335.62		1,464.44
Total		5,846.97		6,230.02

NOTE NO. 2.16

(₹ in Lakhs)

TRADE RECEIVABLES	As at 31st March, 2016	As at 31st March, 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment unsecured, considered good	3,384.27	3,439.00
Trade receivables outstanding for a period exceeding six months from the date they are due for payment unsecured, considered good	647.24	574.84
Total	4,031.51	4,013.84
Groups Proportionate Share in Trade Receivables of Joint Venture	752.89	542.37
Total	4,784.40	4,556.21
Trade Receivable stated above include debts due by:		
Private Companies in which directors are member / directors.	1,274.23	756.82
Total	1,274.23	756.82

NOTE NO. 2.17

CASH & BANK BALANCES	As at 31st March, 2016		As at 31st March, 2015	
a) Cash and Cash Equivalents				
(i) Cash on Hand	12.77		20.27	-
(ii) Balances with banks in current accounts	611.76		394.77	
		624.53		415.04
b) Other Bank Balances				
(i) Margin Money	182.79		162.30	
(ii) Guarantees	32.36		30.09	
		215.15		192.39
Total		839.68		607.43
Groups Proportionate Share in Cash and Cash Equivalent of Joint Venture		645.42		262.14
Total		1,485.10		869.57

NOTE NO. 2.18

SHORT TERM LOANS AND ADVANCES, UNSECURED, CONSIDERED GOOD	As at 31st March, 2016	As at 31st March, 2015
a) Advance to Suppliers	205.68	606.55
b) Staff Advance and Imprest Cash	60.83	49.44
c) Interest / Dividend Receivable	17.41	4.97
d) Prepaid Expenses	58.38	68.60
e) Dues from Government Authorities	361.16	293.33
f) Balance with Central Excise	342.09	506.95
g) Insurance claim	60.10	60.10
h) Others	91.03	61.41
Total	1,196.68	1,651.35
Groups Proportionate Share in Short Term Loans and Advances of Joint Ventures	47.00	40.11
Total	1,243.68	1,691.46

NOTE NO. 3.1

(₹ in Lakhs)

REVENUE FROM OPERATIONS	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Sale of Products	20,466.98	16,840.22
b) Other operating revenues	172.73	89.67
Total	20,639.71	16,929.89
Less :		
c) Excise Duty	350.45	243.43
Total (I)	20,289.26	16,686.46
Groups Proportionate Share in Revenues from Operation of Joint Venture		
a) Sale of Products	2,915.71	3,375.96
b) Other operating revenues	74.77	125.73
Total (II)	2,990.48	3,501.69
Total (I +II)	23,279.74	20,188.15

NOTE NO. 3.2

OTHER INCOME	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Interest Income	32.67	26.01
b) Dividend Income	151.24	75.66
c) Other non - operating income	89.71	1,145.60
Total	273.62	1,247.27
Groups Proportionate Share in Other Income of Joint Ventures	44.35	11.90
Total	317.97	1,259.17

NOTE NO. 3.3

COST OF MATERIAL CONSUMED	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Raw Materials		
Inventory at the beginning of the year	968.56	1,042.11
Add: Purchases	4,540.86	5,506.51
	5,509.42	6,548.62
Less: Inventory at the end of the year	854.24	968.56
Cost of raw material consumed	4,655.18	5,580.06
b) Packing Material	1,623.18	1,306.69
Total	6,278.36	6,886.75
Groups Proportionate Share in Material Cost of Joint Venture	814.85	1,347.74
Total	7,093.21	8,234.49

NOTE NO. 3.4

(₹ in Lakhs)

Details of Changes in Inventory	Year ended 31st March, 2016	Year ended 31st March, 2015	Increase / (Decrease)
Inventory at the end of the year :			
Work in Progress	1,305.44	1,299.79	5.65
Finished Goods	1,618.14	1,794.89	(176.75)
Total	2,923.58	3,094.68	(171.10)
Groups Proportionate Share in Closing Stock of Work in Progress and Finished Goods			(95.06)
Total			(266.16)
Inventory at the beginning of the year:			
Work in Progress	1,299.79	1,672.30	(372.51)
Finished Goods	1,794.89	1,370.83	424.06
Total	3,094.68	3,043.13	51.55
Groups Proportionate Share in Opening Stock of Work in Progress and Finished Goods			(92.67)
Total			(41.12)

NOTE NO. 3.5

Employee Benefit Expenses	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Salaries and incentives	2,936.67	2,633.74
b) Contributions to Provident and other fund	184.45	178.48
c) Gratuity fund contributions	42.02	42.00
d) Staff welfare expenses	28.08	25.15
Total	3,191.22	2,879.37
Groups Proportionate Share in Employee Benefit Expense of Joint Venture	442.62	384.78
Total	3,633.84	3,264.15

PAYMENT TO THE AUDITORS	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Auditor	6.00	6.00
b) for other service	0.20	0.10
c) for reimbursement of expenses	0.71	0.36
Total	6.91	6.46

NOTE NO. 3.6

FINANCE COST	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Interest Expense	1,079.47	1,259.78
b) Bank Charges	136.94	187.54
Total	1,216.41	1,447.32
Groups Proportionate Share in Finance Cost of Joint Venture	9.59	5.57
Total	1,226.00	1,452.89

NOTE NO. 3.7

(₹ in Lakhs)

DEPRECIATION AND AMORTISATION EXPENSES	Year ended 31st March, 2016	Year ended 31st March, 2015
Depreciation and Amortisation Expenses	747.03	734.13
Total	747.03	734.13
Groups Proportionate Share in Depreciation and Amortisation Expenses	365.27	415.23
Total	1,112.30	1,149.36

NOTE NO. 3.8

OTHER EXPENSES	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Consumption of Stores and Spares	136.65	100.50
b) Power and Fuel	1,083.37	835.67
c) Processing charges	1,215.54	643.29
d) Rent	34.00	27.94
e) Repairs to Buildings	26.42	7.09
f) Repairs to Machinery	82.48	81.88
g) Repairs to Others	44.06	29.73
h) Insurance	78.22	77.67
i) Rates and Taxes, excluding taxes on income	43.89	23.22
j) Travelling and conveyance	995.11	894.38
k) Freight and Forwardings charges	334.59	324.91
l) Legal and Professional Charges	323.64	328.47
m) Exchange Difference	-	40.91
n) Commission	360.30	444.10
o) Advertisement and Sale Promotion	510.07	317.83
p) Miscellaneous Expenses	862.10	720.21
Total	6,130.44	4,897.80
Groups Proportionate Share in Other Expenses of Joint Venture	807.63	970.79
Total	6,938.07	5,868.59

NOTE NO. 3.9

TAX EXPENSES	Year ended 31st March, 2016	Year ended 31st March, 2015
Current Tax	-	-
Deferred Tax	(53.99)	(46.94)
Total	(53.99)	(46.94)
Groups Proportionate Share in Tax Expense of Joint Venture	179.81	(42.48)
Total	125.82	(89.42)

NOTE NO. 4
Other Notes Forming Part of The Accounts

- 1 The Consolidated Financial Statements present the consolidated accounts of Themis Medicare Limited with its joint venture company and associate Companies.

Name	Country of Incorporation	Proportion of ownership interest
Joint Venture		
Richter Themis Medicare (India) Private Limited	India	49.00%
Associate		
Gujarat Themis Biosyn Limited	India	23.19%
Long Island Nutritionals Private Limited	India	38.79%

- 2 Significant Accounting Policies and notes to these consolidated Financial Statements are intended to serve as a means of informative disclosure and guide to better understanding the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such Policies and Notes from the individual financial statements, which fairly present the needed disclosures.

(₹ in Lakhs)

Contingent liabilities and commitments (to the extent not provided for)	As at 31st March 2016	As at 31st March 2015
3 Contingent Liabilities		
(a) Claims against the company not acknowledged as debt		
(i) The Ministry of Chemicals & Fertilizers, Government of India has raised demand under Drug Price Control Order, 1979 for difference in actual price and price of respective bulk drug allowed while fixing the prices of certain life saving Formulations which are disputed by the Company. The Company has preferred Appeals before Hon'ble High Courts of Gujarat and Bombay in respect of Bulk Drug Rifampicin and Ethambutol respectively, for grant of ad interim stay. While allowing the stay, The Hon'ble High Court Gujarat directed the Company to deposit Principal Liability of Rs. 34.80 Lacs out of the total liability of Rs.126.08 Lacs as worked out by the Department of Chemicals & Fertilizers, Govt. of India. The Company has already complied with the directions of the Hon'ble Court. In respect of Liability for Bulk Drug Ethambutol, the Hon'ble Bombay High Court had directed the Company to submit Bank Guarantee of Principle amount with Court & stayed the matter. The Company has complied with the direction of the Hon'ble High Court. Similarly, a demand notice is received during a previous year from NPPA, New Delhi, in respect of Formulation Tetracox, The Company has preferred Writ Petition at Hon'ble High Court Uttarakhand, Nainital, as well for stay of demand. The matter is pending before the High Court.	435.98	435.98
(ii) Others	0.87	0.87
(b) Guarantees	145.49	203.08
(c) Other money for which the company is contingently liable		
(i) In respect of Letter of Credit	172.89	113.93
(ii) Disputed Income Tax and Sales Tax as matters are in appeal	32.95	32.95
(iii) Customs duty payable on raw materials imported under duty exemption scheme in case of non-fulfillment of export obligation.	222.50	213.50
Total (I)	1,010.68	1,000.32

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)

(₹ in Lakhs)

Contingent liabilities and commitments (to the extent not provided for) (Contd.)	As at 31st March 2016	As at 31st March 2015
4 Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	10.06
(b) Other commitments (specify nature)		
(i) Liability on account of Custom duty on goods in bonded warehouse or in transit, as per the Company's practice charged to Statement of Consolidated Profit & Loss only in the year in which the goods are cleared from the Custom. This accounting policy has no effect on the Profit for the year.	-	-
(ii) Liability on account of Excise duty in respect of goods manufactured and liable to payment of Excise duty when cleared from the factory premises, is accounted at the time of removal of the goods from the place of manufacture for sale or for captive use. This accounting policy has no effect on the Profit for the year.	2.51	3.30
Total (II)	2.51	13.36
Total (I + II)	1,013.19	1,013.68

- 5 Revenue expenditure on Research & Development incurred & Charged out during the year through the natural heads of expenses amount to Rs. 350.53 Lacs (Previous year Rs.266.37 Lacs) Capital expenditure incurred during the year thereof amounts to nil has been included in Fixed Assets. (Previous year Rs. NIL).
- 6 The Company has only one segment namely pharmaceuticals, hence no separate disclosure of segment wise information has been made, as required by Accounting Standard 17 on "Segment Reporting"
- 7 Interest on borrowings attributed to new projects is Capitalised and included in the cost of Fixed Assets/ Capital Work in Progress, as appropriate. Current year Nil. (Previous year Nil).

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)
8 Related Party Disclosures
A. Name of the related parties and nature of relationship

(a) Associate companies	Themis Distributors Pvt. Ltd. Vividh Distributors Pvt. Ltd. Vividh Margi Investments Pvt. Ltd. Long Island Nutritionals Pvt. Ltd. Gujarat Themis Biosyn Ltd.
(b) Joint Venture	Richter Themis Medicare (India) Pvt.Ltd.
(c) Subsidiary	Themis Life Style Pvt Ltd. Artemis Biotech Limited HIDPUL-KFT, Hungary.
(d) Key Management personnel	Dr. D.S. Patel (M.D & CEO) Dr. Sachin D. Patel Mr. Rajneesh Anand Mr. Prakash D. Naringrekar (CFO & Company Secretary)
(e) Directors/Relatives of Key Management personnel	Mrs. Jayshree D. Patel Mrs. Meena A. Patel Mrs Hemlata B.Patel Mrs. Reena S. Patel

B. Transactions with related parties as per books of account.

(₹ in Lakhs)

Nature of Transaction	Associate Companies and Joint Venture		Key Management Personnel		Relatives of Key Management Personnel		Balance Outstanding	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Sales:								
Sale of Finished goods	3,739.27	2,748.50					1,274.23	756.82
Income:								
Dividend	150.92	75.46						
Purchase :								
Purchase of Goods	238.22	273.40						
Expenses:								
Electricity	2.61	3.60						
Telephone	0.47	0.20						
Freight/Others	3.99	11.38						
Remuneration			159.93	141.92	17.14	17.14		
Fixed deposit interest			30.72	29.77	34.16	35.54		
Consultancy Fees					29.40	29.40		
Others:								
Dividend paid								
Investment in shares of Associate Company		22.46					375.02	375.02
Fixed deposit				30.00		(50.00)	601.20	601.20

C. The information given above, have been reckoned on the basis of information available with the Company.

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)

- 9 Deferred tax liability is provided by implementing , Accounting Standard-22 "Accounting for taxes on Income"
- a) The deferred tax liability of Rs 22.27 lacs (Cr) for the year has been recognised in the Profit and Loss Account.
- b) Break up of Deffered Tax Assets and Liabilities into major componenets of the respective balances are as under

	2015-16 ₹ In lakhs	2014-15 ₹ In lakhs
Deferred Tax Liabilities :		
Depreciation	551.74	584.33
Deferred Tax Assets :		
Retirement benefits	301.08	246.36
Carry Forward business loss and unabsorbed depreciation	-	-
	301.08	246.36
	250.66	337.97

10 Earnings Per Share (EPS)

	2015-16	2014-15
a) Net Profit as per Statement of Profit and Loss - Rs. in lakhs	1,932.29	621.22
b) Weighted average number of equity shares for Earnings Per Share computation		
Shares for Basic Earning Per Share	8,515,000	8,468,360
Add: Potential diluted equity shares on account of shares in abeyance movement in Number of shares is on account of change in fair value of share	68,500	115,140
	8,583,500	8,583,500
c) Earnings Per Share		
Face value per share (₹)	10	10
Basic (₹)	22.69	7.34
Diluted (₹)	22.51	7.24

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
 CHARTERED ACCOUNTANTS
 REGISTRATION NO: 100501W

SD/-

MADHU T. ANKLESHWARIA
 PROPRIETOR
MEMBERSHIP NO: 30128
PLACE: MUMBAI
DATE: 11 / 05 / 2016

SD/-

PRAKASH D. NARINGREKAR
 COMPANY SECRETARY & CFO
 MEMBERSHIP NO.: ACS 5941

For and on behalf of the Board

SD/-

(Mr. HUMAYUN DHANRAJGIR)
 DIRECTOR
 DIN: 00004006

SD/-

(Dr. DINESH PATEL)
 MANAGING DIRECTOR & CEO
 DIN: 00033273

Independent Auditor's Report

To the Members of *Themis Medicare Limited*

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of *Themis Medicare Limited* ("**the Company**") which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute Of Chartered Accountants Of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 4 (i) to the Standalone financial statements;
 - ii. The Company did not have any derivative contracts. In respect of long term contracts Company did not have any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2016.

For M. T. ANKLESHWARIA & CO.
 CHARTERED ACCOUNTANTS,
 FIRM REGISTRATION NO: 100501W

SD/-

MADHU T. ANKLESHWARIA
 PROPRIETOR.
 Membership No. 30128.

Place: Mumbai
 Date: 11 /05 /2016

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone financial statements of the Company for the year ended March 31, 2016:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of conveyance deed and other relevant documents provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following : [refer note 2.9-(2 and 3) schedule of Fixed Assets]:-

Particulars of the land and building	Carrying amount as at the balance sheet date at cost	Remarks (for exception)
Office Premises – Mumbai Admeasuring about 13770 sq.ft.	Rs. 91,00,000/-	The title deeds are in the name of Indo French Timestar Company Ltd., erstwhile Company from which asset purchased in earlier year.
Training Centre Premises –Mumbai Admeasuring about 3000 sq.ft.	Rs. 1,06,35,000/-	The title deeds are in the name of Indo French Timestar Company Ltd., erstwhile Company from which asset purchased in earlier year.

In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the Standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- 2) (a) As explained to us, the management has conducted the physical verification of inventory including stocks with certain third parties, at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) According to information and explanations given to us, the Company has granted interest free unsecured advance in nature of loan to a Company covered in the register maintained under section 189 of the Companies Act, 2013, without any stipulation for repayment of principal. The terms and conditions of such loan are, in our opinion, prima facie, not prejudicial to the Company’s interest. The Company has recovered a part of the principal amount during the year and there is no overdue amount remaining outstanding as at the year-end, as informed to us.

According to information and explanations given to us, the Company has not granted any other loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon to that extent.

- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security, as applicable.
- 5) According to information and explanations given to us, the Company has not accepted any deposits from the public during the year and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

- 6) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of Cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us and based on the records of the company examined by us, the particulars of dues of Sales Tax as at 31st March, 2016 which have not been deposited on account of a dispute are as follows :-

Nature of the Statute	Nature of Dues	Rs. In Lacs	Period to which it relates	Forum where dispute is pending
Sales Tax Act	Sales Tax	32.95	Various demands for 1987 - 88 to 1995-96, 1998-99 and 2006-07	Various appellate stages in Sales Tax Dept.

According to the information and explanation given to us, there are no dues of income tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion and according to information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable, and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For M. T. ANKLESHWARIA & CO.
CHARTERED ACCOUNTANTS,
FIRM REGISTRATION NO: 100501W

SD/-

MADHU T. ANKLESHWARIA
PROPRIETOR.
Membership No. 30128.

Place: Mumbai

Date: 11 /05 /2016

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Themis Medicare Limited

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

We have audited the internal financial controls over financial reporting of **Themis Medicare Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”].

For M. T. ANKLESHWARIA & CO.
CHARTERED ACCOUNTANTS,
FIRM REGISTRATION NO: 100501W

SD/-

MADHU T. ANKLESHWARIA
PROPRIETOR.

Membership No. 30128.

Place: Mumbai

Date: 11 /05 /2016

Balance Sheet as at 31st March 2016

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2.1	851.50	846.84
(b) Reserves and surplus	2.2	5,579.21	4,041.07
2 Non-current liabilities			
(a) Long-term borrowings	2.3	3,044.67	4,354.28
(b) Deferred tax liabilities (Net)	2.4	130.07	184.05
(c) Other Long term liabilities	2.5	382.49	352.49
3 Current liabilities			
(a) Short-term borrowings	2.6	5,188.42	5,377.98
(b) Trade payables		5,148.06	5,826.15
(c) Other current liabilities	2.7	1,329.42	1,223.55
(d) Short-term provisions	2.8	327.32	285.51
TOTAL		21,981.16	22,491.92
II ASSETS			
1 Non-current assets			
(a) Fixed assets	2.9		
(i) Tangible assets		8,685.67	9,188.06
(ii) Intangible assets		229.92	15.95
(iii) Capital work-in-progress		516.84	296.05
(b) Non-current investments	2.10	1,068.77	1,069.77
(c) Long-term loans and advances	2.11	867.52	858.65
(d) Other non current assets	2.12	35.35	27.38
2 Current assets			
(a) Inventories	2.13	4,511.35	4,765.58
(b) Trade receivables	2.14	4,031.51	4,013.84
(c) Cash and Bank balances	2.15	831.19	598.93
(d) Short-term loans and advances	2.16	1,203.04	1,657.71
TOTAL		21,981.16	22,491.92

Significant Accounting Policies

1

Notes to financial statement

2-3

Other Notes

4

The notes referred to above form an integral part of the financial statements.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**

CHARTERED ACCOUNTANTS

REGISTRATION NO: 100501W

SD/-

MADHU T. ANKLESHWARIA

PROPRIETOR

MEMBERSHIP NO: 30128

PLACE: MUMBAI

DATE: 11 / 05 / 2016

SD/-

PRAKASH D. NARINGREKAR

COMPANY SECRETARY & CFO

MEMBERSHIP NO.: ACS 5941

For and on behalf of the Board

SD/-

(Mr. HUMAYUN DHANRAJGIR)

DIRECTOR

DIN: 00004006

SD/-

(Dr. DINESH PATEL)

MANAGING DIRECTOR & CEO

DIN: 00033273

Statement of Profit and Loss for the year ended 31st March, 2016

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2016	Year ended 31st March, 2015
I. Revenue from Operations	3.1		
a) Sale of Products		20,466.98	16,840.22
b) Other operating revenues		172.73	89.67
Less: Excise Duty		(350.45)	(243.43)
II. Other income	3.2	273.62	1,247.27
III. Total Revenue (I + II)		20,562.88	17,933.73
IV. Expenses:			
Cost of materials consumed	3.3	6,278.36	6,886.75
Purchases of Stock-in-Trade		1,375.82	982.35
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	3.4	171.10	(51.55)
Employee benefits expense	3.5	3,191.22	2,879.37
Finance costs	3.6	1,216.41	1,447.32
Depreciation and amortization expense		747.03	734.13
Other expenses	3.7	6,130.44	4,897.80
Total Expenses		19,110.38	17,776.17
V Profit (Loss) before tax (III- IV)		1,452.50	157.56
VI Tax expense:			
(1) Current Tax		-	-
(2) Deferred Tax		53.99	46.94
VII Profit (Loss) for the year		1,506.49	204.50
VIII. Earnings per equity share: (Face Value of Rs. 10/- each)			
(1) Basic		17.69	2.41
(2) Diluted		17.55	2.38

Significant Accounting Policies	1
Notes to financial statement	2-3
Other Notes	4

The notes referred to above form an integral part of the financial statements.

As per our attached report of even date

 For **M. T. ANKLESHWARIA & CO.,**
 CHARTERED ACCOUNTANTS
 REGISTRATION NO: 100501W
 SD/-

MADHU T. ANKLESHWARIA
 PROPRIETOR
MEMBERSHIP NO: 30128
PLACE: MUMBAI
DATE: 11 / 05 / 2016

 SD/-
PRAKASH D. NARINGREKAR
 COMPANY SECRETARY & CFO
 MEMBERSHIP NO.: ACS 5941

For and on behalf of the Board

 SD/-
(Mr. HUMAYUN DHANRAJIR)
 DIRECTOR
 DIN: 00004006

 SD/-
(Dr. DINESH PATEL)
 MANAGING DIRECTOR & CEO
 DIN: 00033273

Cash Flow Statement For The Year Ended 31st March 2016

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX & INTEREST & EXTRAORDINARY ITEMS	2668.91	1604.90
ADJUSTMENTS FOR :		
DEPRECIATION	747.03	734.13
INTEREST / DIVIDEND	(183.91)	(101.67)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3232.03	2237.36
ADJUSTMENTS FOR :		
TRADE AND OTHER RECEIVABLES	428.14	(206.03)
INVENTORIES	254.22	293.86
TRADE PAYABLES	(882.94)	171.35
CASH GENERATED FROM OPERATIONS	3031.45	2496.54
INTEREST & FINANCE CHARGES	(1216.41)	(1447.35)
DIRECT TAXES PAID	53.99	46.94
NET CASH FLOW FROM OPERATING ACTIVITIES	1869.03	1096.13
B. CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASE OF FIXED ASSETS	(553.27)	(231.61)
PURCHASE / SALE OF INVESTMENTS	1.00	(22.49)
INTEREST RECEIVED	32.67	26.01
DIVIDEND RECEIVED	151.24	75.66
NET CASH USED IN INVESTING ACTIVITIES	(368.36)	(152.43)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
REPAYMENTS / PROCEEDS - LONG TERM BORROWINGS(NET)	(1049.08)	(660.53)
INCREASE/(DECREASE) IN FINANCE LEASE LIABILITIES	23.32	13.59
ISSUE OF EQUITY SHARES	4.66	1.79
SECURITIES PREMIUM	31.65	12.12
FIXED DEPOSITS	(44.69)	(150.46)
MONEY RECD AGNST ESOP / Warrants	0.00	0.00
ICD	(5.29)	(782.78)
ECB LOAN	(293.33)	66.77
NET CASH USED IN FINANCING ACTIVITIES	(1332.76)	(1499.50)
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	167.91	(555.80)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	(4237.52)	(3681.72)
CASH AND CASH EQUIVALENTS AS AT THE CLOSE OF THE YEAR	(4069.61)	(4237.52)

- 1 FIGURES IN BRACKETS DENOTE CASH OUTFLOW.
- 2 CASH & CASH EQUIVALENT IS CASH & BANK BALANCE AS PER BALANCE SHEET.
- 3 PREVIOUS YEAR FIGURES HAVE BEEN REARRANGED & REGROUPED WHEREVER NECESSARY.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
 CHARTERED ACCOUNTANTS
 REGISTRATION NO: 100501W
 SD/-

MADHU T. ANKLESHWARIA
 PROPRIETOR
MEMBERSHIP NO: 30128
PLACE: MUMBAI
DATE: 11 / 05 / 2016

SD/-
PRAKASH D. NARINGREKAR
 COMPANY SECRETARY & CFO
 MEMBERSHIP NO.: ACS 5941

For and on behalf of the Board

SD/-
(Mr. HUMAYUN DHANRAJGIR)
 DIRECTOR
 DIN: 00004006

SD/-
(Dr. DINESH PATEL)
 MANAGING DIRECTOR & CEO
 DIN: 00033273

NOTE NO. 1**Significant Accounting Policies****(a) Basis of preparation of financial statements:**

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, the relevant provisions of the Companies Act, 2013 and other accounting principles generally accepted in India, to the extent applicable.

(b) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

(c) Current-non-current classification:

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

(d) Tangible fixed assets and depreciation:

Tangible fixed assets:

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Tangible asset is derecognized on disposal or when no future economic benefits are expected from its use of disposal.

Tangible fixed assets under construction are disclosed as capital work in progress.

Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Intangible fixed assets:

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Depreciation/amortisation:

Depreciation is provided on straight line method over the estimated useful life of each asset as determined by the management. The rates of depreciation prescribed in Schedule II of the Companies Act, 2013 are considered at the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Depreciation on assets other than Trademarks is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

Depreciation/amortization for the year is recognized in the statement of profit and loss.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the statement of profit and loss.

(e) Borrowing costs:

Borrowing cost directly attributable to the acquisition or construction of qualifying assets are capitalized till the month in which the asset is ready to use, as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which these are incurred.

(f) Impairment of assets:

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. The recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

(g) Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

(h) Inventories:

Inventories which comprise raw materials, packing materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realizable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other cost incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work-in-progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

(i) Foreign currency transactions:

i. The Company is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

Translation

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the statement of profit and loss. Non monetary items are stated in the balance sheet using the exchange rate at the date of the transaction.

ii. Foreign currency exposure in respect of Long Term Foreign currency Monetary items, for financing fixed assets, outstanding at the close of the financial year are revalored at the contracted and /or

appropriate exchange rates at the close of the year. The gain or loss due to decrease / increase in Rupee liability due to fluctuation in rate of exchange is recognized in the Profit and Loss Account.

- iii. Though the accounting policy detailed in (i) and (ii) above have been consistently followed in terms with the Accounting Standard 11, the policy followed in current year retrospectively w.e.f. 1st April, 2007, has been overridden by an amendment to the aforementioned accounting standard for limited period of time as stated in point no. 14 in Note No. 4 "Other notes forming part of the Accounts.

(j) Revenue recognition:

- i. Revenue from sale of goods in the course of ordinary activities is recognized when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is exclusive of sales tax, value added taxes (VAT) and service tax, and is net of returns, trade discounts and quantity discounts.
- ii. Interest income is recognized on time proportion basis after taking into account the amount outstanding and the interest rate applicable.
- iii. Dividend income is recognized when the right to receive payment is established.

(k) Research and Development:

Revenue expenditure on research and development is recognized as expense in the year in which it is incurred and the expenditure on capital assets is depreciated over the useful lives of the assets.

(l) Proposed Dividend:

Dividend proposed by the Board of Directors is provided in the books of account pending approval at the Annual General Meeting.

(m) Employee benefits:

In case of Defined Contribution plans the Company's contributions to these plans are charged to the statement of Profit and Loss as incurred.

The Company's provident fund, gratuity and leave wages are defined benefit plans.

The Company maintains gratuity fund with a separate trust formed by the Company, to which contributions are made on an annual basis. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation at the balance sheet date using the Projected Unit Credit Method by an independent actuary, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

Employee Stock Options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed by Guidance Note on 'Accounting for Employee Share-based payments' issued by ICAI read with SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines 1999 issued by SEBI. The excess of market value, if any, of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to the statement of profit and loss on vesting basis over the vesting period of the options. The un-amortised portion of the deferred employee compensation is reduced from Employee Stock Option Outstanding, which is shown under Reserves and Surplus.

(n) Earning per share:

Basic earnings per share is calculated by dividing the Net Profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(o) Income taxes:

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and deferred tax liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

(p) Provision and contingent liabilities:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources, when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(q) Cash and cash equivalents:

Cash and cash equivalents include cash in hand and demand deposits with banks with original maturities of three months or less.

NOTE NO. 2.1

SHARE CAPITAL	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Authorised				
Equity Shares of Rs. 10/- each	10,000,000	1,000.00	10,000,000	1,000.00
Issued, Subscribed & fully Paid up				
Equity Shares of Rs. 10/- each fully paid	8,515,000	851.50	8,468,360	846.84
TOTAL	8,515,000	851.50	8,468,360	846.84

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	8,468,360	846.84	8,450,500	845.05
Issued during the year	46,640	4.66	17,860	1.79
Shares outstanding at the end of the year	8,515,000	851.50	8,468,360	846.84

Share Holding Information - Equity Shares

Name of the Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
<i>Shri Dinesh S. Patel</i>	676,707	7.95	676,707	7.99
<i>Mrs. Jayshree D. Patel</i>	636,414	7.47	788,092	9.31
<i>Dr. Sachin D. Patel</i>	520,405	6.11	520,405	6.15
<i>Vividh Margi Investment Pvt Ltd</i>	1,452,842	17.06	1,252,842	14.79
<i>Vividh Distributors Pvt Ltd</i>	716,100	8.41	616,100	7.28
<i>Gedeon Richter Investment Management Ltd</i>	884,308	10.39	884,308	10.44

Terms / rights attached to shares

Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE NO. 2.2

(₹ in Lakhs)

RESERVES & SURPLUS	As at 31st March, 2016	As at 31st March, 2015
a.) Capital Reserves		
Opening Balance	30.00	30.00
(+) Capital Subsidy received during the year	-	-
Closing Balance	30.00	30.00
b.) General Reserve		
Opening Balance	6,733.76	6,920.46
(+) Current Year Transfer		
(-) Transitional effect as per the Provision of Schedule II of the Companies Act, 2013 (Refer Note 16)	-	(186.70)
Closing Balance	6,733.76	6,733.76
c.) Securities Premium		
Opening Balance	312.12	300.00
(+) Current Year Transfer	31.65	12.12
Closing Balance	343.77	312.12
d.) Surplus		
Opening balance	(3,034.81)	(3,239.31)
(+) Net Profit/(Net Loss) For the current year	1,506.49	204.50
(-) Proposed Dividends	-	-
(-) Dividend Tax thereon	-	-
(-) Transfer to Reserves	-	-
Closing Balance	(1,528.32)	(3,034.81)
TOTAL	5,579.21	4,041.07

NOTE NO 2.3

(₹ in Lakhs)

LONG TERM BORROWINGS	As at 31st March, 2016	As at 31st March, 2015
Secured		
(a) Term Loans		
from Banks	799.90	1,862.48
(Secured by an equitable mortgage created by deposit of title deeds of the Company's factory land and buildings situated at Vapi, Hyderabad, Haridwar and Baroda and hypothecation of Plant & Machinery both present and future and also secured by personal gurantees of Directors of the Company)		
Terms of Repayment:		
(i) Term Loan from Bank of Baroda Rs. 228.66 lacs. Repayable in 16 quarterly installments after a holiday period of one year from first disbursement.		
(ii) Term Loan from The Zoroastrian Co-op. Bank Ltd. Rs. 46.05 lakhs Repayable in 34 monthly installments.		
(iii) Term Loan from Union Bank of India Rs. 2306.88 lacs and from Bank of Baroda Rs. 430.33 lacs. Repayable in 20 quarterly installments commencing from Sept 2013.		
(b) Long term maturities of finance lease obligations	33.71	20.51
(Secured By hypothecation of vehicles acquired under hire purchase arrangement) Repayable in 36 equated Monthly Installments as per various arrangements.		
Total Secured Long Term borrowings	833.61	1,882.99
Unsecured		
(a) Term Loans		
Foreign Currency Loan - From a Foreign Promoter Repayable in 25 quarterly Installments up to 31st March, 2020.	1,629.19	1,912.65
(b) Deposits		
Fixed Deposits Repayable in 1, 2, and 3 years, based on the deposit period.	581.87	558.64
Total Unsecured Long Term Borrowings	2,211.06	2,471.29
Total	3,044.67	4,354.28

NOTE NO. 2.4

DEFERRED TAX LIABILITY (Net)	As at 31st March, 2016	As at 31st March, 2015
(A) Deferred Tax Assets		
Provision for unencashed Leave	136.11	119.59
Bonus	91.38	68.41
Provision for Gratuity	46.99	32.50
Total	274.48	220.50
(B) Deferred Tax Liability		
for Depreciation	404.55	404.55
NET	130.07	184.05

NOTE NO. 2.5

(₹ in Lakhs)

OTHER LONG TERM LIABILITIES	As at 31st March, 2016	As at 31st March, 2015
Deposit from Dealers and Suppliers	382.49	352.49
Total	382.49	352.49

NOTE NO. 2.6

SHORT TERM BORROWINGS	As at 31st March, 2016	As at 31st March, 2015
Secured		
Loans repayable on demand		
from banks		
i) Cash Credits against hypothecation of raw materials, Stock in Process, finished goods, packing material and book debts and also guaranteed by the Directors of the Company.	2,763.75	2,305.09
ii) Bills Discounted	1,750.02	1,991.21
iii) Advance as Packing Credit for Export	422.38	567.54
Total	4,936.15	4,863.84
Unsecured		
Other Loans and Advances		
Advance from Customers	40.34	296.92
Intercorporate Deposits	211.93	217.22
	252.27	514.14
Total	5,188.42	5,377.98

NOTE NO. 2.7

OTHER CURRENT LIABILITIES	As at 31st March, 2016	As at 31st March, 2015
(a) Current maturities of long-term debt	1,219.46	1,157.58
(b) Current maturities of finance lease obligations	28.81	18.70
(c) Unclaimed dividends	3.72	3.72
(d) Duties and Taxes (incl. Excise duty, service tax, TDS)	41.05	32.19
(e) Over drawn Bank Balances as per Books of account only.	36.38	11.36
Total	1,329.42	1,223.55

NOTE NO. 2.8

SHORT TERM PROVISIONS	As at 31st March, 2016	As at 31st March, 2015
(a) Provision for Employee Benefits		
(i) Gratuity	250.28	212.28
(ii) Leave Encashment	77.04	73.23
(b) Others		
(i) Proposed Dividend	-	-
(ii) Tax on Dividend	-	-
Total	327.32	285.51

NOTE NO. 2.9

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block		
	Balance as at 1st April 2015	Additions	Deductions	Balance as at 31st March 2016	Depreciation charge for the period	Adjustments	Disposals	Balance as at 31st March 2016	Balance as at 31st March 2015
a									
Tangible Assets (Not Under Lease)									
Land	1,022.40	-	-	1,022.40	-	-	-	1,022.40	1,022.40
Buildings	2,303.99	-	-	2,303.99	55.76	-	-	1,531.59	1,587.35
Plant and Equipment	9,263.01	188.34	-	9,451.35	563.61	-	-	4,833.58	5,208.86
Furniture and Fixtures	721.79	13.54	-	735.33	44.23	-	-	5.17	35.87
Vehicles	205.18	-	25.12	180.06	12.14	-	15.95	80.81	102.11
Office equipment	57.57	1.93	-	59.50	2.65	-	-	10.36	11.07
Electrical installation	407.03	-	-	407.03	58.39	-	-	57.92	116.31
Total (i)	13,980.98	203.81	25.12	14,159.66	736.78	-	15.95	7,541.83	8,083.97
Tangible Assets (Under Lease)									
Land	1,061.08	-	7.88	1,053.20	-	-	-	1,053.20	1,061.08
Vehicles	76.18	57.89	-	134.07	10.25	-	-	43.43	43.01
Total (ii)	1,137.26	57.89	7.88	1,187.27	10.25	-	-	1,143.84	1,104.09
Total (i+ii)	15,118.23	261.70	33.00	15,346.93	747.03	-	15.95	8,685.67	9,188.06
b									
Intangible Assets									
Trademarks / Patent	15.95	213.97	-	229.92	-	-	-	229.92	15.95
Total	15.95	213.97	-	229.92	-	-	-	229.92	15.95
Total	15,134.18	475.67	33.00	15,576.85	747.03	-	15.95	8,915.59	9,204.01
PREVIOUS YEAR	14,092.72	1,074.26	32.80	15,134.18	734.13	186.70	17.86	5,930.18	-

Notes:

- Buildings and Leasehold Land which were revalued are shown at "Book Value". Other Fixed Assets appear at "COST"
- Execution of conveyance and other documents in respect of Office Premises purchased for Rs. 9100000 in an earlier year are yet pending. The relevant expenses pertaining to the same will be accounted in the year of execution. Amount not ascertainable
- Execution of conveyance and other documents in respect of Training Centre premises at Goregaon purchased for Rs. 10635000 in earlier year are yet pending. The relevant expenses pertaining to the same will be accounted in the year of execution. Amount not ascertainable

NOTE NO. 2.10

(₹ in Lakhs)

NON CURRENT INVESTMENTS	As at 31st March, 2016	As at 31st March, 2015
NON CURRENT INVESTMENTS AT COST		
LONG TERM INVESTMENTS-UNQUOTED		
A) TRADE: IN SHARES OF COMPANIES		
i) 16000 (Previous Year 16000) Equity Shares of The Kapol Co.op. Bank Ltd. of Rs.10 each fully paid up	1.60	1.60
ii) 600 (Previous Year 600)Equity Shares of Jeeditmetla Effluent Treatment Ltd of Rs 100/- each fully paid up	0.60	0.60
iii) 6860000(Previous Year 6860000) Equity shares of Richter Themis Medicare (India) Pvt. Ltd of Rs 10/- each fully paid up (a Joint Venture Company)	686.00	686.00
iv) HUF 500000 (Previous Year 500000) held as quota capital in "HID-PUL KFT", Hungary a wholly owned Overseas limited liability Company.	1.13	1.13
v) 10,000 (Previous year 10,000), Equity Shares of Themis Life Style Pvt Ltd Rs.10/- fully paid up	1.00	1.00
vi) 26208 (Previous year 26208), Equity Shares of Rs. 100 each fully paid up of Long Island Nutritionals Pvt. Ltd.	38.06	38.06
vii) 100 (Previous Year 100) Equity Shares of The Zoroastrain Co.op. Bank Ltd. of Rs.25 each fully paid up	0.03	0.03
Total	728.42	728.42
B) OTHER THAN TRADE :		
a) IN GOVT.SECURITIES		
(i) National Savings Certificates [including Rs 0.33 lacs (Previous year Rs.0.33 lacs) deposited as security with various Government and Semi-Government departments.] (NSC worth Rs. 0.10 lacs is held in the name of a Director of the Company)	0.43	1.43
(ii) 5 1/2 yrs Kisan Vikas Patra (including Rs 0.10 lacs deposited as security with Sales tax Authorities at Daman.)	0.15	0.15
b) IN BONDS		
20 (Previous year 20) 20 yrs Deep Discount Bonds of Sardar Sarovar Narmada Nigam Limited of Rs.3600 each fully paid up.	0.72	0.72
Total	1.30	2.30
LONG TERM INVESTMENTS-QUOTED		
(i) 505 (Previous Year 505) Equity shares of Union Bank of India of Rs 10/- each fully paid. (Market Value Rs 0.66 lacs, previous year Rs 0.79 lacs)	0.56	0.56
(ii) 9000 (Previous Year 9000) Equity Shares of Bank of Baroda of Rs 2/- each fully paid (Market Value Rs 13.24 lacs, previous year Rs 14.70 lacs)	1.53	1.53
(iii) 3369605 (Previous Year 3369605) shares of Rs 5/- each of Gujarat Themis Biosyn Ltd. fully paid up (Market Value Rs 1711.76 lacs, previous year Rs 1277.08 lacs)	336.96	336.96
Total	339.05	339.05
Total	1,068.77	1,069.77
NOTE: AGGREGATE VALUE OF QUOTED INVESTMENTS	339.05	339.05
AGGREGATE VALUE OF UNQUOTED INVESTMENTS	729.72	730.72

NOTE NO. 2.11

(₹ in Lakhs)

LONG TERM LOANS AND ADVANCES UNSECURED CONSIDERED GOOD	As at 31st March, 2016		As at 31st March, 2015	
a) Capital Advances		-		-
b) Security Deposits		246.99		244.81
c) Other Loans and Advances				
Advance Tax and Tax deducted at Source	317.45		310.76	
Mat Credit Entitlement	303.08	620.53	303.08	613.84
Total		867.52		858.65

NOTE NO. 2.12

OTHER NON CURRENT ASSETS	As at 31st March, 2016	As at 31st March, 2015
Other Bank Balances:		
a) Deposit for more than 12 months maturity	35.02	27.05
b) In Deposit account towards Share Application money	0.33	0.33
Total	35.35	27.38

NOTE NO. 2.13

INVENTORY	As at 31st March, 2016		As at 31st March, 2015	
(at cost or net realisable value, whichever is lower)				
a) Raw Materials and components	854.24		932.84	
b) Goods-in transit	-	854.24	35.72	968.56
c) Work-in-progress		1,305.44		1,299.79
d) Finished goods		1,618.14		1,794.89
e) Stores and spares		15.01		24.95
f) Packing Material and Power and Fuel		718.52		677.39
Total		4,511.35		4,765.58

NOTE NO. 2.14

TRADE RECEIVABLES	As at 31st March, 2016	As at 31st March, 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment unsecured, considered good	3,384.27	3,439.00
Trade receivables outstanding for a period exceeding six months from the date they are due for payment unsecured, considered good	647.24	574.84
Total	4,031.51	4,013.84
Trade Receivable stated above include debts due by:		
Private Companies in which directors are member / directors.	1,274.23	756.82
Total	1,274.23	756.82

NOTE NO. 2.15

(₹ in Lakhs)

CASH & BANK BALANCES	As at 31st March, 2016		As at 31st March, 2015	
a) Cash and Cash Equivalents				
(i) Cash on Hand	12.77		20.27	
(ii) Balances with banks in current accounts	603.27		386.27	
		616.04		406.54
b) Other Bank Balances				
(i) Margin Money	182.79		162.30	
(ii) Guarantees	32.36		30.09	
		215.15		192.39
Total		831.19		598.93

NOTE NO. 2.16

SHORT TERM LOANS AND ADVANCES, UNSECURED, CONSIDERED GOOD	As at 31st March, 2016	As at 31st March, 2015
a) Advance to Suppliers	205.68	606.55
b) Staff Advance and Imprest Cash	60.83	49.44
c) Interest / Dividend Receivable	17.41	4.97
d) Prepaid Expenses	58.38	68.60
e) Dues from Government Authorities	361.16	293.33
f) Balance with Central Excise	342.09	506.95
g) Insurance claim	60.10	60.10
h) Advance to wholly owned Subsidiary Co.	6.36	6.36
i) Others	91.03	61.41
Total	1,203.04	1,657.71

NOTE NO. 3.1

REVENUE FROM OPERATIONS	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Sale of Products	20,466.98	16,840.22
b) Other operating revenues	172.73	89.67
Total	20,639.71	16,929.89
Less :		
c) Excise Duty	350.45	243.43
Total	20,289.26	16,686.46

NOTE NO. 3.2

OTHER INCOME	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Interest Income	32.67	26.01
b) Dividend Income	151.24	75.66
c) Other non - operating income	89.71	1,145.60
Total	273.62	1,247.27

NOTE NO. 3.3

(₹ in Lakhs)

COST OF MATERIAL CONSUMED	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Raw Materials		
Inventory at the beginning of the year	968.56	1,042.11
Add: Purchases	4,540.86	5,506.51
	5,509.42	6,548.62
Less: Inventory at the end of the year	854.24	968.56
Cost of raw material consumed	4,655.18	5,580.06
b) Packing Material	1,623.18	1,306.69
Total	6,278.36	6,886.75

NOTE NO. 3.4

Details of Changes in Inventory	Year ended 31st March, 2016	Year ended 31st March, 2015	Increase / (Decrease)
Inventory at the end of the year :			
Work in Progress	1,305.44	1,299.79	5.65
Finished Goods	1,618.14	1,794.89	(176.75)
Total	2,923.58	3,094.68	(171.10)
Inventory at the beginning of the year:			
Work in Progress	1,299.79	1,672.30	(372.51)
Finished Goods	1,794.89	1,370.83	424.06
Total	3,094.68	3,043.13	51.55

NOTE NO. 3.5

Employee Benefit Expenses	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Salaries and incentives	2,936.67	2,633.74
b) Contributions to Provident and other fund	184.45	178.48
c) Gratuity fund contributions	42.02	42.00
d) Staff welfare expenses	28.08	25.15
Total	3,191.22	2,879.37

PAYMENT TO THE AUDITORS	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Auditor	6.00	6.00
b) for other service	0.20	0.10
c) for reimbursement of expenses	0.71	0.36
Total	6.91	6.46

NOTE NO. 3.6

FINANCE COST	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Interest Expense	1,079.47	1,259.78
b) Bank Charges	136.94	187.54
Total	1,216.41	1,447.32

NOTE NO. 3.7

(₹ in Lakhs)

OTHER EXPENSES	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Consumption of Stores and Spares	136.65	100.50
b) Power and Fuel	1,083.37	835.67
c) Processing charges	1,215.54	643.29
d) Rent	34.00	27.94
e) Repairs to Buildings	26.42	7.09
f) Repairs to Machinery	82.48	81.88
g) Repairs to Others	44.06	29.73
h) Insurance	78.22	77.67
i) Rates and Taxes, excluding taxes on income	43.89	23.22
j) Travelling and conveyance	995.11	894.38
k) Freight and Forwardings charges	334.59	324.91
l) Legal and Professional Charges	323.64	328.47
m) Exchange Difference	-	40.91
n) Commission	360.30	444.10
o) Advertisement and Sale Promotion	510.07	317.83
p) Miscellaneous Expenses	862.10	720.21
Total	6,130.44	4,897.80

NOTE NO. 4

Other Notes Forming Part of The Accounts

(₹ in Lakhs)

Contingent liabilities and commitments (to the extent not provided for)	As at 31 March 2016	As at 31 March 2015
1 Contingent Liabilities		
(a) Claims against the company not acknowledged as debt		
(i) The Ministry of Chemicals & Fertilizers, Government of India has raised demand under Drug Price Control Order, 1979 for difference in actual price and price of respective bulk drug allowed while fixing the prices of certain life saving Formulations which are disputed by the Company. The Company has preferred Appeals before Hon'ble High Courts of Gujarat and Bombay in respect of Bulk Drug Rifampicin and Ethambutol respectively, for grant of ad interim stay. While allowing the stay, The Hon'ble High Court Gujarat directed the Company to deposit Principal Liability of Rs. 34.80 Lacs out of the total liability of Rs.126.08 Lacs as worked out by the Department of Chemicals & Fertilizers, Govt. of India. The Company has already complied with the directions of the Hon'ble Court. In respect of Liability for Bulk Drug Ethambutol, the Hon'ble Bombay High Court had directed the Company to submit Bank Guarantee of Principle amount with Court & stayed the matter. The Company has complied with the direction of the Honourable High Court. Similarly, a demand notice is received during a previous year from NPPA, New Delhi, in respect of Formulation Tetracox, The Company has preferred Writ Petition at Hon'ble High Court Uttarakhand, Nainital, as well for stay of demand. The matter is pending before the High Court.	435.98	435.98
(ii) Others	0.87	0.87
(b) Bank Guarantees	145.49	179.78
(c) Other money for which the company is contingently liable		
(i) In respect of Letter of Credit	172.89	113.93
(ii) Disputed Income Tax and Sales Tax as matters are in appeal	32.95	32.95
(iii) Customs duty payable on raw materials imported under duty exemption scheme in case of non-fulfillment of export obligation.	222.50	213.50
Total (I)	1,010.68	977.01
2 Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Other commitments (specify nature)		
(i) Liability on account of Custom duty on goods in bonded warehouse or in transit is, as per the Company's practice charged to Profit & Loss Account only in the year in which the goods are cleared from the Custom. This accounting policy has no effect on the Profit for the year.	-	-
(ii) Liability on account of Excise duty in respect of goods manufactured and liable to payment of Excise duty when cleared from the factory premises, is accounted at the time of removal of the goods from the place of manufacture for sale or for captive use. This accounting policy has no effect on the Profit for the year.	2.51	3.30
Total (II)	2.51	3.30
Total (I + II)	1,013.20	980.31

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)

- 3 The Company has given a Corporate Guarantee for Rs. 250 lacs (Previous year 250 lacs)on behalf of Long Island Nutritional Pvt. Ltd. - an associate company to Bank of Maharashtra to secure various loan granted to the said company.

(₹ in Lakhs)

	31/03/2016	31/03/2015
4 A) CIF value of imports :		
i) Raw materials (other than in transit)	310.78	538.85
ii) For Machinery/Equipment	16.65	-
B) Expenditure in Foreign currency in respect of :		
i) Travelling expenses	47.63	35.79
ii) Interest & Bank charges	129.02	109.63
iii) Commission	89.42	49.11
iv) Sales Promotion Expenses, product Registration & Subscription	9.87	12.14
v) Royalty	16.32	30.30
vi) Others	39.73	17.45
C) Dividend to Non Resident share holders		
No. of Share Holders	NIL	NIL
No. of Shares	NIL	NIL
Gross Amount of Dividend (Rs. In Lacs)	NIL	NIL
D) Earnings in Foreign Currency :		
Export of Goods calculated on FOB Basis (Rs. In Lakhs)	7,335.00	5,738.69

E) Raw material consumed:

PARTICULARS	2015-16	2014-15
1. Drug intermediates	2,852.75	3,502.50
2. Bulk drug	1,290.96	1,484.29
3. Solvents	349.48	456.66
4. Others	161.99	136.61
TOTAL	4,655.18	5,580.06

F) Value of imported and indigenous raw materials consumed

	2015-16		2014-15	
	%	(₹ in Lakhs)	%	(₹ in Lakhs)
Imported	8	375.37	13	733.31
Indigenous	92	4,279.81	87	4,846.75
TOTAL	100	4,655.18	100	5,580.06

G) Value of imported and indigenous Stores and spares consumed and percentage thereof to total value of consumption.

	2015-16		2014-15	
	%	(₹ in Lakhs)	%	(₹ in Lakhs)
Imported	NIL	-	NIL	-
Indigenous	100	136.65	100	100.50
TOTAL	100	136.65	100	100.50

- 5 Revenue expenditure on Research & Development incurred & Charged out during the year through the natural heads of expenses amount to Rs.350.53 Lacs (Previous year Rs.266.37 Lacs) Capital expenditure incurred during the year thereof amounts to Nil, has been included in Fixed Assets. (Previous year Nil).

- 6 The Company has only one segment namely pharmaceuticals, hence no separate disclosure of segment wise information has been made, as required by Accounting Standard 17 on "Segment Reporting"

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)

7 Interest on borrowings attributed to new projects is Capitalised and included in the cost of Fixed Assets/ Capital Work in Progress, as appropriate. Current year Nil. (Previous year Nil).

8 Related Party Disclosures

A. Name of the related parties and nature of relationship

(a) Associate companies	Themis Distributors Pvt. Ltd. Vividh Distributors Pvt. Ltd. Vividh Margi Investments Pvt. Ltd. Long Island Nutritionals Pvt. Ltd. Gujarat Themis Biosyn Ltd.
(b) Joint Venture	Richter Themis Medicare (India) Pvt.Ltd.
(c) Subsidiary	Themis Life Style Pvt Ltd. Artemis Biotech Limited HIDPUL-KFT, Hungary.
(d) Key Management personnel	Dr. D.S. Patel (M.D & CEO) Dr. Sachin D. Patel Mr. Prakash D. Naringrekar (CFO & Company Secretary)
(e) Directors/Relatives of Key Management personnel	Mrs. Jayshree D. Patel Mrs. Meena A. Patel Mrs Hemlata B.Patel Mrs. Reena S. Patel

B. Transactions with related parties as per books of account.

(₹ in Lakhs)

Nature of Transaction	Associate Companies and Joint Venture		Key Management Personnel		Relatives of Key Management Personnel		Balance Outstanding	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Sales:								
Sale of Finished goods	3,739.27	2,748.50					1,274.23	756.82
Income:								
Dividend	150.92	75.46						
Purchase :								
Purchase of Goods	238.22	273.40						
Expenses:								
Electricity	2.61	3.60						
Telephone	0.47	0.20						
Freight/Others	3.99	11.38						
Remuneration			111.37	93.36	17.14	17.14		
Fixed deposit interest			30.72	29.77	34.16	35.54		
Consultancy Fees					29.40	29.40		
Others:								
Dividend paid					-	-		
Investment in shares of Associate Company	-	22.46			-	-	375.02	375.02
Investment in subsidiary companies							2.13	2.13
Investment in Joint Venture Co.	-	-					686.00	686.00
Fixed deposit				30.00		(50.00)	601.20	601.20

C. The information given above, have been reckoned on the basis of information available with the Company.

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)

9 Deferred tax liability is provided by implementing Accounting Standard -22 "Accounting for Taxes on Income" issued by Companies (Accounting Standards) Rules, 2006. The Deferred Tax Asset Rs.53.99 lacs (Cr) is recognized in Profit & Loss Account during the current year (Previous year Rs.46.94 lacs Cr.); comprising Rs.16.52 lacs (Cr) towards Current Years leave encashment (Previous Year Asset Rs.14.36 lacs (Cr)), Rs.22.98 lacs (Cr.) towards Bonus (Previous Year Rs 19.98 lacs (Cr) and Rs.14.49 lacs (Cr.) towards provision of Gratuity (Previous Year assets Rs. 12.60 lacs (Cr).

10 Details of Dues to Micro, Small and Medium Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

(₹ in Lakhs)

Particulars	2015-2016	2014-2015
The principal amount remaining unpaid as at the end of the year	23.82	31.12
Interest due on above principal and remaining unpaid as at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year ; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

11 Earnings Per Share (EPS)

	2015-2016	2014-2015
a) Net Profit as per Statement of Profit and Loss - (₹ in Lakhs)	1,506.49	204.50
b) Weighted average number of equity shares for Earnings Per Share computation		
Shares for Basic Earning Per Share	8,515,000	8,468,360
Add: Potential diluted equity shares on account of shares in abeyance		
Movement in Number of shares is on account of change in fair value of share	68,500	115,140
	8,583,500	8,583,500
c) Earnings Per Share		
Face value per share (₹)	10	10
Basic (₹)	17.69	2.41
Diluted (₹)	17.55	2.38

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)

12 Interest in the assets, liabilities, income with respect to jointly controlled entity.

(₹ in Lakhs)

	2015-16	2014-15
A) Assets		
1 Non Current Assets		
a) Fixed assets		
i) Tangible Assets	2,730.81	3,025.98
ii) Intangible Assets	2.52	1.91
iii) Capital Work - in Progress	59.52	53.52
b) Non-current Investments	0.03	0.03
c) Long-term loans and advances	562.31	411.36
d) Other non current assets	0.01	0.27
2 Current Assets		
a) Inventories	1,335.62	1,464.44
b) Trade Receivables	752.89	542.37
c) Cash and Bank Balances	645.42	262.14
d) Short Term Loans and advances	47.00	40.11
B) Liabilities		
1 Non-current liabilities		
a) Long-term borrowings	3,121.13	3,109.82
b) Deferred tax liabilities Net)	120.59	153.92
c) Long Term Provisions	69.81	49.32
2 Current Liabilities		
a) Trade Payables	214.90	189.08
b) Other current liabilities	403.94	427.45
c) Short-term provisions	244.79	231.61
C) Income:		
a) Revenue from operations	2,990.48	3,501.69
b) Other Income	44.35	11.90
D) Expenditure		
a) Cost of materials consumed	814.85	1,347.74
b) Changes in inventories of finished goods and work in progress	95.06	92.67
c) Employee benefit expenses	442.62	384.78
d) Finance cost	9.59	5.57
e) Depreciation	365.27	415.23
f) Other expenses	807.63	970.79
g) Provision for taxation	179.81	(42.48)

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)
13 Employees Benefit:

- A) Liability for Employee Benefit has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard -15(Revised) the details of which are as under:

(₹ in Lakhs)

Funded Scheme	Gratuity	
	2015-16	2014-15
I Change in Benefit Obligation		
Liability at the beginning of the year	167.47	162.10
Interest Cost	13.40	12.97
Current Service Cost	21.81	20.32
Benefit Paid	(17.33)	(27.78)
Actuarial (gain)/Loss on obligations	(29.84)	(0.14)
Liability at the end of the year	155.51	167.47
II Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	256.04	277.76
Adjustments	-	-
Expected Return on Plan Assets	20.48	22.22
Contributions / Transfers	-	-
Benefit Paid	(17.33)	(27.78)
Actuarial Gain/(Loss) on Plan Assets	43.56	(16.16)
Fair Value of Plan Assets at the end of the year	302.75	256.04
III Amount Recognised in the Balance Sheet		
Liability at the end of the year	155.51	167.47
Fair Value of Plan Assets at the end of the year	302.75	256.04
Difference	(147.24)	(88.57)
Amount Recognised in the Balance Sheet	(147.24)	(88.57)
IV Expenses Recognised in the Income Statement		
Current Service Cost	21.81	20.32
Interest Cost	13.40	12.97
Expected Return on Plan Assets	(20.48)	(22.22)
Net Actuarial (gain)/loss to be recognised	(73.40)	16.02
Expense Recognised in Profit & Loss Account	(58.67)	27.09
V Actuarial Assumptions		
Discount Rate Current	8%	8%
Rate of Return on Plan Assets Current	8%	8%
Salary Escalation Current	4%	4%
VI Asset Information		
Government of India Securities	9.87%	9.50%
Corporate Bonds	65.54%	72.83%
Special Deposit Schemes	18.13%	17.44%
Others- Banks	6.45%	0.23%

VII Five years information:

Amount for the current and previous four periods as per AS 15 para 120(n) are as follows :

Gratuity:	2016	2015	2014	2013	2012
Present Value of Defined Benefit obligation	155.51	167.47	162.10	143.89	204.58
Fair Value of Plan Assets	302.75	256.04	277.76	247.15	164.24
(Surplus) / Defecit in Plan	(147.24)	(88.57)	(115.66)	(103.26)	40.34
Experience adjustments on:					
Plan liabilities (Gain) / Loss	(29.84)	(0.14)	4.34	(76.14)	(26.52)
Plan assets Gain /(Loss)	43.56	(16.16)	(14.26)	10.06	(7.21)

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)

B) Remuneration and Compensation Committee granted 1,33,000 Options to 34 employees and 4 Directors on 31st July 2012 at Rs. 77.85 per option/share at the prevailing market price at the time of grant. As the grant of Options was done at market rate, the intrinsic value of this grant is NIL and therefore, there is no charge of Employee Compensation cost.

Some of the eligible employees exercised the grant of options and were allotted 46640 number of equity shares during the year 2015-16.

14 The Accounting Standard (AS-11) "The effects of changes in Foreign Exchange Rates" prescribed by Companies (Accounting Standards) Rules, 2006 was amended on 31st March, 2009, vide a notification dated 31st March 2009, by the Ministry of Corporate Affairs. The said amendment offered an option to Companies to recognise Foreign Exchange Gains and Losses arising on translation of all long term monetary assets and liabilities acquired upto 31st March 2009, retrospectively from accounting periods commencing after 7th December, 2006 (i.e. from 1st April, 2007 for the Company) upto 31st March, 2011 as capital cost of acquisition of assets where they relate to acquisition of assets or to a Translation Reserve viz. "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA). In other cases the amount so recognised as capital cost of acquisition of assets is to be depreciated over the balance life of the relevant assets and in case of the amount recognised in the FCMITDA is to be amortised over the balance term of the monetary assets or liability but not beyond 31st March, 2011.

The said notification has been further amended by notification dated 29th Dec. 2011 allowing to recognise the Foreign Exchange Gains and Loses arising on translation of all long term monetary assets and liabilities, as capital cost of acquisition of asset upto 31st March, 2020. The Company had chosen to exercise this option in preparation of its financial statements for the year ended 31st March, 2009. Accordingly, Foreign Exchange differences for Rs. 126.16 lacs has been adjusted against the cost of assets.

15 Disclosures as required by Accounting Standard 19, "Leases " are given below:

- i) The Company has taken various residential , office and godown premises under operating lease or leave and licence agreements. These are generally not non-cancellable and ranging between 11 months and 3 years period under leave and licence, or for longer period in respect of other leases and are renewable by mutual consent on agreeable terms. Also the Company has given refundable interest free security Deposits under certain agreements.
- ii) Lease rent paid by the Company are debited to the statement of Profit and Loss account under "Rent" in Note No. 3.7 of "Other Expenses".
- iii) The future minimum lease payments under non-cancellable operating Lease NIL

16 During the year ended March 31, 2015 the Company had reviewed and reassessed useful lives of its tangible fixed assets on and from April 01, 2014. The revised useful lives of the assets as assessed by Management, match those specified in Part C of schedule II to the Companies Act, 2013, for most classes of assets, Management believes that the revised useful lives of the assets reflects the periods over which these assets are expected to be used. As a result of these changes, a sum of Rs.186.70 lacs being the carrying amount net of residual value of fixed assets where remaining life as at 1 April, 2014 is Nil had been charged to Retained earnings net of deferred tax Rs.57.69 lacs as permitted by the Schedule II. In other cases, carrying amount has been depreciated / amortised over the remaining useful life of the assets and the effect on profit is not material.

NOTE NO. 4: Other Notes Forming Part of The Accounts (Contd.)

- 17** No provision for Taxation has been made in view of carry forward of losses and unabsorbed depreciation.
- 18** Previous year's figures have been regrouped / rearranged wherever necessary to confirm to current year's presentation.

As per our attached report of even date

For **M. T. ANKLESHWARIA & CO.,**
CHARTERED ACCOUNTANTS
REGISTRATION NO: 100501W

SD/-

MADHU T. ANKLESHWARIA
PROPRIETOR

MEMBERSHIP NO: 30128

PLACE: MUMBAI

DATE: 11 / 05 / 2016

SD/-

PRAKASH D. NARINGREKAR
COMPANY SECRETARY & CFO
MEMBERSHIP NO.: ACS 5941

For and on behalf of the Board

SD/-

(Mr. HUMAYUN DHANRAJGIR)
DIRECTOR
DIN: 00004006

SD/-

(Dr. DINESH PATEL)
MANAGING DIRECTOR & CEO
DIN: 00033273

THEMIS MEDICARE LIMITED

CIN: L24110GJ969PLC001590

Regd Office: 69/A, GIDC, VAPI- 396 195. DISTRICT – VALSAD, GUJARAT, INDIA.

Website : www.themismedicare.com E-mail : themis@themismedicare.com

Attendance Slip for 46th Annual General Meeting

Name of Shareholder: _____

Reg. Folio No. / Client ID No.: _____

No. of Shares held: _____

I hereby record my presence at the 46th Annual General Meeting of the Company on Wednesday, the 14th September, 2016 at 10.30 am at 69/A GIDC Industrial Este, Vapi – 396 195, Dist. Valsad, Gujarat.

 First / Sole holder / Proxy

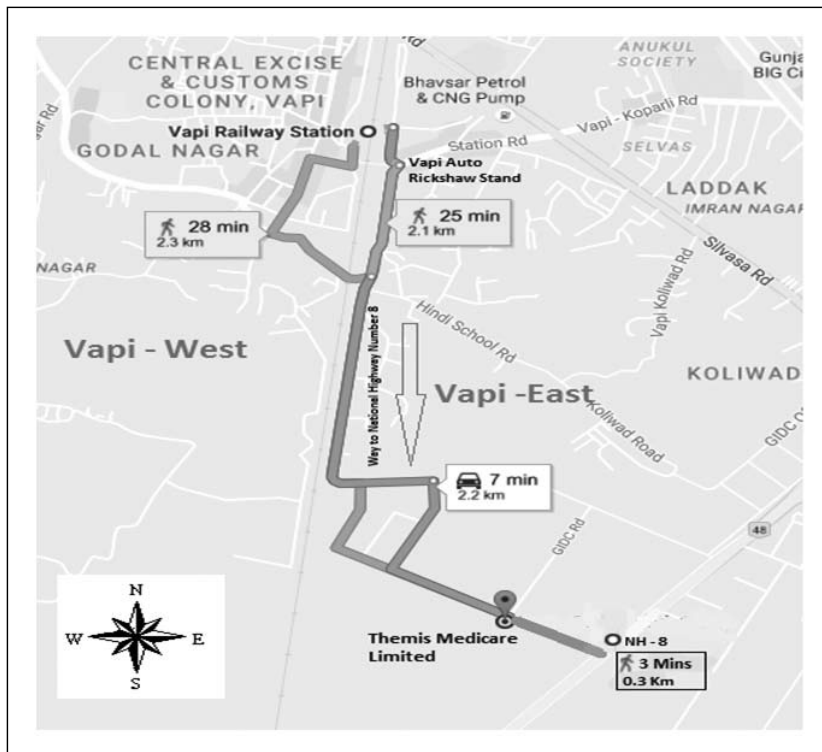
 Second holder / Proxy

 Third holder / Proxy

 Fourth holder / Proxy

Note :

1. Please fill this Attendance Slip and hand it over at the meeting hall.
2. Shareholder/Proxy Holder/Auth. Representatives are requested to show their Photo ID proof for attending the meeting. Joint shareholders may obtain additional attendance slip on request.
3. Auth. Representatives of Corporate members shall produce proper authorisation issued in their favour.
4. **This Attendance Slip is valid only in case shares are held as on the cut-off date i.e. 7th September, 2016.**

**Route Map to the Venue of the 46th Annual General Meeting
to be held on Wednesday, September 14, 2016.**

Themis Medicare Limited

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

Landmark: Next to Richter Themis Medicare (I) Pvt. Ltd.

Distance from Vapi Railway Station: 2.2 Km

THEMIS MEDICARE LIMITED

CIN: L24110GJ969PLC001590

Regd Office: 69/A, GIDC, VAPI- 396 195. DISTRICT – VALSAD, GUJARAT, INDIA.

Website : www.themismedicare.com E-mail : themis@themismedicare.com

Proxy Form for 46th Annual General Meeting

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):.....

Registered address:.....

E-mail Id:Folio No. / Client ID No. :DP ID No.....

I / We, being the member(s) of Shares of THEMIS MEDICARE LIMITED, hereby appoint

1. Name: E-mail Id:

Address:..... Signature: or failing him

2. Name: E-mail Id:

Address:..... Signature: or failing him

3. Name: E-mail Id:

Address:..... Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 46th Annual General Meeting of the Company to be held on Wednesday, 14th September, 2016 at 10.30 a.m. at Plot no. 69-A, GIDC Industrial Estate, Vapi, Dist. Valsad, Gujarat-396 195 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary business				
1.	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2016, together with the Auditors' Report and Directors' Report thereon.			
2.	To appoint a Director in place of Mr. Rajneesh Anand (DIN 00134856) who retires by rotation and being eligible, offers himself for re-appointment.			
3.	To appoint Statutory Auditors and fix their remuneration.			
Special business				
4.	To appoint Mrs. Jayshree D. Patel to hold and continue an office or place of profit as Consultant of the Company			
5.	To appoint Mrs. Reena S. Patel to hold and continue an office or place of profit as Vice President – System & Administration of the Company			
6.	To fix the remuneration of M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai			

Signed this _____ day of _____ 2016.

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

Notes :

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting (on or before September 12, 2016 at 10:30 a.m. IST).

2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

AFFIX 1 Re Revenue Stamp Signature(s)



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