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|--|---|--|
| <b>BOARD OF DIRECTORS</b>                          | : | <b>SHRI ARUN KUMAR BHANGADIA</b><br>Promoter Chairman /<br>Executive Director<br><br><b>SHRI ARVIND KUMAR BHANGADIA</b><br>Managing Director<br><br><b>SHRI RAMSWAROOP AGRAWAL</b><br>Independent Director<br><br><b>SHRI DEVENDER KUMAR RATHI</b><br>Independent Director<br><br><b>SMT. PRIYANKA BARVE</b><br>Independent Director |
| <b>COMPANY SECRETARY</b>                           | : | <b>CS JYOTHI RAMESH KAKANI</b>   |
| <b>REGISTERED OFFICE</b>                           | : | 4-4-231/1/2/ABC, Inderbagh,<br>Sultan Bazar, Hyderabad - 500 095.<br>Phone No. (040) 24757370<br>Email: <a href="mailto:info@trimurthidrugs.com">info@trimurthidrugs.com</a>   |
| <b>AUDITORS</b>                                    | : | <b>M/s. K. VENKATESWARA RAO &amp;<br/>ASSOCIATES</b><br>Chartered Accountants<br>H No. 3-5-907/2, Flat No. 402,<br>Mahavir Lok, Himayat Nagar,<br>Hyderabad - 500 029.   |
| <b>AUDIT COMMITTEE</b>                             | : | 1. Shri Ramswaroop Agarwal<br>2. Shri Arun Kumar Bhangadia<br>3. Smt. Priyanka Barve   |
| <b>NOMINATION &amp; REMUNERATION<br/>COMMITTEE</b> | : | 1. Shri Devendra Kumar Rathi<br>2. Shri Ramswaroop Agarwal<br>3. Shri Arun Kumar Bhangadia   |
| <b>STAKEHOLDERS RELATIONSHIP<br/>COMMITTEE</b>     | : | 1. Shri Ramswaroop Agarwal<br>2. Smt. Priyanka Barve<br>3. Shri Arvind Kumar Bhangadia   |
| <b>BANKERS</b>                                     | : | HDFC BANK, Madhura Nagar Branch, Hyderabad   |
| <b>REGISTRAR &amp; SHARE TRANSFER<br/>AGENT</b>    | : | <b>VENTURE CAPITAL &amp; CORPORATE<br/>INVESTMENTS PRIVATE LIMITED</b><br>12-10-167, Bharat Nagar,<br>Hyderabad - 500 018<br>Ph.No: (040) 23818475/23818476  |
| <b>STOCK EXCHANGE (Listed/Traded)</b>              | : | Bombay Stock Exchange Ltd.<br>The Ahmedabad Stock Exchange Ltd.<br>Madras Stock Exchange.  |
| <b>DEMAT ISIN CDSL &amp; NSDL</b>                  | : | INE314I01036   |
| <b>WEBSITE</b>                                     | : | <a href="http://www.trimurthidrugs.com">www.trimurthidrugs.com</a>   |
| <b>INVESTOR EMAIL ID</b>                           | : | <a href="mailto:info@trimurthidrugs.com">info@trimurthidrugs.com</a>   |
| <b>CORPORATE IDENTITY NUMBER</b>                   | : | L67120TG1994PLC018956  |

### **NOTICE**

Notice is hereby given that the 21st Annual General Meeting of the Members of the Company will be held on 28th September 2015, at RGA Hall, Snatak Bhavan, 5-4-790/1, Ashirvad Complex, 1st Floor, Abids, Hyderabad - 500 001, to transact the following Business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31st March, 2015 including the Audited Balance Sheet as at 31st March, 2015 and the statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To Ratify the appointment of M/s. K. Venkateswara Rao & Associates, Chartered Accountants, Hyderabad as Statutory Auditors of the Company and authorize board of directors to fix the remuneration.

"Resolved that pursuant to the provisions of section 139 and all other applicable provisions, of the companies act 2013 read with rule 3(7) of the companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), the appointment of M/s., K. Venkateswara Rao & Associates, Chartered Accountants as auditors of the company for a term of 3 years i.e... till the conclusion of 23rd Annual General Meeting (AGM) to be held in 2017 which was subject to ratification at every AGM, be and is hereby ratified to hold office from conclusion of this meeting until conclusion of next annual general meeting to be held in financial year 2016-17, on such remuneration as may be determined by the Board of Directors."

#### **SPECIAL BUSINESS:**

##### **Item No: 3**

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to appoint Mr. Arun Kumar Bhangadia as Managing Director of the Company for a period of Five years with effect from 1-10-2015 to 1-10-2020.

FURTHER RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, approval of the Company be and is hereby accorded to pay a remuneration of Rs.1,25,000 (Rupees One Lakh and twenty five thousand only) per Month to Mr. Arun Kumar Bhangadia, Managing Director of the Company, the details of which are given in the Explanatory Statement annexed hereto.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution."

#### **NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

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. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

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.

2. 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.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 22-09-2015 to 28-09-2015.

4. Members who wish to claim dividends, which have remained unclaimed, are requested to correspond with the Company's Registrar and Share Transfer agent, Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad - 500 018. Members are requested to note that dividends remaining unpaid or unclaimed for a period of seven years from the date they became due for payment will, as per Section 124(5) read with section 125 of the Companies Act, 2013, be transferred to Investors Education and Protection Fund.

After completion of seven years as aforesaid, no claims shall stand against the Investors Education and Protection Fund or the Company for the amounts of dividend so transferred nor shall any payments be made in respect of such claims.

5. Members / Proxies are requested to bring the attendance slip duly signed as per the Specimen Signature recorded with the Company/Depository Participant for admission to the meeting hall.
6. Members are requested to notify immediately any change in their address to the Share Transfer Agents and in case their shares are held in the dematerialized form, this information should be passed on to their respective Depository Participants.
7. A member desirous of receiving any information on the accounts or operations of the company is requested to forward his/her queries to the Company at least 7 working days prior to the meeting, so that the required information can be made available at the meeting.
8. Members holding shares in physical form are requested to notify immediately any change in their address along with address proof, i.e. Electric/Telephone Bill, driving License or a copy of passport and Bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective depository Participants and not to the Company/RTA without any delay.
9. Members, who hold shares in dematerialized form, are requested to bring their client ID and DP IDs for easier identification of attendance at the meeting.
10. It shall be mandatory for the transferee(s) to furnish copy of PAN CARD to the Company/ RTAs for registration of such transfer of shares, for securities market transactions and off market/private transactions involving transfers of shares in physical form of listed companies.
11. As a part of Green initiative in Corporate Governance the Ministry of Corporate Affairs (MCA), government of India vide its circular has allowed paperless compliance by

Companies inter-alia stating that if the Company sends official documents to their shareholders electronically, it will be in compliance with the provisions of the companies Act, 2013 keeping in view shareholders are requested to update their E-Mail ID with their DP.

12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
13. **Voting through electronic means:**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).

**The instructions for e-voting are as under:-**

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
  - (i) Open email and open PDF file viz: "Trimurthi Drugs and Pharmaceuticals Limited e-Voting.pdf" with your client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.co.in>.
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change Menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" (Electronic Voting Event Number) of Trimurthi Drugs and Pharmaceuticals Limited.
  - (viii) Now you are ready for e-voting as Cast Vote page opens.



- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail to fcspavan@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email Ids are not registered with the Company/Depository participant(s) or requesting physical copy]:**
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
- EVEN (Electronic Voting Even Number) USER ID PASSWORD/PIN**
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.**
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.**
- IV. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for casting your vote.**
- V. The e-Voting period commences on 25th September, 2015 (9.00 a.m.) and ends on 27th September, 2015 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.**
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 21st September, 2015 the (cut-off date).**
- VII. Any person, who acquires shares of the Company and become member of the Company**

after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

VIII. Shri Pavan Kankani, Company Secretary in Whole-time Practice, (Membership No. F-7432, CP No.7643 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- IX. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the vote cast in favor or against, if any, forthwith to the Chairman of the Company.
- X. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.trimurthidrugs.com](http://www.trimurthidrugs.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
- XI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

Place: Hyderabad.

Dated: 31-08-2015

By Order of the Board  
ARUN KUMAR BHANGADIA  
Chairman  
(DIN: 00021024)

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

Mr. Arun Bhangadia is the director of the company. The board has decided to appoint him as a executive chairman of the company. In the terms of the provisions of companies Act, 2013 and the articles of association of the company, the nomination and remuneration committee of the company and the board of directors of the company at their meeting held on 11th April, 2015 designated him as a Executive director.

Accordingly the board recommends the passing of the special resolution as set out in the notice.

### Statement of particulars (Item No.3)

(Pursuant to Schedule -V of the companies Act, 2013 )

#### i. GENERAL INFORMATION

1. Nature of the industry: The Company is in to the business of Trading in Drugs and Pharmaceuticals products.
2. Date of /Expected date of commencement of activities: The Company is carrying out the business of trading in pharmaceutical products since 2005.
3. Financial performance of the company : The details regarding financial performance of the company is included in the directors report for reference.

#### INFORMATION ABOUT THE APPOINTEE:

| Particulars   | Mr Arun Bhangadia   |
|---|---|
| Background details  | Mr.Arun kumar bhangadia is having experience of more than 20 years in administration and management of the business. He is one of the promoters of the company associated with the company ever since its incorporation. He is currently chairman of the company. |
| Recognition or Awards   | NIL   |
| Job profile and his suitability   | He is responsible for day to day management of the company under supervision and control of the board of directors of the company   |
| Remuneration proposed   | 1,25,000 per month  |
| Comparative remuneration profile with respect to industry, size of the company                            | The remuneration of the appointee are fully justifiable and comparable to that prevailing in the industry Keeping in view of the position of the Executive Chairman   |
| Pecuniary relationship directly or indirectly, with the company or relationship with managerial personnel | Mr. Arun kumar bhangadia is the promoter director and the shareholder of the company  |





- i. Any Other information -Nil-
- ii. Disclosures

The details of the remunerations and other information's is given in the corporate Governance part of the directors report.

By Order of the Board

Place: Hyderabad.  
Dated: 31-08-2015

**ARUN KUMAR BHANGADIA**  
Chairman  
(DIN: 00021024)

## **DIRECTORS' REPORT**

To  
The Members,

Your Directors have pleasure in presenting the 21st Annual Report on the business and operations of the Company together with the audited statements of accounts for the financial year ended 31st March, 2015.

### **FINANCIAL HIGHLIGHTS:**

The Financial results for the year ended 31st March, 2015 are summarized as under:  
(Rs. in Lakhs)

| Consolidated |         | Particulars                                  | Standalone |         |
|--------------|---------|--|------------|---------|
| 2014-15      | 2013-14 |  | 2014-15    | 2013-14 |
| 634.96       | 576.90  | Income from Operations                       | 145.63     | 574.23  |
| 0.24         | 1.65    | Other Income                                 | 0.24       | 1.65    |
| 566.80       | 485.76  | Total Expenditure                            | 97.13      | 485.76  |
| 68.40        | 92.79   | Profit/Loss before Interest and Depreciation | 48.74      | 90.11   |
| 0.39         | 0.65    | Interest                                     | 0.39       | 0.65    |
| 40.89        | 28.53   | Depreciation                                 | 39.57      | 28.53   |
| 27.12        | 63.61   | Profit/Loss after Interest and Depreciation  | 8.78       | 60.94   |
| 16.22        | 22.29   | Provision for Taxation                       |            |         |
| (3.28)       | (2.10)  | - Current Tax                                | 10.24      | 21.46   |
|              |         | - Deferred Tax                               | (3.32)     | (2.10)  |
| 14.18        | 43.43   | Profit after taxation                        | 1.86       | 41.58   |
| 5.67         | 0.76    | Minority Interest                            | --         | --      |
| 8.51         | 42.67   | Profit after Minority Interest               | --         | --      |
| 187.32       | 145.15  | Balance Brought Forward from previous year   | 182.57     | 145.15  |
| 195.83       | 187.32  | Balance carried to Balance Sheet             | 184.43     | 182.57  |
| 0.11         | 0.53    | Earnings Per share                           | 0.02       | 0.51    |

**DIVIDENDS:**

In the view of requirement for retention of earnings for the business growth, the Board of Directors do not recommend any dividend For the year under review.

**STATUTORY AUDITORS:**

The Statutory Auditors M/s. K. Venkateswara Rao & Associates, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. M/s. K. Venkateswara Rao & Associates have informed the Company that, if appointed, their appointment as Auditor's will be pursuant to the provisions of Section 139 of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014. Accordingly, the members' approval is being sought for their appointment as Auditor of the Company.

**INTERNAL AUDITORS:**

M/s Ramesh Athasniya & CO, Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

**COMPANY SECRETARY:**

Mrs. Jyothi Ramesh Kankani is the company secretary and compliance officer of the company.

**SHARE CAPITAL:**

The paid up Equity Share Capital as on March 31, 2015 was Rs.8.10 crores. During the year under review the company has not issued any shares or any convertible instruments.

**BUSINESS RISK MANAGEMENT:**

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance with clause 49 of the listing agreement the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. Even through this non-production period the Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report and also posted on the website of company.

#### **DEPOSITS FROM PUBLIC:**

The company has not accepted any deposits from public and as such no amount on account of principal or interest on deposits from public was outstanding as on the date of balance sheet.

#### **DISCLOSURE REQUIREMENTS:**

As per clause 49 of the listing agreement entered in to with the stock exchanges, corporate governance report with auditor's certificate thereon and management discussion and analysis are attached, which form part of this report.

Policy with regard to related party Transactions is available on the website of the company.

### **BOARD EVALUATION:**

Pursuant to the provisions of Companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

### **REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report. The policy is also posted on the website of the company.

### **MEETINGS:**

During the year Five Board Meetings and one independent directors' meeting was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **RELATED PARTY TRANSACTIONS**

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. However, there were material related party transactions in terms of clause 49 of the listing agreement. All material related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

### **CORPORATE GOVERNANCE:**

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditor confirming compliance forms an integral part of this Report.

### **DISCLOSURE REGARDING INVESTMENTS:**

Non Current Investments, i.e., (Investment in 20,000 Equity Shares of Re.10/- each Kaushalya Global Limited) amounts to Rs. 2,00,000/- as on 31-03-2015.

Loans to Unrelated Parties amounts to Rs. 8,50,17,307 which are Unsecured and considered good as on 31-03-2015. The Company has advanced this surplus fund which is providing a regular income to the Company in the form of interest.

### **SUBSIDIARIES:**

#### **Trimurthi Pharmaceuticals India Private Limited:**

Based at Hyderabad and incorporated in the year 2012 is a company dealing in business of Trading in Pharmaceutical Products. Your Company is holding 59% shares of the Said Company. Financials of the said company are included in preparing the Consolidated Financials of Your Company.

#### **Trimurthi Foods Limited:**

In April 2015 your company has made investment of Rs. 105.30 Lakhs (10,53,000 Equity Shares of Rs.10/- each) in Equity Shares of Trimurthi Foods Limited (formerly known as Anmol Packaging Industries Limited), representing 84.24% of the paid-up equity capital of the said company thereby making it a subsidiary of your company.

Trimurthi Foods Limited was incorporated in the Year 2012 and is proposing to setup the packaged food products unit.

### **PARTICULARS OF EMPLOYEES:**

None of the employees who is employed throughout the year are covered under Section 134 of the Companies Act 2013 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

### **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:**

The Company has no activity relating to conservation of energy or technology absorption. Further the company did not have any foreign exchange earnings or outgo during the year. Hence no information pursuant to Section 134 of the Companies Act, 1956 read with (disclosure of particulars in the report of Board of Directors) Rules, 1988 is provided.

### **LISTING ARRANGEMENTS:**

The Equity Shares of your Company are listed at The Ahmedabad Stock Exchange Limited, Madras Stock Exchange and Bombay Stock Exchange Limited. The requisite Annual Listing Fees of the Ahmedabad Stock Exchange Limited, Madras Stock Exchange and Bombay Stock Exchange Limited had been paid as on the date of this report.

**INSURANCE :**

The Company has made necessary arrangements for adequately insuring its insurable interests.

**FIXED DEPOSITS:**

The Company has not accepted any deposits U/s 73 of the Companies Act, 2013 and as such no amount of principle or interest was outstanding as on the date of Balance Sheet.

**CORPORATE GOVERNANCE:**

Your Company follows the principles of effective corporate governance and committed to maintain high standard of corporate governance by adhering to the corporate governance requirements set out by SEBI. The Company has complied with all the mandatory provisions of corporate governance as prescribed in the Clause 49 of the listing agreement with the Stock Exchange.

The Company's philosophy on Corporate Governance is attainment of the highest level of transparency, accountability and equity in all the spheres of operations, interactions with the shareholders, employees, government and others. And as per clause 49 of the Listing Agreement with the stock exchanges a separate section on Corporate Governance followed by the Company together with the certificate from the Auditors of the Company confirming Compliance is set out in the Annexure forming part of this Report.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure 3".

**PARTICULARS OF LOANS, GUARANTIES OR INVESTMENTS:**

Details of Loans, Guarantees and investments covered under the provisions of section 186 of the companies Act, 2013 are given in the notes to the Financial Statements.

## REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

| S. NO   | Name                      | Designation          | Remuneration paid FY.2014-15 | Remuneration paid FY.2013-14 | Increase in remuneration from previous years | Ratio/times per median of employee remuneration |
|---|---------------------------|----------------------|------------------------------|------------------------------|--|---|
| <b>Executive Directors and Key Managerial Persons</b> |                           |                      |                              |                              |  |   |
| 1   | Ms. Jyothi Ramesh Kankani | Company secretary    | 82,400                       | --                           | * --   | --  |
| 2   | Ms. Manda Vani            | CFO                  | 2,20,000                     | --                           | * --   | --  |
| 3   | Arvind Bhangadia          | Managing Director    | 1,75,000                     | 4,20,000                     | -Nil- #                                      |   |
| <b>Non Executive Directors</b>                        |                           |                      |                              |                              |  |   |
| 1   | Arun Kumar Bhangadia      | Chairman/ Promoter   | --                           | --                           | --   | --  |
| 2   | Ramswaroop Agrawal        | Independent Director | --                           | --                           | --   | --  |
| 3   | Devender Kumar Rathie     | Independent Director | --                           | --                           | --   | --  |
| 4   | Priyanka Barve            | Independent Director | --                           | --                           | --   | --  |

\* Appointed during the year.

# Monthly Consolidated Salary of Rs.35,000/- .Managing Director has discontinued taking remuneration from Company effective from 01-09-2014.

### **GREEN INITIATIVE:**

Last year, we started a Green Initiative with the aim of being green and minimizing our impact on the environment. This year too we are proposing to send the Annual Report to the registered e-mail addresses of the shareholders.

### **CODE OF CONDUCT:**

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director is given in Annexure.

**ACKNOWLEDGEMENT:**

Your Directors place on record their appreciation for the valuable support extended by various departments viz., Commercial Tax department, Drug Control Department and Banks for their continued support to the Company's growth. The Directors record their special appreciation to all employees for their efforts and contribution towards the growth and achieving this performance.

Your Directors also wish to express their thanks to the shareholders for the confidence which they reposed in them.

**DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONAL OF COMPLIANCE WITH THE CODE OF CONDUCT:**

The shareholders,

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

For and on behalf of the Board

Place: Hyderabad.

Dated: 31-08-2015

**ARVIND KUMAR BHANGADIA**  
Managing Director  
(DIN: 00015838)



**ANNEXURE -2**

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:
  - (a) Name(s) of the related party and nature of relationship: NIL
  - (b) Nature of contracts/arrangements/transactions: NIL
  - (c) Duration of the contracts / arrangements/transactions: NIL
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
  - (e) Justification for entering into such contracts or arrangements or transactions: NIL
  - (f) Date(s) of approval by the Board: NIL
  - (g) Amount paid as advances, if any: NIL
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis:
  - (a) Name(s) of the related party and nature of relationship: NIL
  - (b) Nature of contracts/arrangements/transactions:

| Particulars          | Relationship             | Nature       |
|----------------------|--------------------------|--------------|
| Arun Kumar Bhangadia | Director                 | Rent Deposit |
| Kiran Bhangadia      | Relative of the Director | Rent Deposit |

- (c) Duration of the contracts / arrangements/transactions: NIL
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Nil
- (e) Date(s) of approval by the Board, if any: Not applicable as these are at arms length basis and in ordinary course of business
- (f) Amount paid as advances, if any:

By Order of the Board

Place: Hyderabad.

Dated: 31-08-2015

**ARUN KUMAR BHANGADIA**  
Chairman  
(DIN: 00021024)

### ANNEXURE -3

#### SECRETARIAL AUDIT REPORT

(for the financial year ended 31st March, 2015)

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

To,

The Members,

Trimurthi Drugs and Pharmaceuticals Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Trimurthi Drugs and Pharmaceuticals Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Trimurthi Drugs and Pharmaceuticals Limited ("The Company") for the period ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) 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') to the extent applicable to the Company:-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- 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 (employee Stock option scheme and Employees Stock Purchase Scheme) Guidelines 1999
- e. The Securities and Exchange Board of India (Issue and listing of debt securities) Regulations, 2008;
- f. 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;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (vi) Compliance with respect to Drug License and other applicable laws
  - Income tax Act, 1961
  - Sales tax Act
  - A.P. Shops and establishment act 1988
  - Labour Act

**I have also examined compliance with the applicable clauses of the following:**

- (i) Since the following of Secretarial Standards issued by The Institute of Company Secretaries of India was mandatory for the period under review, we are not commenting on the same.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited,

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

**We further report that** The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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 Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

for P. K. ASSOCIATES  
Company Secretaries

PAVAN KANKANI,  
Proprietor  
M No.F7432, CP No. 7643  
Place : Hyderabad.  
Date : 18-08-2015

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

**"ANNEXURE A"**

To,

The Members,

Trimurthi Drugs and Pharmaceuticals Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

for P. K. ASSOCIATES

Company Secretaries

PAVAN KANKANI,

Proprietor

M No.F7432, CP No. 7643

Place : Hyderabad.

Date : 18-08-2015



**ANNEXURE-4**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

(as on financial year ended on 31-03-2015)

Pursuant to Section 92 (3) of the  
Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

|  |  |
|--|--|
| CIN  | L67120TG1994PLC018956  |
| Registration Date  | 13/12/1994   |
| Name of the Company  | TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED  |
| Category/Sub-category of the Company                                       | Listed Company   |
| Address of the Registered office & contact details                         | 4-4-231/1/2/ABC, INDER BAGH, SULTAN BAZAR, HYDERABAD   |
| Whether listed company   | Yes  |
| Name, Address & contact details of the Registrar & Transfer Agent, if any. | Venture Capital and Corporate Investments Pvt. Ltd.<br>Address: 12-10-167, Bharat Nagar, Hyderabad - 500 018. Ph No. 040-23818475,23818476 Email: <a href="mailto:Info@vccilindia.com">Info@vccilindia.com</a> |

**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)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1      | Sale of pharmaceutical goods                     | 46497                           | 21.56                              |
| 2      | Interest income                                  | 649                             | 78.44                              |

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

| S. No. | Name of the company  | CIN/GLN               | Holding/Subsidiary/Associate | % of Shares held | Appl - cable Section |
|--------|--|-----------------------|------------------------------|------------------|----------------------|
| 1      | Trimurthi Pharmaceuticals India Private Limited                                  | U24232TG2012PTC080276 | Subsidiary                   | 59%              | 2(87)                |
| 2      | # Trimurthi Foods Limited (Formerly Known as Anmol Packaging Industries Limited) | U15122TG2012PLC081937 | Subsidiary                   | 84%              | 2(87)                |

# became a subsidiary on 11-05-2015

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)  
Category-wise Share Holding**

| Category of Shareholders   | No. of Shares held at the beginning of the year[As on 31-March-2014] |           |                |                   | No. of Shares held at the end of the year[As on 31-March-2015] |           |                |                   | % Change during the year |
|--|--|-----------|----------------|-------------------|--|-----------|----------------|-------------------|--------------------------|
|  | Demat  | Physical  | Total          | % of Total Shares | Demat  | Physical  | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>  |  |           |                |                   |  |           |                |                   |                          |
| <b>(1) Indian</b>  |  |           |                |                   |  |           |                |                   |                          |
| a) Individual/ HUF   | 3488800  | --        | 3488800        | 43.07             | 3820400  | --        | 3820400        | 47.17             | 4.10                     |
| b) Central Government  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| c) State Government(s)   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| d) Bodies Corporate  | 1445000  | --        | 1445000        | 17.84             | 1430000  | --        | 1430000        | 17.65             | (0.19)                   |
| e) Banks / Financial Institutions  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| f) Any other   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| <b>Total shareholding of Promoter (A)</b>                                | <b>4933800</b>   | <b>--</b> | <b>4933800</b> | <b>60.91</b>      | <b>5250400</b>   | <b>--</b> | <b>5250400</b> | <b>64.82</b>      | <b>3.91</b>              |
| <b>B. Public Shareholding</b>  |  |           |                |                   |  |           |                |                   |                          |
| <b>1. Institutions</b>   |  |           |                |                   |  |           |                |                   |                          |
| a) Mutual Funds  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| b) Banks / Financial Institutions  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| c) Central Government  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| d) State Government(s)   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| e) Venture Capital Funds   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| f) Insurance Companies   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| g) FII's   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| h) Foreign Venture Capital Funds   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| i) Others (specify)  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| <b>Sub-total (B)(1): -</b>   | <b>--</b>  | <b>--</b> | <b>--</b>      | <b>--</b>         | <b>--</b>  | <b>--</b> | <b>--</b>      | <b>--</b>         | <b>--</b>                |
| <b>2. Non- Institutions</b>  |  |           |                |                   |  |           |                |                   |                          |
| <b>a) Bodies Corp.</b>   |  |           |                |                   |  |           |                |                   |                          |
| i) Indian  | 1831921  | 10900     | 1842821        | 22.75             | 1498599  | 10900     | 1509499        | 18.64             | (4.11)                   |
| ii) Overseas   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| <b>b) Individuals</b>  |  |           |                |                   |  |           |                |                   |                          |
| j) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 539724   | 521620    | 1061344        | 13.10             | 464199   | 570720    | 1034919        | 12.78             | (0.32)                   |

|  |         |        |         |       |         |        |         |       |        |
|--|---------|--------|---------|-------|---------|--------|---------|-------|--------|
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 168528  | 11400  | 179928  | 2.22  | 282524  | 11400  | 293924  | 3.63  | 1.41   |
| c) Others (specify)  |         |        |         |       |         |        |         |       |        |
| Non Resident Indians   | 1553    | NIL    | 1533    | 0.02  | 2038    | NIL    | 2038    | 0.03  | (0.01) |
| Clearing members   | 80554   | NIL    | 80554   | 0.99  | 9220    | NIL    | 9220    | 0.11  | (0.88) |
| Sub- total (B)(2): -   | 2622280 | 543920 | 3166200 | 39.09 | 2256580 | 593020 | 2849600 | 35.18 | (3.91) |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)                                     | 2622280 | 543920 | 3166200 | 39.09 | 2256580 | 593020 | 2849600 | 35.18 | (3.91) |
| C. Shares held by Custodian for GDRs & ADRs                                      | --      | --     | --      | --    | --      | --     | --      | --    | --     |
| Grand Total (A+B+C)  | 7506080 | 543920 | 8100000 | 100   | 7506080 | 593920 | 8100000 | 100   | --     |

**B) Shareholding of Promoter-**

| S<br>N | Shareholder's Name                     | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in shareholding 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      | TDPL HEALTH CARE (INDIA) LIMITED       | 1430000                                   | 17.65                            | --   | 1430000                             | 17.65                            | --   | --                                       |
| 2      | ARUN KUMAR BHANGADIA (HUF).            | 387000                                    | 4.78                             | --   | 387000                              | 4.78                             | --   | --                                       |
| 3      | TRIMURTHI ADVISORY SERVICES P LTD      | 15000                                     | 0.19                             | --   | --                                  | --                               | --   | (0.19)                                   |
| 4      | GOPIKISHAN ARUN KUMAR BHANGADIA (HUF). | 90000                                     | 1.11                             | --   | 105000                              | 1.30                             | --   | 0.19                                     |
| 5      | ARVIND KUMAR DEVANSH BHANGADIA HUF.    | 120000                                    | 1.48                             | --   | 120000                              | 1.48                             | --   | --                                       |
| 6      | ARUN KUMAR BHANGADIA                   | 1542200                                   | 19.04                            | --   | 1542200                             | 19.04                            | --   | --                                       |
| 7      | ARVIND KUMAR BHANGADIA.                | 29900                                     | 0.37                             | --   | 29900                               | 0.37                             | --   | --                                       |
| 8      | KANTHA BHANGADIA                       | 177800                                    | 2.20                             | --   | 177800                              | 2.20                             | --   | --                                       |
| 9      | KIRAN BHANGADIA.                       | 1032900                                   | 12.75                            | --   | 1349500                             | 16.66                            | --   | 3.91                                     |
| 10     | JYOTHI BHANGADIA.                      | 58000                                     | 0.72                             | --   | 58000                               | 0.72                             | --   | --                                       |
| 11     | MURLIDHAR MUTGI                        | 15000                                     | 0.19                             | --   | 15000                               | 0.19                             | --   | --                                       |
| 12     | SULOCHANA MUTGI                        | 18000                                     | 0.22                             | --   | 18000                               | 0.22                             | --   | --                                       |
| 13     | SRIPRIYA MUTGI                         | 18000                                     | 0.22                             | --   | 18000                               | 0.22                             | --   | --                                       |
|        | <b>TOTAL</b>                           | <b>4883800</b>                            | <b>60.91</b>                     | <b>--</b>  | <b>5250400</b>                      | <b>64.82</b>                     | <b>--</b>  | <b>3.91</b>                              |

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

| SN | Particulars  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during year |                                  |
|----|--|---|----------------------------------|-------------------------------------|----------------------------------|
|    |  | No. of shares                             | % of total shares of the company | No. of shares                       | % of total shares of the company |
| 1. | <b>TDPL Health Care (INDIA) Limited</b>            |   |                                  |                                     |                                  |
|    | At the beginning of the year                       | 1430000                                   | 17.65                            | 1430000                             | 17.65                            |
|    | Increase/(Decrease) during the year                | --  | --                               | 1430000                             | 17.65                            |
|    | At the end of the year                             | 1430000                                   | 17.65                            | 1430000                             | 17.65                            |
| 2. | <b>Arun Kumar Bhangadia (HUF)</b>                  |   |                                  |                                     |                                  |
|    | At the beginning of the year                       | 387000                                    | 4.78                             | 387000                              | 4.78                             |
|    | Increase/(Decrease) during the year                | --  | --                               | 387000                              | 4.78                             |
|    | At the end of the year                             | 387000                                    | 4.78                             | 387000                              | 4.78                             |
| 3. | <b>Trimurthi Advisory Services Private Limited</b> |   |                                  |                                     |                                  |
|    | At the beginning of the year                       | 15000                                     | 0.19                             | 15000                               | 0.19                             |
|    | Increase/(Decrease) during the year                |   |                                  |                                     |                                  |
|    | - 27-03-2015 (off-market Inter se Sale)            | (15000)                                   | (0.19)                           | --                                  | --                               |
|    | At the end of the year                             | --  | --                               | --                                  | --                               |
| 4. | <b>Gopikshan Arun Kumar Bhangadia (HUF)</b>        |   |                                  |                                     |                                  |
|    | At the beginning of the year                       | 90000                                     | 1.11                             | 90000                               | 1.11                             |
|    | Increase/(Decrease) during the year                |   |                                  |                                     |                                  |
|    | - 27-03-2015 (off-market Inter se Purchase)        | 15000                                     | 0.19                             | 105000                              | 1.30                             |
|    | At the end of the year                             | 105000                                    | 1.30                             | 105000                              | 1.30                             |
| 5. | <b>Arvind Kumar Devanah Bhangadia HUF</b>          |   |                                  |                                     |                                  |
|    | At the beginning of the year                       | 120000                                    | 1.48                             | 120000                              | 1.48                             |
|    | Increase/(Decrease) during the year                | --  | --                               | 120000                              | 1.48                             |
|    | At the end of the year                             | 120000                                    | 1.48                             | 120000                              | 1.48                             |
| 6. | <b>Arun Kumar Bhangadia</b>                        |   |                                  |                                     |                                  |
|    | At the beginning of the year                       | 1542200                                   | 19.04                            | 1542200                             | 19.04                            |
|    | Increase/(Decrease) during the year                | --  | --                               | 1542200                             | 19.04                            |
|    | At the end of the year                             | 1542200                                   | 19.04                            | 1542200                             | 19.04                            |
| 7. | <b>Arvind Kumar Bhangadia</b>                      |   |                                  |                                     |                                  |
|    | At the beginning of the year                       | 29900                                     | 0.37                             | 29900                               | 0.37                             |
|    | Increase/(Decrease) during the year                | --  | --                               | 29900                               | 0.37                             |
|    | At the end of the year                             | 29900                                     | 0.37                             | 29900                               | 0.37                             |
| 8. | <b>Kantha Bhangadia</b>                            |   |                                  |                                     |                                  |
|    | At the beginning of the year                       | 177800                                    | 2.20                             | 177800                              | 2.20                             |
|    | Increase/(Decrease) during the year                | --  | --                               | 177800                              | NIL                              |
|    | At the end of the year                             | 177800                                    | --                               | 177800                              | 2.20                             |

|                                     |         |       |         |       |
|-------------------------------------|---------|-------|---------|-------|
| <b>9. Kiran Bhangadia</b>           |         |       |         |       |
| At the beginning of the year        | 1032900 | 12.75 | 1032900 | 12.75 |
| Increase/(Decrease) during the year |         |       |         |       |
| - 13-05-2014 – Market Purchase      | 21000   | 0.26  | 1053900 | 13.01 |
| - 09-05-2014 – Market Purchase      | 43000   | 0.53  | 1096900 | 13.54 |
| - 03-03-2015 – Market Purchase      | 19630   | 0.24  | 1116530 | 13.78 |
| - 04-03-2015 – Market Purchase      | 20000   | 0.25  | 1136530 | 14.03 |
| - 05-03-2015 – Market Purchase      | 34100   | 0.42  | 1170630 | 14.45 |
| - 09-03-2015 – Market Purchase      | 34775   | 0.43  | 1205405 | 14.88 |
| - 10-03-2015 – Market Purchase      | 35000   | 0.43  | 1240405 | 15.31 |
| - 11-03-2015 – Market Purchase      | 33905   | 0.42  | 1274310 | 15.73 |
| - 12-03-2015 – Market Purchase      | 21566   | 0.27  | 1295876 | 16.00 |
| - 13-03-2015 – Market Purchase      | 20100   | 0.25  | 1315976 | 16.25 |
| - 16-03-2015 – Market Purchase      | 27952   | 0.35  | 1343928 | 16.59 |
| - 17-03-2015 – Market Purchase      | 5572    | 0.07  | 1349500 | 16.66 |
| At the end of the year              | 1349500 | 16.66 | 1349500 | 16.66 |
| <b>10. Jyothi Bhangadia</b>         |         |       |         |       |
| At the beginning of the year        | 58000   | 0.72  | 58000   | 0.72  |
| Increase/(Decrease) during the year | --      | --    | 58000   | 0.72  |
| At the end of the year              | 58000   | 0.72  | 58000   | 0.72  |
| <b>11. Murlidhar Mutgi</b>          |         |       |         |       |
| At the beginning of the year        | 15000   | 0.19  | 15000   | 0.19  |
| Increase/(Decrease) during the year | --      | --    | 15000   | 0.19  |
| At the end of the year              | 15000   | 0.19  | 15000   | 0.19  |
| <b>12. Sulochana Mutgi</b>          |         |       |         |       |
| At the beginning of the year        | 18000   | 0.22  | 18000   | 0.22  |
| Increase/(Decrease) during the year | --      | --    | 18000   | 0.22  |
| At the end of the year              | 18000   | 0.22  | 18000   | 0.22  |
| <b>13. Sripriya Mutgi</b>           |         |       |         |       |
| At the beginning of the year        | 18000   | 0.22  | 18000   | 0.22  |
| Increase/(Decrease) during the year | --      | --    | 18000   | 0.22  |
| At the end of the year              | 18000   | 0.22  | 18000   | 0.22  |

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sn | For Each of The Top 10 Shareholders | Shareholding At The Beginning of The Year |                                  | 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  | Mahaveer Infoway Limited            | 750000                                    | 9.26                             | 750000                              | 9.26                             |
| 2  | H K Avenues Private Limited         | 300000                                    | 3.70                             | 41000                               | 0.51                             |
| 3  | S M Avenues Private Limited         | 300000                                    | 3.70                             | 300000                              | 3.70                             |
| 4  | Ind Eco Ventures Limited            | 190000                                    | 2.35                             | 270000                              | 3.33                             |
| 5  | Karumuthu Finance Private Limited   | 80000                                     | 0.99                             | --                                  | --                               |
| 6  | Religare Finvest Ltd                | 80000                                     | 0.99                             | --                                  | --                               |
| 7  | Bekas Properties Private Limited    | 57133                                     | 0.71                             | 57133                               | 0.71                             |
| 8  | Intime Equities Limited             | 50500                                     | 0.62                             | --                                  | --                               |
| 9  | Raghavendra Govindarao Gudagunte    | 50000                                     | 0.62                             | --                                  | --                               |
| 10 | Manoj Kumar                         | 27828                                     | 0.34                             | 27828                               | 0.34                             |
| 11 | Caspian Projects Pvt Ltd            | 27104                                     | 0.33                             | 27104                               | 0.33                             |
| 12 | Hari Kishan Gilda                   | 25000                                     | 0.31                             | 25000                               | 0.31                             |
| 13 | Mohan Rao Bhousle                   | --  | --                               | 65500                               | 0.81                             |



**E) Shareholding of Directors and Key Managerial Personnel:**

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during year |                                  |
|---------|--|---|----------------------------------|-------------------------------------|----------------------------------|
|         |  | No. of shares                             | % of total shares of the company | No. of shares                       | % of total shares of the company |
| 1.      | <b>Arun Kumar Bhangadia - Promoter Director</b>                  |   |                                  |                                     |                                  |
|         | At the beginning of the year                                     | 1542200                                   | 19.04                            | 1542200                             | 19.04                            |
|         | Increase/(Decrease) during the year                              | --  | --                               | 1542200                             | 19.04                            |
|         | At the end of the year   | 1542200                                   | 19.04                            | 1542200                             | 19.04                            |
| 2.      | <b>Arvind Kumar Bhangadia - promoter Director</b>                |   |                                  |                                     |                                  |
|         | At the beginning of the year                                     | 29900                                     | 0.37                             | 29900                               | 0.37                             |
|         | Increase/(Decrease) during the year                              | --  | --                               | 29900                               | 0.37                             |
|         | At the end of the year   | 29900                                     | 0.37                             | 29900                               | 0.37                             |
| 3.      | <b>Priyanka Barve - Independent Director</b>                     |   |                                  |                                     |                                  |
|         | At the beginning of the year                                     | --  | --                               | --                                  | --                               |
|         | Increase/(Decrease) during the year                              | --  | --                               | --                                  | --                               |
|         | At the end of the year   | --  | --                               | --                                  | --                               |
| 4.      | <b>Ramswaroop Agarwal - Independent Director</b>                 |   |                                  |                                     |                                  |
|         | At the beginning of the year                                     | --  | --                               | --                                  | --                               |
|         | Increase/(Decrease) during the year                              | --  | --                               | --                                  | --                               |
|         | At the end of the year   | --  | --                               | --                                  | --                               |
| 5.      | <b>Devendra Kumar Rathie - Independent Director</b>              |   |                                  |                                     |                                  |
|         | At the beginning of the year                                     | --  | --                               | --                                  | --                               |
|         | Increase/(Decrease) during the year                              | --  | --                               | --                                  | --                               |
|         | At the end of the year   | --  | --                               | --                                  | --                               |
| 6.      | <b>CS Jyothi Ramesh Kakani - Company Secretary</b>               |   |                                  |                                     |                                  |
|         | At the beginning of the year                                     | --  | --                               | --                                  | --                               |
|         | Increase/(Decrease) during the year                              | --  | --                               | --                                  | --                               |
|         | At the end of the year   | --  | --                               | --                                  | --                               |
| 7.      | <b>Vani Manda - Chief Financial Officer</b>                      |   |                                  |                                     |                                  |
|         | At the beginning of the year                                     | --  | --                               | --                                  | --                               |
|         | Increase/(Decrease) during the year                              | --  | --                               | --                                  | --                               |
|         | At the end of the year   | --  | --                               | --                                  | --                               |

**F) INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

|  | Secured Loans<br>excluding<br>deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|--|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |  |                    |          |                       |
| i) Principal Amount  | --                                     | --                 | --       | --                    |
| ii) Interest due but not paid                              | --                                     | --                 | --       | --                    |
| iii) Interest accrued but not due                          | --                                     | --                 | --       | --                    |
| <b>Total (i+ii+iii)</b>                                    | --                                     | --                 | --       | --                    |
| <b>Change in Indebtedness during the financial year</b>    |  |                    |          |                       |
| * Addition   | --                                     | --                 | --       | --                    |
| * Reduction  | --                                     | --                 | --       | --                    |
| <b>Net Change</b>  | --                                     | --                 | --       | --                    |
| <b>Indebtedness at the end of the financial year</b>       |  |                    |          |                       |
| i) Principal Amount  | --                                     | --                 | --       | --                    |
| ii) Interest due but not paid                              | --                                     | --                 | --       | --                    |
| iii) Interest accrued but not due                          | --                                     | --                 | --       | --                    |
| <b>Total (i+ii+iii)</b>                                    | --                                     | --                 | --       | --                    |

**XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

| SN. | Particulars of Remuneration   | Name of MD/WTG/<br>Manager                    | Total Amount          |
|-----|---|---|-----------------------|
|     |   | Arvind Kumar Bhangadia -<br>Managing Director |                       |
| 1   | <b>Gross salary</b>   |   |                       |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Rs. 1,75,000/-                                | Rs. 1,75,000/-        |
|     | (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  | --  | --                    |
| 3   | Sweat Equity  | --  | --                    |
| 4   | Commission<br>- as % of profit<br>- others, specify                                 | --<br>--                                      | --<br>--              |
| 5   | Others, please specify  | --  | --                    |
|     | <b>Total (A)</b>  | <b>Rs.1,75,000/-</b>                          | <b>Rs.1,75,000/-</b>  |
|     | <b>Ceiling as per the Act</b>   | --  | <b>Rs.30,00,000/-</b> |

**B. Remuneration to other directors:**

| SN. | Particulars of Remuneration                | Name of Directors  |                |                      |                      | Total Amount |
|-----|--|--------------------|----------------|----------------------|----------------------|--------------|
|     |  | Ramswaroop Agarwal | Priyanka barve | Devender Kumar Rathi | Arun Kumar Bhnagadia |              |
| 1   | <b>Independent Directors</b>               |                    |                |                      |                      |              |
|     | Fee for attending board committee meetings | --                 | --             | --                   | --                   | --           |
|     | Commission                                 | --                 | --             | --                   | --                   | --           |
|     | Others, please specify                     | --                 | --             | --                   | --                   | --           |
|     | Total (1)                                  | --                 | --             | --                   | --                   | --           |
| 2   | <b>Other Non-Executive Directors</b>       |                    |                |                      |                      |              |
|     | Fee for attending board committee meetings | --                 | --             | --                   | --                   | --           |
|     | Commission                                 | --                 | --             | --                   | --                   | --           |
|     | Others, please specify                     | --                 | --             | --                   | --                   | --           |
|     | Total (2)                                  | --                 | --             | --                   | --                   | --           |
|     | Total (B)=(1+2)                            | --                 | --             | --                   | --                   | --           |
|     | Total Managerial Remuneration              | --                 | --             | --                   | --                   | --           |
|     | Overall Ceiling as per the Act             | --                 | --             | --                   | --                   | --           |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

| SN | Particulars of Remuneration   | Key Managerial Personnel                 |                                    |               |
|----|---|--|------------------------------------|---------------|
|    |   | Jyothi Ramesh Kakani - Company Secretary | Vani Manda - Chief Finance Officer | Total         |
| 1  | Gross salary  |  |                                    |               |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Rs.82,400/-                              | Rs.2,04,000/-                      | Rs.2,86,400/- |
|    | (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  | --                                       | --                                 | --            |
| 3  | Sweat Equity  | --                                       | --                                 | --            |
| 4  | Commission  | --                                       | --                                 | --            |
|    | - as % of profit  | --                                       | --                                 | --            |
|    | others, specify...  | --                                       | --                                 | --            |
| 5  | Others, please specify  | --                                       | --                                 | --            |
|    | Total   | Rs.82,400/-                              | Rs.2,04,000/-                      | Rs.2,86,400/- |

## XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                          | Nil                                |

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

This Management Discussion and Analysis Report addresses the expectations and Projections of the company for its future, about its Product Development, Market Position, Market Development and Penetration, Expenditure, Financial Results, Risks and Concerns etc. However, the expectations shared herein are not limited to the Company's Growth. The Company's actual results, performance or achievements could differ from those shared herein.

On the other hand, our Management declares that, the financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 guidelines issued by the Securities Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India.

### **Industry Overview:**

The Indian pharmaceuticals market is third largest in terms of volume and thirteen largest in terms of value, as per a pharmaceuticals sector analysis report by equity master. The market is dominated majorly by branded generics which constitute nearly 70 to 80 per cent of the market. Considered to be a highly fragmented industry, consolidation has increasingly become an important feature of the Indian pharmaceutical market.

The country's pharmaceutical industry accounts for about 1.4 per cent of the global pharmaceutical industry in value terms and 10 per cent in volume terms. The Government of India has announced a host of measures to create a facilitating environment for the Indian pharmaceutical industry. The policies of the Government of India are aimed at building more hospitals, boosting local access to healthcare, improving the quality of pharmaceuticals and improving the quality of medical training. The Government of India is committed to setting up robust healthcare and delivery mechanisms.

### **Outlook:**

The Indian pharmaceutical industry is estimated to grow at 20 per cent compound annual growth rate (CAGR) over the next five years, as per India Ratings, a Fitch Group company. Indian pharmaceutical manufacturing facilities registered with US Food and Drug Administration (FDA) as on March 2014 was the highest at 523 for any country outside the US.

The pharmacy sector forms the second largest share in the Indian healthcare sector. The sector sources its products through institutional and non institutional sales. The institutional sales is the sale of pharmaceuticals to hospitals, nursing homes and other such health institutions that purchase bulk drugs at discounted prices that results in



partial decline in profit margin of manufacturers. Whereas, non institutional sales takes place through retail stores that happen to be the only form of sales channel that reaches directly to consumers and is a major source of revenue earning for the sector.

We expect the domestic pharma market to grow at 10-12 per cent in FY15 as compared to 9 per cent in FY14, as per a recent report from Centrum Broking. The domestic pharma growth rate was 11.9 per cent in October 2014, highlighted the report.

Also, growing at an average rate of about 20 per cent, India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics may reach the US\$ 7 billion mark by the end of FY15, according to an industry body. Biopharma is the largest sector contributing about 62 per cent of the total revenue, with revenue generation to the tune of over Rs 12,600 crore (US\$ 2.03 billion). The bio-pharma sector comprises vaccines, therapeutics and diagnostics.

The Union Cabinet has given its approval to amend the existing FDI policy in the pharmaceutical sector in order to cover medical devices. The Cabinet has allowed FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to specified conditions. The Indian pharma market size is expected to grow to US\$ 85 billion by 2020. The growth in Indian domestic market will be on back of increasing consumer spending, rapid urbanisation, raising healthcare insurance and so on.

To sum up, the pharmacy retail is a stable market that has strong growth potential even in the future years. In addition, the retail business of the Company has been transferred to its subsidiary "Trimurthi Pharmaceutical (India) Private Limited".

Moreover, the Company is striving and making efforts towards being appointed as the 'C&F AGENTS' of Multinational Pharmaceutical Companies (MNC's) having operations in India.

#### **Risk and concerns:**

An effective risk management framework enhances the organization's ability to proactively address its risks and opportunities by determining a risk mitigation strategy and monitoring its progress on continuous basis.

Our risk management framework is intended to ensure that risks are identified in a timely manner. We have implemented an integrated risk management framework to identify, assess, prioritize, manage/mitigate, monitor and communicate the risk across the county.

Senior management personnel meet at regular intervals to identify various risks, assess, and prioritize the risks. After due deliberations, appropriate strategies are made for managing/mitigating the risks. The company takes the help of independent professional firms to review the risk management structure and implementation of risk management

policies. Audit Committee on a quarterly basis, review the adequacy and effectiveness of the risk management strategies, implementation of risk management/mitigation policies, It advises the board on matters of significant concerns for redressal.

#### **Independent Directors:**

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

#### **Training of Independent Directors:**

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

#### **Performance Evaluation of non-executive and Independent Directors:**

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

#### **Internal audit System:**

During the year the Company had appointed M/s. Ramesh Athasniya & Company, Chartered Accountants as internal auditors to the Company an external audit firm of Chartered Accountants, who submits reports on quarterly basis. The reports are placed before the Audit Committee and comments and suggestions made by the internal auditors are noted and implemented by the Company.

#### **Cautionary Statement:**

Statements in this Management Discussion and Analysis Report may be "forward looking statements: within the meaning of applicable securities laws and regulations. These statements are based on certain assumption and expectations of future events. Actual results could differ materially from those expressed or implied. Important facts that could make a difference at the Company's operations include economic conditions affecting domestic demand and supply conditions, finished goods prices, changes in government regulations and tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

## **CORPORATE GOVERNANCE REPORT**

### **COMPANIES PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE**

The Company always strives to achieve optimum performance at all levels by adhering to corporate governance practices and envisages fair and transparent business practices, effective management control by the Board, adequate representation of promoter, executive and independent directors on the Board, accountability for performance, monitoring of executive performance by the Board, compliance of laws, transparent and timely disclosure of financial and management information and voluntary best practices and disclosures.

#### **BOARD OF DIRECTORS:**

##### **a) Composition**

- As on date the Company has 5 directors with a Executive Chairman on its Board. Out of these 2 is Executive Director and 3 are Non- Executive Directors (of which 3 are Independent Directors), who are having vast experience in their fields. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered with the BSE and NSDL.
- None of the directors on the Board is a member of more than 10 Committee or chairman of more than 5 Committees across all the companies in which he is a director. Necessary disclosure regarding their directorship/ Membership in other companies has been made by each and every director.
- Chairmanship/membership reflects only Audit and Stake holder relationship & Nomination and remuneration of other Public Companies.

| <b>Category</b>       | <b>Number of Directors</b> | <b>Non-Executive</b> | <b>Executive</b> |
|-----------------------|----------------------------|----------------------|------------------|
| Promoter Directors    | 2                          | --                   | 2                |
| Independent Directors | 3                          | 3                    | --               |

##### **b) Board Meeting**

- The Board of Directors of the Company shall meet at least four times a year, with a time gap of not more than 120 days between any two meetings.
- During the year the meeting(s) of the Board of Directors held 5 times viz. as per the below table.



| Particulars    | Date                           |
|----------------|--------------------------------|
| First Meeting  | 24th may,2014                  |
| Second Meeting | 30 <sup>th</sup> July,2014     |
| Third Meeting  | 4th September,2014             |
| Fourth Meeting | 8 <sup>th</sup> November, 2014 |
| Fifth Meeting  | 7 <sup>th</sup> February,2015  |

Agenda papers along with necessary statements were circulated to the Directors in advance for each of those meetings and all the relevant information was placed before the Board from time to time. During the year under review the Independent Directors of the company met on 06 February, 2015:

- A. To review the performance of of non-Independent Directors and the board as a whole.
  - B. To review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors.
  - C. To 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 the duties.
- c) Attendance of each Director at the Board Meeting during the year and at Last Annual General Meeting including other Directorships.

| Name of Director                                  | Attendance Board Meeting | Attendance Last AGM | No. of Other Directorships in Public Companies | Committee Membership Please check the highlighted part and make the changes accordingly |
|---|--------------------------|---------------------|--|---|
| Shri Arvind Kumar Bhangadia                       | 5                        | Y                   | 1  | --  |
| Shri Murlidhar Mutgi<br>(Resigned on 12-08-2014)  | 2                        | --                  |  | --  |
| Shri Ramswaroop Agarwal                           | 5                        | Y                   | 1  | --  |
| Shri Arun Kumar Bhangadia                         | 5                        | Y                   | 1  | 2   |
| Shri Arun Kumar Sarda<br>(Resigned on 12-08-2014) | 2                        | --                  | --   | --  |
| Shri Devender Kumar Rathi                         | 3                        | --                  | 1  | --  |
| Smt. Priyanka Barve                               | 3                        | --                  | --   | --  |

### AUDIT COMMITTEE:

The Audit committee consists of the following directors:

| Name of the Director                             | Designation | Category                             | No. of Meetings held | No. of meetings attended |
|--|-------------|--------------------------------------|----------------------|--------------------------|
| Shri Ramswaroop Agarwal                          | - Chairman  | - Independent Non-Executive Director | 4                    | 4                        |
| Shri Arun Kumar Bhangadia                        | - Member    | - Promoter Non-Executive Director    | 4                    | 4                        |
| Smt. Priyanka Barve<br>(appointed on 04-09-2014) | Member      | Independent Non-Executive Director   | --                   | --                       |

During the year under review, Four Audit Committee meetings were held on: 24-05-2014 30-07-2014, 08-11-2014, 07-02-2015.

The scope of the committee includes: -

- a) Reviewing with the management the periodic financial statements before submission to the board, focusing primarily on:
  - Any changes in accounting policies and practices.
  - The going concern assumption.
  - Qualifications in draft audit report.
  - Major accounting entries based on exercise of judgment by the Management.
  - Significant adjustments arising out of audit.
  - Compliance with accounting standards.
  - Compliance with Stock Exchange and legal requirements concerning financial statements.
  - Any related party transactions i.e. transactions of the Company of material nature, with promoters, or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interest of the Company at large.
- b) Reviewing with the management, statutory and internal auditors, and the adequacy of internal control system and recommending improvements to the management.
- c) Reviewing the adequacy of the internal audit function, discussion with the internal auditors about any significant findings and follow up thereon.



- d) 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.
- e) Reviewing financial and risk management policies of the Company.
- f) Such other matters as may be entrusted to the committee from time to time.

#### **NOMINATION & REMUNERATION COMMITTEE:**

The remuneration committee consists of the following Directors:

Shri Devender Kumar Rathi      - Chairman      - Independent Non-Executive Director  
(appointed on 04-09-2014)

Shri Ramswaroop Agarwal      - Member      - Independent Non-Executive Director

Shri Arun Kumar Bhangadia      - Member      - Promoter Non-Executive Director

The details of the remuneration to the managerial personnel of the company for the financial year 2014-2015 as under.

The Company had paid an amount of Rs. 1,75,000/- to Shri Arvind Kumar Bhangadia, Managing Director of the Company as Salary for period from 01-04-2014 to 31-09-2014. Since Mr. Arvind Kumar Bhangadia was appointed as CEO of Trimurthi Pharmaceuticals India Private Limited (a subsidiary of our Company) and has been drawing remuneration from there, he has discontinued to take remuneration from our Company.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The investors' grievance committee consists of the following directors.

Shri Ramswaroop Agarwal      -      Chairman - Independent Non-Executive Director

Smt. Priyanka Barve      -      Member - Independent Non-Executive Director

(Appointed on 04-09-2014)

Shri Arvind Kumar Bhangadia      -      Member - Promoter

The Investors' Grievance Committee of the Board is empowered to oversee the redressal of investor's complaints pertaining to share transfers, non-receipt of annual reports, issue of duplicate certificates, transmission (with and without legal representation) of shares. Its scope also includes delegation of powers to the executives of the Company share transfer agents to process share transfers and other investor-allied matters.

The Committee meets periodically to take care of the issues relating to share transfers and other shareholders' correspondence or grievances.

During the year under review no complaint is pending as on date of this report.

**GENERAL BODY MEETINGS:**

Location and time of General Meetings for the last three years :

| Year      | Type | Date       | Venue  | Time       | Special Resolutions Passed   |
|-----------|------|------------|--|------------|--|
| 2013-2014 | AGM  | 29.09.2014 | Vaishnani Hotel # 3-2-848/1 Station Road, Kachiguda Hyderabad 500 027                        | 11.00 A.M. | 1.Borrowing limits of the company<br>2.Creation of Charges on the assets of the company<br>3.Approval for investment in any company<br>4.Amendments of Articles of the company |
| 2012-2013 | AGM  | 30.09.2013 | Vaishnani Hotel # 3-2-848/1 Station Road, Kachiguda Hyderabad 500 027                        | 11:00 A.M. | No Special resolution passed   |
| 2011-2012 | AGM  | 24.08.2012 | RGA Hall, Snatak Bhavan, 5-4-790/1, Ashirvad Complex, 1st Floor, Abids, Hyderabad - 500 001, | 11.00 A.M. | 1. Amendment to Articles of Association.<br>2. Issue of Convertible warrants.  |
| 2010-2011 | AGM  | 30.09.2011 | RGA Hall, Snatak Bhavan, 5-4-790/1, Ashirvad Complex, 1st Floor, Abids, Hyderabad - 500 001, | 11.00 A.M. | No Special resolution passed   |

**RELATED PARTY TRANSACTIONS:**

During the year the Company has dealt with the following persons, where such persons is/are Directors/Directors' Relatives.

| Name of the Person   | Relationship        | Amount (Rs.) | Nature of Transaction |
|----------------------|---------------------|--------------|-----------------------|
| Arun Kumar Bhangadia | Director            | 60,000       | Rent Paid             |
| Kiran Bhangadia      | Directors' Relative | 60,000       | Rent Paid             |

- i) The Management of the Company feels that the rent paid to above related parties was reasonable when compared to prevailing market prices in the similar areas.

**MEANS OF COMMUNICATION:**

The Company has published its financial results on a quarterly and half yearly basis as well as Annual results in English and Telugu newspapers and the same has been submitted to the Stock Exchanges.

**GENERAL SHAREHOLDER INFORMATION:**

- a) Annual General Meeting : 28th September, 2015  
 b) Financial Year : 1st April, to 31st March, 2015  
 c) Book Closure Date : 22nd to 28th September, 2015

**LISTING:**

Presently, the Company's securities are Listed at Bombay Stock Exchange Limited (BSE), The Ahmedabad Stock Exchange Ltd (ASE) & Madras stock Exchange (MSE).

**MARKET INFORMATION:**

The Performance of the stock in Bombay Stock Exchange Limited for the period from 01st April, 2014 to 31st March, 2015 was as follows:

| Month         | Bombay Stock Exchange Limited (BSE) |      |          |
|---------------|-------------------------------------|------|----------|
|               | High                                | Low  | Volume   |
| April-14      | 7.58                                | 6.45 | 82,206   |
| May- 14       | 9.56                                | 6.56 | 1,41,751 |
| June- 14      | 10.16                               | 8.02 | 1,22,350 |
| July- 14      | 10.40                               | 8.50 | 1,27,125 |
| August- 14    | 11.26                               | 7.28 | 88,604   |
| September- 14 | 11.32                               | 8.26 | 39,904   |
| October- 14   | 10.55                               | 7.71 | 8085     |
| November- 14  | 11.44                               | 7.80 | 7393     |
| December- 14  | 10.00                               | 9.00 | 2169     |
| January- 14   | 10.50                               | 8.99 | 985      |
| February- 14  | 9.36                                | 6.86 | 2415     |
| March- 15     | 9.05                                | 6.65 | 29,7231  |

**DEMATERIALIZATION OF SHARES:**

| Particulars                         | No. of Shares | % of Total Issued Capital |
|-------------------------------------|---------------|---------------------------|
| Issued Capital                      | 81,00,000     | 100.00                    |
| Held in Dematerialized form in CDSL | 67,35,975     | 83.16                     |
| Held in Dematerialized form in NSDL | 7,71,005      | 09.52                     |
| Held in Physical                    | 5,93,920      | 07.32                     |
| Total Number of Shares              | 81,00,000     | 100.00                    |

The ISIN is Active in NSDL and CDSL and ISIN Number is **INE314I01036**



**Share Transfer System:** All the share transfers are processed at the registrars and share transfer agents of the company M/s. Venture Capital Corporate & Investments Private Ltd., and approved by the Share Transfer Committee of the Company.

#### **REGISTRAR AND TRANSFER AGENTS:**

Members are requested to correspond with the Company's Registrar and Share Transfer Agents for transfer, delivery or any other correspondence

Venture Capital & Corporate Investments Private Limited

12-10-167, Bharat Nagar, Hyderabad - 500 018

Telangana. E-mail: [info@vccilindia.com](mailto:info@vccilindia.com)

Tel No. (040) 23818475/23818476

#### **Distribution of Share Holding as on 31.03.2015:**

| Range of Ordinary Shares | No of Holders | % to Holders | No of Shares   | % of Capital  |
|--------------------------|---------------|--------------|----------------|---------------|
| Up to 500                | 2528          | 87.32        | 445528         | 5.50          |
| 501 to 1000              | 160           | 5.53         | 135994         | 1.68          |
| 1001 to 2000             | 90            | 3.11         | 136744         | 1.69          |
| 2001 to 3000             | 38            | 1.31         | 98373          | 1.21          |
| 3001 to 4000             | 13            | 0.45         | 45959          | 0.57          |
| 4001 to 5000             | 13            | 0.45         | 62601          | 0.77          |
| 5001 to 10000            | 24            | 0.83         | 173193         | 2.14          |
| 10000 above              | 29            | 1.00         | 7001608        | 86.44         |
| <b>Total</b>             | <b>2895</b>   | <b>100</b>   | <b>8100000</b> | <b>100.00</b> |

#### **Share Holding Pattern as on 31.03.2015:**

| PROMOTERS HOLDINGS           | NO OF SHARES   | PERCENTAGE OF SHAREHOLDING(%) |
|------------------------------|----------------|-------------------------------|
| Promoters - Indian Promoters | 5250400        | 64.82                         |
| Persons acting in concert    |                |                               |
| <b>Sub-Total</b>             | <b>5250400</b> | <b>64.82</b>                  |
| Non -Promoters Holding       |                |                               |
| Private Corporate Bodies     | 1509499        | 18.63                         |
| Indian Public                | 1340101        | 16.55                         |
| <b>Sub-Total</b>             | <b>2849600</b> | <b>35.18</b>                  |
| <b>Grand Total</b>           | <b>8100000</b> | <b>100</b>                    |

**Outstanding GDRs/ ADRs/ warrants or any convertible instruments, conversion date and likely impact on Equity**

The Company has not issued any of these instruments till date.

**Plant Location(s):** Not applicable

**CEO CERTIFICATION:**

As required by the Clause 49 of the listing agreement, the CEO Certification is given as an Annexure to this annual report.

**CODE OF CONDUCT:**

In compliance with revised Clause 49 of the listing agreement, the company has adopted a code of conduct. This code is applicable to the members of the Board, Senior Management Personnel and Designated Employees of the Company. The code of conduct is available on our website, [www.Trimurthidrugs.com](http://www.Trimurthidrugs.com).

All the members of the Board and the Senior Management Personnel and Designated Employees of the Company have affirmed compliance to the code of conduct, as at March 31, 2015. A declaration to this effect, signed by the CEO, the Managing Director is provided under the head "Declaration on code of Conduct".

**Capital Reconciliation Audit:**

A qualified Company Secretary carries out Capital Reconciliation Audit every quarter to reconcile the total admitted capital with national Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit confirms that the total issued/ paid up capital is in agreement with the aggregate number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

**OTHER INFORMATION****Nomination in respect of shares held in Physical form:**

Section 72 of the Companies Act, 2013 extends nomination facility to individuals holding shares in Physical form in companies. Members, in particular those holding shares in single name may avail this facility by furnishing the particulars of their nomination in applicable Forms for this purpose.

**Details of Non- compliance:**

No Penalty / strictures were imposed on the company by the stock Exchange or SEBI or any statutory Authority or any matter related to the Capital market during the last 3 (Three) years.



**Details of Compliance of Mandatory requirements:**

Company has fully complied with the applicable mandatory requirements of clause 49 of the listing agreement entered into with the stock Exchange

**Prevention of Insider Trading:**

In accordance with the requirements of SEBI(Prohibition of Insider Trading) Regulations, 2015, the Company has instituted a comprehensive code of conduct for prohibition of insider trading and also formulated a code of Conduct of Fair Disclosures of Unpublished Price Sensitive Information. As required under the regulations and SEBI Circular NO.CIR/ISD/01/2015 Dated May 11,2015 .

**Auditors Certificate on Corporate Governance:**

The Company has obtained a certificate from its Statutory Auditors testifying to its compliances with the provisions relating to Corporate Governance laid out in clause 49 of the listing agreement executed with the stock exchanges. The certificate is annexed to this report.

**Means of Communication:**

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of notices, results, annual Reports and the company's website.

- (a) All the communication, may it be results or notices etc, by way of News Papers is published in (English) and (Telugu) dailies.
- (b) Financials are furnished to BSE Ltd. within the time specified under clause 41 of the Listing Agreement.
- (c) No presentations were made to institutional investors or to the analysts during the financial year under review.
- (d) The company promptly informs Stock Exchange about all the price sensitive information and all such other matters which in our opinion are material and relevant for the shareholders.
- (e) The Company's website : [www.Trimurthidrugs.com](http://www.Trimurthidrugs.com) Contains separate section for investors where shareholders information is made available.

### **CERTIFICATE**

- a. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - i these statements do not contain any materially untrue statement or omit any material fact or contain 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, violate the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i Significant changes in internal controls over financial reporting during the year.
  - ii Significant changes in accounting policies during the year and that the same have 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 a significant role in the Company's internal control system over financial reporting.

**TRIMURTHI DRUGS & PHARMACEUTICALS LTD.,**

Place: Hyderabad.

Dated: 31-08-2015

**ARUN KUMAR BHANGADIA**

Chairman

(DIN: 00021024)

**ARVIND KUMAR BHANGADIA**

Managing Director

(DIN: 00015838)

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

Compliance of Code of Conduct for directors and senior management personnel pursuant to the amended provisions of Clause 49 of the Listing Agreement.

The Board laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company.

All the Board Members and Senior Management Personnel affirmed that they have complied with the said Code of Conduct on an annual basis in respect of the financial year ended 31.03.2015

**ARUN KUMAR BHANGADIA**

Chairman

(DIN: 00021024)

Place: Hyderabad.

Dated: 31-08-2015

**ARVIND KUMAR BHANGADIA**

Managing Director

(DIN: 00015838)

**Auditors' Certificate on Compliance with Conditions of Corporate Governance Under Clause 49 of the Listing Agreement**

To

The Members of

M/s. Trimurthi Drugs & Pharmaceuticals Ltd.,

We have examined the Compliance with conditions of Corporate Governance of M/s. Trimurthi Drugs & Pharmaceuticals Ltd., for the year ended 31st March, 2015 as stipulated in clause 49 of the Listing Agreement with stock Exchanges.

The Compliance with the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management's, we certify that the company has complied with conditions of the Corporate Governance as stipulated in Clause 49 of the above mentioned Listing agreement.

As required by the guidance note issued by the institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

**For K. Venkateswara Rao & Associates**  
Chartered Accountant

Place: Hyderabad.

Date: 27-05-2015

**(K. Venkateswara Rao)**  
Proprietor

## **INDEPENDENT AUDITORS' REPORT**

To the Members of

**M/S TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED**

Report on the Standalone Financial Statements

1. I have audited the accompanying standalone financial statements of **TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED** ('the Company'), which comprise the balance sheet as at 31st March 2015, the statement of profit and loss and the 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**

2. 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 and presentation 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

3. My responsibility is to express an opinion on these standalone financial statements based on my audit. I 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.
4. I conducted my 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 financial statements are free from material misstatement.



5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment,

Including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

**Opinion:**

7. In my opinion and to the best of my information and according to the explanations given to me, 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.
  - a) In the case of the Balance sheet, of the state of affairs of the company as at 31st March, 2015.
  - b) In the case of the statement of profit and loss account of the profit for the year ended on that date and
  - c) In the case of the cash flow statement, of the cash flows of the company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

8. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
9. As required by Section 143 (3) of the Act, we report that:
  - (a) I 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.

- (b) in my 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 my 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 the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) 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 my opinion and to the best of my information and according to the explanations given to me.
  - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements.
  - ii. As the company is not having any long term contracts including derivatives contracts the provision on foreseeable losses is not applicable.
  - iii. The company is not required to transfer any funds to Investor Education and protection fund.

**FOR K.VENKATESWARA RAO & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**FRN: 006374S**

**K.VENKATESWARA RAO**

**PLACE :HYDERABAD**

**PROPRIETOR**

**Date:27-05-2015**

**M.NO.27305**

## **ANNEXURE TO THE AUDITOR'S REPORT**

The Annexure referred to in paragraph 8 in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The company has maintained proper records showing full particulars Including quantitative details and situation of fixed assets.\
- (b) All the assets have been physically verified by the management during the year and in my opinion, the frequency of verification is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification
- (ii) (a) The inventory has been physically verified during the year by the management. In my opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to size of the company and nature of the business
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stock and book records were not material.
- (iii) (a) The company had not granted secured or unsecured loans to companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of my audit, I have not observed any continuing failure to correct major weakness in internal control.
- (v) In my opinion and according to the information and explanations given to me, the company has not accepted any deposits from the public during the year under reference.
- (vi) The central government has not prescribed maintenance of cost records under section 148(1) of the Companies Act 2013.

- (vii) (a). The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Value added Tax, Service Tax & Wealth Tax.
- (b) According to the information and explanations given to me, there are no dues of income tax, sales tax, wealth tax, Service Tax and cess, which have not been deposited on account of any dispute.
- (c) The company is not required to transfer any amount to Investor Education & Protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The company is not having any accumulated losses. The company has not incurred cash losses during the financial year covered by our audit and also for the immediately preceding financial year.
- (ix) In my opinion and according to the information and explanations given to me, the company has not defaulted in repayment of dues to bank.
- (x) In my opinion and according to the explanations given to me, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) In my opinion, the company has not availed any term loans except availing of car loan.
- (xii) According to the information and explanations given to me, no fraud on or by the company has been noticed or reported during the courses of my audit.

**For K.VENKATESWARA RAO & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**FRN 006374S**

**PLACE : HYDERABAD**

**DATE :27-05-2015**

**(K.VENKATESWARA RAO)**

**(PROPRIETOR)**

**M.NO.027305**



# TRIMURTHI DRUGS AND PHARMACEUTICALS LIMITED

## TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED

4-4-231/1/2/ABC, Inder Bagh, Sultan Bazar, Hyderabad - 500095.

### STANDALONE BALANCE SHEET AS ON 31-03-2015

(Amount in Rupees)

| PARTICULARS   | Note Number | Figures as at the end of current reporting period 31-03-2015 | Figures as at the end of previous reporting period 31-03-2014 |
|---|-------------|--|---|
| <b>EQUITY AND LIABILITIES:</b>                        |             |  |   |
| <b>A. Share Holders' Funds:</b>                       |             |  |   |
| (a) Share Capital                                     | 2.1         | 81000000   | 81000000  |
| (b) Reserves & Surplus                                | 2.2         | 32426638   | 33484173  |
|   |             | <b>113426638</b>   | <b>114484173</b>  |
| <b>B. Share Application Money Pending Allotment</b>   |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| <b>C. Non Current Liabilities</b>                     |             |  |   |
| (a) Long Term Borrowings                              | 2.3         | <b>-Nil-</b>   | 135915  |
| (b) Deferred Tax Liabilities (Net)                    | 2.4         | <b>826955</b>  | 1159568   |
| (c) Other Long Term Liabilities                       |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| (d) Long Term Provisions                              |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
|   |             | <b>826955</b>  | <b>1295483</b>  |
| <b>D. Current Liabilities</b>                         |             |  |   |
| (a) Short Term Borrowings                             |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| (b) Trade Payables                                    |             | <b>-Nil-</b>   | 451919  |
| (c) Other Current Liabilities                         | 2.5         | <b>748288</b>  | 1069725   |
| (d) Short Term Provisions                             | 2.6         | <b>1024302</b>   | 2146076   |
|   |             | <b>1772590</b>   | <b>3667720</b>  |
|   |             | <b>116026184</b>   | <b>119447376</b>  |
| <b>ASSETS:</b>  |             |  |   |
| <b>A. Non Current Assets</b>                          |             |  |   |
| (a) Fixed Assets:                                     | 2.7         |  |   |
| (i) Tangible Assets                                   |             | <b>5290630</b>   | 7374281   |
| (ii) Intangible Assets                                |             | <b>2203110</b>   | 4341168   |
| (iii) Capital Work In Progress                        |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| (iv) Intangible Assets under development              |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
|   |             | <b>7493740</b>   | <b>11715449</b>   |
| (b) Non Current Investments                           | 2.8         | <b>14027985</b>  | 3150000   |
| (c) Long Term Loans & Advances                        | 2.9         | <b>2051549</b>   | 2051549   |
| (d) Other Non Current Assets                          | 2.10        | <b>-Nil-</b>   | <b>-Nil-</b>  |
|   |             | <b>23573275</b>  | <b>16916998</b>   |
| <b>B. Current Assets</b>                              |             |  |   |
| (i) Current Investments                               |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| (ii) Inventories-Traded Finished Goods                | 2.11        | <b>-Nil-</b>   | 3220859   |
| (iii) Trade Receivables                               | 2.12        | <b>1183464</b>   | 8471742   |
| (iv) Cash & Cash Equivalents                          | 2.13        | <b>1747841</b>   | 8695140   |
| (v) Short Term Loans & Advances                       | 2.14        | <b>88146192</b>  | 80609315  |
| (vi) Other Current Assets                             | 2.15        | <b>1375412</b>   | 1533322   |
|   |             | <b>92452909</b>  | <b>102530378</b>  |
| <b>Total:</b>   |             | <b>116026184</b>   | <b>119447376</b>  |
| Significant Accounting Policies and Notes to Accounts | 1 & 2       |  |   |

for K. VENKATESWARA RAO & ASSOCIATES,  
Chartered Accountants,

Sd/-

CA. K. VENKATESWARA RAO,  
Proprietor.  
M.No. 027305  
Firm Regn. No.0063745

Place : Hyderabad,  
Dated : 27th May, 2015.

for & on behalf of the Board,

Sd/-

ARUN KUMAR BHANGADIA,  
(DIN 00021024)  
Chairman

Sd/-  
Vani Manda  
Chief Financial Officer

Sd/-

ARVIND KUMAR BHANGADIA,  
(DIN 00015838)  
Managing Director.

Sd/-  
Jyothi Ramesh Kakani  
Company Secretary





# TRIMURTHI DRUGS AND PHARMACEUTICALS LIMITED

## TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED

4-4-231/1/2/ABC, Inder Bagh, Sultan Bazar, Hyderabad - 500095.

### STANDALONE STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31-03-2015

| (Amount in Rupees)  |             |   |  |  |
|---|-------------|---|--|--|
| PARTICULARS   | Note Number | Figures for the current reporting period andrd 31-03-2015 | Figures for the previous reporting period andrd 31-03-2014 |  |
| I. Revenue from Operations  | 2.16        | 14562539  | 57422626   |  |
| II. Other Income  | 2.17        | 23933   | 165249   |  |
| III. Total Revenue (I + II)   |             | 14586472  | 57587874   |  |
| IV. Expenses:   |             |   |  |  |
| Purchases   | 2.18        | 8199  | 42294902   |  |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 2.19        | 3220859   | 106882   |  |
| Employee Benefits Expense   | 2.20        | 622408  | 3312637  |  |
| Finance Cost  | 2.21        | 39345   | 64561  |  |
| Depreciation and amortization expense   | 2.7         | 3956660   | 2853112  |  |
| Other Expenses  | 2.22        | 3774038   | 2862016  |  |
| Loss on dealing of Futures and options  |             | 2087100   | -Nil-  |  |
| Total Expenses  |             | 13708608  | 51494109   |  |
| V. Profit Before Tax (V-VI)   |             | 877863  | 6093765  |  |
| VI. Tax Expense:  |             |   |  |  |
| (1) Current Tax   |             | 1024302   | 2146076  |  |
| (2) Deferred Tax  |             | (332613)  | (210457)   |  |
|   |             | 691689  | 1935619  |  |
| VII. Profit for the period  |             | 186174  | 4158146  |  |
| VIII. Earning Per Share   |             |   |  |  |
| Basic   |             | 0.02  | 0.51   |  |
| Diluted   |             | 0.02  | 0.51   |  |
| IX. Number of Shares used for EPS working                                     |             |   |  |  |
| Basic   |             | 8100000   | 8100000  |  |
| Diluted   |             | 8100000   | 8100000  |  |
| Significant Accounting Policies and Notes to Accounts                         | 1 & 2       |   |  |  |

for K. VENKATESWARA RAO & ASSOCIATES,  
Chartered Accountants,

Sd/-

CA. K. VENKATESWARA RAO,  
Proprietor,  
M.No. 027305  
Firm Regn. No.0063745

Place : Hyderabad,  
Dated : 27th May, 2015.

Sd/-  
ARUN KUMAR BHANGADIA,  
(DIN 00021024)  
Chairman

Sd/-  
Vani Manda  
Chief Financial Officer

for & on behalf of the Board,

Sd/-  
ARVIND KUMAR BHANGADIA,  
(DIN 00015838)  
Managing Director.

Sd/-  
Jyothi Ramesh Kakani  
Company Secretary



**TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED**

4-4-231/1/2/ABC, Inder Bagh, Sultan Bazar, Hyderabad-500095.

**STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015**

(Rs. In Lakhs)

| Particulars                                       | As at<br>31.03.2015 | As at<br>31.03.2014 |
|---|---------------------|---------------------|
| <b>A. Cash Flow from Operating Activities:</b>    |                     |                     |
| Net Profit before Tax and Extraordinary Items     | 8.78                | 60.94               |
| Adjustments for:                                  |                     |                     |
| Depreciation                                      | 39.57               | 28.53               |
| Interest & Other Income                           | (114.23)            | (89.49)             |
| Loss on Sale of Assets                            | -Nil-               | -Nil-               |
| Loss on Sale of Investments                       | 20.63               | -Nil-               |
| Operating profit before Working Capital Changes   | <b>(45.25)</b>      | <b>(0.02)</b>       |
| Adjustments for:                                  |                     |                     |
| Trade and Other receivables                       | (0.91)              | 20.06               |
| Inventories                                       | 32.21               | 1.07                |
| Trade payables                                    | (18.95)             | 3.74                |
| Cash generated from Operations                    | <b>12.35</b>        | <b>24.87</b>        |
| Cash flow before Extraordinary Items              | (32.90)             | 24.85               |
| Extraordinary Items and Tax                       | (10.24)             | (21.38)             |
| <b>Net Cash used for Operating activities</b>     | <b>(43.14)</b>      | <b>3.47</b>         |
| <b>B. Cash Flow from Investing Activities:</b>    |                     |                     |
| Purchase of Fixed Assets                          | (9.79)              | (23.87)             |
| Sale of Fixed Assets                              | -Nil-               | -Nil-               |
| Purchase of Investments                           | (1684.53)           | (29.50)             |
| Sale of Investments                               | 1555.12             | -Nil-               |
| Increase / (Decrease) in Deposits                 | -Nil-               | 13.48               |
| Interest & Other Income                           | 114.23              | 89.49               |
| <b>Net Cash flow from Investing activities</b>    | <b>(24.97)</b>      | <b>49.60</b>        |
| <b>C. Cash Flow from Financing Activities:</b>    |                     |                     |
| Increase in Share Capital                         | -Nil-               | -Nil-               |
| Increase in Share Premium                         | -Nil-               | -Nil-               |
| Increase / Decrease in Long Term Borrowings       | (1.36)              | (3.02)              |
| Share Issue and Preliminary Expenses              | -Nil-               | -Nil-               |
| Dividends Paid                                    | -Nil-               | -Nil-               |
| <b>Net Cash flow from Financing activities</b>    | <b>(1.36)</b>       | <b>(3.02)</b>       |
| <b>Net Increase in Cash and Cash Equivalents</b>  | <b>(69.47)</b>      | <b>50.05</b>        |
| Cash and Cash Equivalents as at (Opening Balance) | 86.95               | 36.90               |
| Cash and Cash Equivalents as at (Closing Balance) | <b>17.48</b>        | <b>86.95</b>        |

We have verified the above Cash Flow Statement of **TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED**, for the year ended on **31st March, 2015**, which has been derived from the audited annual accounts after making such adjustments / groupings as were considered appropriate and found the same to be true and correct.

As per our report of even date,  
for **K. VENKATESWARA RAO & ASSOCIATES**,  
Chartered Accountants,

for and on behalf of the Board,

Sd/-

**CA. K. VENKATESWARA RAO**,  
Proprietor.  
M.No. 027305  
Firm Regn. No.0063745  
Place : Hyderabad,  
Date : 27th May, 2015.

Sd/-

**ARUN KUMAR BHANGADIA**,  
(DIN 00021024)  
Chairman

Sd/-

**ARVIND KUMAR BHANGADIA**,  
(DIN 00015838)  
Managing Director.

Sd/-

**Vani Manda**  
Chief Financial Officer

Sd/-

**Jyothi Ramesh Kakani**  
Company Secretary

## SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS (1 & 2)

### 1. SIGNIFICANT ACCOUNTING POLICIES:

#### 1.1 Basis of Preparation of Financial Statements:

- i. The Financial Statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and they comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncement issued by the Institute of Chartered Accountants of India (ICAI), to the extent applicable, and with the applicable provisions of the Companies Act, 2013.
- ii. Accounting Policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles followed by the Company.

#### 1.2 Basis of Accounting:

All Income and Expenditure items are recognized on accrual basis. However, Dividend Income is accounted for on Receipt Basis.

#### 1.3 Fixed Assets & Depreciation:

- (i) Fixed Assets are valued at cost less Depreciation. Cost includes all expenses incurred for acquisition of assets and the expenditure incurred for renovation on leased premises has been Capitalized. Intangible assets represents consideration paid for acquisition of such assets and also includes amortized cost of merger expenses.
- (ii) The Company provides Depreciation on Tangible assets on straight line method based on the useful life as prescribed under Schedule II of the Companies Act, 2013. Depreciation for an amount of Rs. 12,43,709.00 has been recognized which relate to the carrying amount of tangible assets whose revised remaining useful life was NIL, as at 1st April 2014 and adjusted against the General Reserve of the company. Intangible Assets are amortized over their estimated economic life of 10 years.

#### **1.4 Inventories:**

Closing Stock had been valued at Cost or Market Value whichever is lower.

#### **1.5 Retirement Benefits:**

Employees post retirement benefits such as Gratuity, Pension and leave Encashment will be accounted as and when it arises.

#### **1.6 Impairment of Assets:**

No asset was identified as impaired during the year.

#### **1.7 Cash Flow Statement:**

The Cash Flow Statement is prepared by the "Indirect Method" set out in Accounting Standard (AS) - 3 on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the company. Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand, with Banks in current accounts and demand deposit.

#### **1.8 Foreign Exchange Transactions:**

There were no foreign exchange transactions during the year.

#### **1.9 Changes in Accounting Policies:**

Accounting Policies have been consistently applied where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use, Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting Policies as applicable.

#### **1.10 Taxes on Income:**

Current tax determined based on the amount of tax payable in respect of taxable Income for the period. Deferred tax is recognized on timing differences being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. During the current period the timing difference has arisen due to change in depreciation rates.

#### **1.11 Investments:**

Long Term Investments are stated at cost less any diminution in the value other than temporary. Current Investments are stated at lower of cost or market value.





**2 NOTES TO ACCOUNTS:**

(Amount in Rupees)

**2.1 SHARE CAPITAL:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| (A) <b>Authorised Capital:</b><br>2,00,00,000 Equity shares of Rs.10/- each                                 | <b>200000000</b>    | 200000000           |
| (B) <b>Issued, Subscribed &amp; Paid up Capital:</b><br>81,00,000 Equity Shares of Rs. 10/- each fully paid | <b>81000000</b>     | 81000000            |

**(C) Reconciliation of Number of Shares Outstanding at the beginning and end of Reporting Period**

| Particulars                                      | As on<br>31-03-2015 |                 | As on<br>31-03-2014 |              |
|--|---------------------|-----------------|---------------------|--------------|
|  | Number              | Amount (Rs.)    | Number              | Amount (Rs.) |
| Shares Outstanding at the beginning of the year  | <b>8100000</b>      | <b>81000000</b> | 8100000             | 81000000     |
| <u>Add:</u> Shares Issued during the year        | <b>-Nil-</b>        | <b>-Nil-</b>    | -Nil-               | -Nil-        |
|  | <b>8100000</b>      | <b>81000000</b> | 8100000             | 81000000     |
| <u>Less:</u> Shares bought back during the year  | <b>-Nil-</b>        | <b>-Nil-</b>    | -Nil-               | -Nil-        |
| <b>Shares outstanding at the end of the year</b> | <b>8100000</b>      | <b>81000000</b> | 8100000             | 81000000     |

**(D) Names of Persons who are holding more than 5% Shares in the Paid up Capital:**

| Name of the Shareholder          | As at 31st March 2015 |               | As at 31st March 2014 |               |
|----------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                  | No. of Shares held    | % of Holding  | No. of Shares held    | % of Holding  |
| Arun Kumar Bhangadia             | 1542200               | 19.00%        | 1542200               | 19.00%        |
| Smt. Kiran Bhangadia             | 1349500               | 17.00%        | 1032900               | 13.00%        |
| Mahaveer Infoway Limited         | 750000                | 9.00%         | 750000                | 9.00%         |
| Arun Kumar Bhangadia (HUF)       | 387000                | 5.00%         | 387000                | 5.00%         |
| TDPL Health Care (India) Limited | 1430000               | 18.00%        | 1430000               | 18.00%        |
|                                  | <b>5458700</b>        | <b>68.00%</b> | <b>5142100</b>        | <b>64.00%</b> |

**(E) Other information required to be disclosed under 6(A)(h), (i), (j), (k), (l) is Nil.**





**2 NOTES TO ACCOUNTS:**

(Amount in Rupees)

**2.2 RESERVES AND SURPLUS:**

| Particulars  | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--|---------------------|---------------------|
| <b>(A) General Reserve:</b>  |                     |                     |
| Opening Balance  | 3077177             | 2661362             |
| Add: Transfers during the year   | -Nil-               | 415815              |
| Less: Depreciation Adjusted as per New Provisions of Companies Act, 2013 | 1243709             | -Nil-               |
|  | <b>1833468</b>      | <b>3077177</b>      |
| <b>(B) Securities Premium</b>  |                     |                     |
| on Issue of Shares at premium of Rs. 9/- per Share                       | 12150000            | 12150000            |
|  | <b>12150000</b>     | <b>12150000</b>     |
| <b>(C) Profit &amp; Loss Account:</b>                                    |                     |                     |
| Opening Balance  | 18256996            | 14514665            |
| Add: Net Profit for the Current Year                                     | 186174              | 4158146             |
|  | <b>18443170</b>     | <b>18672811</b>     |
| Less: Transferred to General Reserve                                     | -Nil-               | 415815              |
|  | <b>18443170</b>     | <b>18256996</b>     |
| <b>Total (A) + (B) + (C)</b>   | <b>32426638</b>     | <b>33484173</b>     |

**2.3 LONG TERM BORROWINGS:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| <b>Secured Loans:</b>   |                     |                     |
| HDFC Car Loan   | -Nil-               | 135915              |
| (Secured By Hypothecation of Renault Duster Car)                    |                     |                     |
| (Repayable In 36 Instalments of Rs. 27,395/- each, Interest @ 11 %) |                     |                     |
|   | <b>-Nil-</b>        | <b>135915</b>       |

**2.4 DEFERRED TAX LIABILITIES:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| Opening deferred Tax Liability                                      | 1159568             | 1370025             |
| Add/(Less): Timing Differences on account of:                       |                     |                     |
| (a) Differences in Depreciation Rates                               | (769140)            | (262678)            |
| (b) Amortisation of Expenses under IT Act                           | 52221               | 52221               |
| (c) Difference on account of adjustment of Depreciation Schedule-II | 384306              | -Nil-               |
| <b>Net Deferred Tax Liability</b>                                   | <b>826955</b>       | <b>1159568</b>      |

**2 NOTES TO ACCOUNTS:**
*(Amount in Rupees)*
**2.5 OTHER CURRENT LIABILITIES:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| (a) Current Maturities of Finance Lease Obligations | -Nil-               | 301977              |
| (b) Unpaid Dividends                                | 534796              | 518382              |
| (c) Other Payables                                  |                     |                     |
| (i) Outstanding Expenses                            | 196501              | 221714              |
| (ii) TDS Payable                                    | 16991               | 27651               |
|   | <b>748288</b>       | <b>1069725</b>      |

**2.6 SHORT TERM PROVISIONS:**

| Particulars                         | As on<br>31-03-2015 | As on<br>31-03-2014 |
|-------------------------------------|---------------------|---------------------|
| (a) Provision for Employee Benefits | -Nil-               | -Nil-               |
| (b) Others:                         |                     |                     |
| (i) Provision for Income Tax        | 1024302             | 2146076             |
|                                     | <b>1024302</b>      | <b>2146076</b>      |

**2.8 NON CURRENT INVESTMENTS:**

| Particulars  | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--|---------------------|---------------------|
| <b><u>Investment in Shares:</u></b>  |                     |                     |
| (a) 20,000 Shares of Kaushalya Global Limited<br>(Face Value of Rs.10/- each, quoted and Valued at Cost)                 | 200000              | 200000              |
| (b) 295000 Shares of TRIMURTHI PHARMACEUTICAL INDIA PVT LTD<br>(Face Value of Rs.10/- each, Unquoted and Valued at Cost) | 2950000             | 2950000             |
| <b><u>Quoted:</u></b>  |                     |                     |
| (a) 5000 shares of Orient Paper And Inds Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.23.05/- and Valued at Cost)    | 96100               | -Nil-               |
| (b) 1000 shares of Jindal Saw Ltd<br>(Face Value of Rs.10/- each, quoted at Rs. 65.70/- and Valued at Cost)              | 68819               | -Nil-               |
| (c) 25000 shares of Dcw Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.16.50/- and Valued at Cost)                     | 433000              | -Nil-               |
| (d) 3000 shares of Suzlon Energy Limited<br>(Face Value of Rs.10/- each, quoted at Rs.27.40/- and Valued at Cost)        | 80330               | -Nil-               |
| (e) 2000 shares of Opto Circuits (I) Ltd<br>(Face Value of Rs.10/- each, quoted at Rs. 18.80/- and Valued at Cost)       | 42342               | -Nil-               |
| (f) 5000 shares of Excel Industries Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.284.20/- and Valued at Cost)        | 1298843             | -Nil-               |
| (g) 10000 shares of Lokesh Machines Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.70.95/- and Valued at Cost)         | 645035              | -Nil-               |
| (h) 2000 shares of Multi Comm Exchange Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.70.95/- and Valued at Cost)      | 2203398             | -Nil-               |
| (i) 3000 shares of Vishnu Chemicals Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.170/- and Valued at Cost)           | 510118              | -Nil-               |
| <b><u>Others</u></b>   |                     |                     |
| (a) Investment in 3676.977 Units of LFGP-IDBI Liquid Fund  | 5500000             | -Nil-               |
|  | <b>14027985</b>     | <b>3150000</b>      |

## STATEMENT OF FIXED ASSETS & DEPRECIATION

[illegible]



**2 NOTES TO ACCOUNTS:**

(Amount in Rupees)

**2.9 LONG TERM LOANS & ADVANCES:**

| Particulars                   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|-------------------------------|---------------------|---------------------|
| <b>Security deposits:</b>     |                     |                     |
| Unsecured and Considered Good | 2051549             | 2051549             |
|                               | <b>2051549</b>      | <b>2051549</b>      |

**2.10 OTHER NON CURRENT ASSETS:**

| Particulars  | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--|---------------------|---------------------|
| Debtors outstanding for a period exceeding 12 months |                     |                     |
| Unsecured Considered Good                            | -Nil-               | -Nil-               |
| Considered Doubtful                                  | -Nil-               | -Nil-               |
|  | -Nil-               | -Nil-               |
| Less: Provision for Doubtful drbts                   | -Nil-               | -Nil-               |
|  | -Nil-               | -Nil-               |

**2.11 INVENTORIES:**

| Particulars    | As on<br>31-03-2015 | As on<br>31-03-2014 |
|----------------|---------------------|---------------------|
| Finished goods | -Nil-               | 3220859             |
|                | -Nil-               | <b>3220859</b>      |

**2.12 TRADE RECEIVABLES:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| (i) Debtors outstanding for a period exceeding 6 months |                     |                     |
| Unsecured Considered Good                               | -Nil-               | 772731              |
| (ii) Other debtors                                      |                     |                     |
| Unsecured Considered Good                               | 1183464             | 7699012             |
|   | <b>1183464</b>      | <b>8471742</b>      |

**2.13 CASH & CASH EQUIVALENTS:**

| Particulars                    | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--------------------------------|---------------------|---------------------|
| (a) Bank Balances in           |                     |                     |
| (i) Current Accounts           | 503510              | 5014723             |
| (ii) Fixed deposits with       |                     |                     |
| Less than 12 months maturity   | -Nil-               | 3033555             |
| More than 12 months maturity   | -Nil-               | -Nil-               |
| (iii) Unpaid Dividend Accounts | 534796              | 518382              |
|                                | <b>1038306</b>      | <b>8566660</b>      |
| (b) Cash on Hand               | 709535              | 128480              |
|                                | <b>1747841</b>      | <b>8695140</b>      |





**2 NOTES TO ACCOUNTS:**

(Amount in Rupees)

**2.14 SHORT TERM LOANS & ADVANCES:**

| Particulars  | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--|---------------------|---------------------|
| (a) <b>Loans to Unrelated Parties</b><br>Unsecured and considered good | <b>85017307</b>     | 68181820            |
| (b) <b>Other Advances:</b>   |                     |                     |
| (i) Advances to Suppliers (Unsecured)                                  | -Nil-               | 3197001             |
| (ii) Advances for Property (Unsecured)                                 | 2625000             | 8875000             |
| (iii) Advances to Employees and Others (Unsecured)                     | 503885              | 355494              |
|  | <b>88146192</b>     | <b>80609315</b>     |

**2.15 OTHER CURRENT ASSETS:**

| Particulars             | As on<br>31-03-2015 | As on<br>31-03-2014 |
|-------------------------|---------------------|---------------------|
| (a) Advance Tax & TDS   | 1246163             | 1424073             |
| (b) IT Refund (2008-09) | 109249              | 109249              |
| (c) Advance Rent Paid   | 20000               | -Nil-               |
|                         | <b>1375412</b>      | <b>1533322</b>      |

**2.16 REVENUE FROM OPERATIONS:**

| Particulars                | As on<br>31-03-2015 | As on<br>31-03-2014 |
|----------------------------|---------------------|---------------------|
| (a) Sale of Traded Goods   | 3139638             | 47606313            |
| (b) Consignment Commission | -Nil-               | 868740              |
| (c) Interest Income        | 11422901            | 8947573             |
|                            | <b>14562539</b>     | <b>57422626</b>     |

**2.17 OTHER INCOME:**

| Particulars                                   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| (a) Dividend                                  | -Nil-               | 1200                |
| (b) Other Income / Chit Dividend / Commission | -Nil-               | 164049              |
| (c) Short Term Capital Gain on Sale of shares | 23933               | -Nil-               |
|   | <b>23933</b>        | <b>165249</b>       |

**2.18 PURCHASES:**

| Particulars               | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---------------------------|---------------------|---------------------|
| Purchase of Trading Goods | 8199                | 42294902            |
|                           | <b>8199</b>         | <b>42294902</b>     |

**2.19 CHANGES IN INVENTORY:**

| Particulars                         | As on<br>31-03-2015 | As on<br>31-03-2014 |
|-------------------------------------|---------------------|---------------------|
| <b>Finished Goods</b>               |                     |                     |
| Opening Stock of Traded Goods       | 3220859             | 3327741             |
| Less: Closing Stock of Traded Goods | -Nil-               | 3220859             |
|                                     | <b>3220859</b>      | <b>106882</b>       |




**2 NOTES TO ACCOUNTS:**
*(Amount in Rupees)*
**2.20 EMPLOYEE BENEFITS EXPENSE:**

| Particulars            | As on<br>31-03-2015 | As on<br>31-03-2014 |
|------------------------|---------------------|---------------------|
| Salaries               | 447408              | 2892637             |
| Directors Remuneration | 175000              | 420000              |
|                        | <b>622408</b>       | <b>3312637</b>      |

**2.21 FINANCE COSTS:**

| Particulars          | As on<br>31-03-2015 | As on<br>31-03-2014 |
|----------------------|---------------------|---------------------|
| Interest on Car Loan | 39345               | 64561               |
|                      | <b>39345</b>        | <b>64561</b>        |

**2.22 OTHER EXPENSES:**

| Particulars                   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|-------------------------------|---------------------|---------------------|
| Audit Fees                    | 134832              | 112360              |
| Bank Charges                  | 8684                | 12526               |
| Boarding & Lodging Expenses   | 2357                | 19535               |
| Electricity Charges           | -Nil-               | 64750               |
| General Expenses              | 2737                | 64118               |
| Insurance Charges             | 89930               | 131472              |
| Listing Fee                   | 156181              | 163062              |
| License & Fees                | 49809               | 90557               |
| Postage & Courier Charges     | 46000               | 50775               |
| Printing & Stationery         | 61019               | 41203               |
| Membership & Subscriptions    | -Nil-               | 2809                |
| Professional Charges          | 221545              | 273258              |
| Rates & Taxes                 | 169201              | 119729              |
| Rent                          | 120000              | 600000              |
| Repairs & Maintenance         | 300044              | 193681              |
| Vehicle Fuel Expenses         | 107593              | 202791              |
| Telephone & Internet Expenses | 58104               | 78394               |
| Travelling Expenses           | 447926              | 203561              |
| Discount                      | 6866                | 30901               |
| Carriage Outward Expenses     | -Nil-               | 118062              |
| Advertisement Expenses        | 87813               | 54996               |
| Packing Materials             | -Nil-               | 23564               |
| Business Promotion Expenses   | 20618               | 2262                |
| Special Course Fee            | -Nil-               | 140450              |
| Donation                      | -Nil-               | 67000               |
| Demat Charges                 | 7216                | -Nil-               |
| Bad Debts Written Off         | 1675563             | -Nil-               |
|                               | <b>3774038</b>      | <b>2862016</b>      |

**2.23 Disclosure of Remuneration to Auditors:**

| Particulars                  | 2014-15<br>Amount (Rs.) | 2013-14<br>Amount (Rs.) |
|------------------------------|-------------------------|-------------------------|
| Statutory Audit Fees         | 90,000                  | 80,000                  |
| Tax Audit Fee                | 20,000                  | 20,000                  |
| Certification Fee            | 11,236                  | 10,000                  |
| Reimbursement of Service Tax | 13,596                  | 13,596                  |
| <b>Total</b>                 | <b>1,34,832</b>         | <b>1,23,596</b>         |

**2.24 Accounting Standard 18 Related Party Disclosure:**

As per Accounting Standard -18 issued by the Institute of Chartered Accountants of India, the company's related parties with whom the company has entered into transactions during the year in the ordinary course of business, as certified by the Management are discussed below:

| Name of the Person     | Relationship        | Amount<br>(Rs.) | Nature of<br>Transaction |
|------------------------|---------------------|-----------------|--------------------------|
| Arvind Kumar Bhangadia | Executive Director  | 1,75,000        | Remuneration             |
| Arun Kumar Bhangadia   | Director            | 60,000          | Rent                     |
| Kiran Bhangadia        | Director's Relative | 60,000          | Rent                     |
|                        |                     |                 |                          |

(a) The Management of the Company feels that the rent paid to above related parties was reasonable when compared to prevailing market prices in the similar areas.

**2.25 Earning Per Share:**

|  |          |
|--|----------|
| Basic EPS before extraordinary items   | Rs. 0.02 |
| Diluted EPS before extraordinary items | Rs. 0.02 |

**2.26 Segment Reporting:**

As per the Accounting Standard -17 Segment Reporting is furnished hereunder:

(Rupees in Lakhs)

| Particulars              | Amount<br>31.03.2015 | Amount<br>31.03.2014 |
|--------------------------|----------------------|----------------------|
| <b>Revenue</b>           |                      |                      |
| i) Pharma Business       | 31.40                | 486.39               |
| ii) Financial Activity   | 114.23               | 89.48                |
| iii) Investment Activity | (19.67)              | 0.01                 |
| iv) Trading in Shares    | 0.00                 | 0.00                 |
| <b>Total:</b>            | <b>125.96</b>        | <b>575.88</b>        |
| <b>Results</b>           |                      |                      |
| i) Pharma Business       | (1.47)               | (19.51)              |
| ii) Financial Activity   | 30.81                | 80.44                |
| iii) Investment Activity | (20.56)              | 0.01                 |
| iv) Trading in Shares    | 0.00                 | 0.00                 |
| <b>Total:</b>            | <b>8.78</b>          | <b>60.94</b>         |
| <b>Capital Employed</b>  |                      |                      |
| i) Pharma Business       | 11.83                | 413.38               |
| ii) Financial Activity   | 962.16               | 681.82               |
| iii) Investment Activity | 140.28               | 31.50                |
| <b>Total:</b>            | <b>1114.27</b>       | <b>1126.70</b>       |

**Note:** In the segment reporting, common assets that are used interchangeable not allocated to the individual segments above.

**2.27 Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if the Company has a present obligation as a result of past event, a probable outflow of resource is expected to settle the obligation and the amount of obligation can be really estimated.

An amount of Rs.2,88,000/- has identified as a Contingent Liability on account of dispute in title of a Motor Car purchased by the Company. The Company has filed a case in the Hon'ble High Court of Andhra Pradesh which is pending for disposal.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet Date.

**2.28 Taxes on Income:**

Current Year Income Tax amounting to Rs. 10,24,302/- has been recognized as per the Tax rates applicable for the year. Deferred Tax (Asset) amounting to Rs. 3,32,613/- has been recognized due to the differences arising on account of Depreciation, Amortization of Expenses and Losses on Sale of Assets.

- 2.29** In the opinion of the Directors, Current Assets, Loans and Advances have the value at which they are stated in the Balance sheet, if realized in the ordinarily course of the Business.
- 2.30** Balances of Sundry Debtors, Loans and Advances are subject to confirmation.
- 2.31** The Company has made payments to units covered under Micro, Small and Medium Enterprises Development Act, 2006 in due time. There are no outstanding balances due to these Units at the closure of the accounting year.
- 2.32** Previous year figures have been regrouped and rearranged wherever found necessary, to be in confirmative with current year classification.
- 2.33** Paises are rounded off to the nearest rupee.

As per our report of even date,

**For K.VENKATESWARA RAO & ASSOCIATES,**

for and on behalf of the Board,

Chartered Accountants,

Sd/-

**CA. K. VENKATESWARA RAO,**  
Proprietor.  
**M.No. 027305**  
Firm Regn. No. 006374S  
Place : Hyderabad,  
Date : 27th May, 2015.

Sd/-

**ARUN KUMAR BHANGADIA**  
Chairman  
(DIN: 00021024)

Sd/-

**ARVIND BHANGADIA**  
Managing Director.  
(DIN:00015838)



**INDEPENDENT AUDITORS' REPORT**

**To The Board of Directors of Trimurthi Drugs & pharamaceuticals Ltd.**

I have audited the accompanying consolidated financial statements of Trimurthi Drugs & pharamaceuticals Limited ('Company') and its subsidiary, which comprise the consolidated balance sheet as at 31 March 2015, the consolidated statement of profit and loss and consolidated cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements:**

Management is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility:**

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 Company's preparation and presentation of the consolidated 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 systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for My audit opinion.

**Opinion:**

In my opinion and to the best of my information and according to the explanations given to me, the Consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the consolidated balance sheet, of the state of affairs of the Company as at 31 March 2015;
- (ii) In the case of the consolidated statement of profit and loss, of the profit for the year ended on that date; and
- (iii) In the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

**Other Matter:**

I did not audit the financial statements of the subsidiary and the subsidiary's financial statements and other financial information have been audited by the other auditors whose report have been furnished to us, and our opinion, in so far as it related to the amounts and disclosures included in respect of this subsidiary is based solely on the reporting of the other auditor.

**For K.VENKATESWARA RAO & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**FRN 006374S**

**(K.VENKATESWARA RAO)**

**(PROPRIETOR)**

**M.NO.200/27305**

**PLACE: HYDERABAD**

**DATE: 27-05-2015.**



**TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED**

4-4-231/1/2/ABC, Inder Bagh, Sultan Bazar, Hyderabad - 500095.

**CONSOLIDATED BALANCE SHEET AS ON 31-03-2015**

(Amount in Rupees)

| PARTICULARS   | Note Number | Figures as at the end of current reporting period 31-03-2015 | Figures as at the end of previous reporting period 31-03-2014 |
|---|-------------|--|---|
| <b>EQUITY AND LIABILITIES:</b>                        |             |  |   |
| <b>A. Share Holders' Funds:</b>                       |             |  |   |
| (a) Share Capital                                     | 2.1         | 81000000   | 81000000  |
| (b) Reserves & Surplus                                | 2.2         | 33289870   | 33682174  |
|   |             | <b>114289870</b>   | <b>114682174</b>  |
| <b>B. Share Application Money Pending Allotment</b>   |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| <b>C. Minority Interest</b>                           |             | <b>2754266</b>   | <b>2187594</b>  |
| <b>D. Non Current Liabilities</b>                     |             |  |   |
| (a) Long Term Borrowings                              | 2.3         | <b>-Nil-</b>   | 135915  |
| (b) Deferred Tax Liabilities (Net)                    | 2.4         | <b>831832</b>  | 1159568   |
| (c) Other Long Term Liabilities                       |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| (d) Long Term Provisions                              |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
|   |             | <b>831832</b>  | <b>1295483</b>  |
| <b>E. Current Liabilities</b>                         |             |  |   |
| (a) Short Term Borrowings                             |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| (b) Trade Payables                                    |             | <b>4786528</b>   | 451919  |
| (c) Other Current Liabilities                         | 2.5         | <b>847461</b>  | 1231579   |
| (d) Short Term Provisions                             | 2.6         | <b>1621820</b>   | 2228746   |
|   |             | <b>7255809</b>   | <b>3912244</b>  |
|   |             | <b>125131777</b>   | <b>122077495</b>  |
| <b>ASSETS:</b>  |             |  |   |
| <b>A. Non Current Assets</b>                          |             |  |   |
| (a) Fixed Assets:                                     | 2.7         |  |   |
| (i) Tangible Assets                                   |             | <b>5290630</b>   | 7374281   |
| (ii) Intangible Assets                                |             | <b>2236891</b>   | 4341167   |
| (iii) Capital Work In Progress                        |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
| (iv) Intangible Assets under development              |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
|   |             | <b>7527521</b>   | <b>11715448</b>   |
| (b) Non Current Investments                           | 2.8         | <b>11377985</b>  | 500000  |
| (c) Long Term Loans & Advances                        | 2.9         | <b>2051549</b>   | 2051549   |
| (d) Other Non Current Assets                          |             | <b>-Nil-</b>   | <b>-Nil-</b>  |
|   |             | <b>20957056</b>  | <b>14266997</b>   |
| <b>B. Current Assets</b>                              |             |  |   |
| (i) Current Investments                               | 2.10        | <b>-Nil-</b>   | <b>-Nil-</b>  |
| (ii) Inventories-Traded Finished Goods                |             | <b>4501246</b>   | 3220859   |
| (iii) Trade Receivables                               | 2.11        | <b>7153654</b>   | 8471742   |
| (iv) Cash & Cash Equivalents                          | 2.12        | <b>2179518</b>   | 13284099  |
| (v) Short Term Loans & Advances                       | 2.13        | <b>88123881</b>  | 80591031  |
| (vi) Other Current Assets                             | 2.14        | <b>2216423</b>   | 2242766   |
|   |             | <b>104174721</b>   | <b>107810497</b>  |
| <b>Total:</b>   |             | <b>125131777</b>   | <b>122077495</b>  |
| Significant Accounting Policies and Notes to Accounts | 1 & 2       |  |   |

for K. VENKATESWARA RAO & ASSOCIATES,  
Chartered Accountants,

Sd/-

CA. K. VENKATESWARA RAO,  
Proprietor.  
M.No. 027305  
Firm Regn. No.0063745

Place : Hyderabad,  
Dated : 27th May, 2015.

for & on behalf of the Board,

Sd/-

ARUN KUMAR BHANGADIA,  
(DIN 00021024)  
Chairman

Sd/-  
Vani Manda  
Chief Financial Officer

Sd/-

ARVIND KUMAR BHANGADIA,  
(DIN 00015838)  
Managing Director.

Sd/-  
Jyothi Ramesh Kakani  
Company Secretary



**TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED**

4-4-231/1/2/ABC, Inder Bagh, Sultan Bazar, Hyderabad - 500095.

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31-03-2015**

(Amount in Rupees)

| PARTICULARS   | Note Number | Figures for the current reporting period ended 31-03-2015 | Figures for the previous reporting period ended 31-03-2014 |
|---|-------------|---|--|
| <b>I. Revenue from Operations</b>   | 2.15        | <b>63496411</b>   | 57690169   |
| <b>II. Other Income</b>   | 2.16        | <b>23933</b>  | 165249   |
| <b>III. Total Revenue (I + II)</b>  |             | <b>63520344</b>   | <b>57855417</b>  |
| <b>IV. Expenses:</b>  |             |   |  |
| Purchases   | 2.17        | 47224154  | 42294902   |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 2.18        | (1280387)   | 106882   |
| Employee Benefits Expense   | 2.19        | 3586322   | 3312637  |
| Finance Cost  | 2.20        | 39345   | 64561  |
| Depreciation and amortization expense   | 2.7         | 4088925   | 2853112  |
| Other Expenses  | 2.21        | 5062724   | 2862016  |
| Loss on dealing of Futures and options  |             | 2087100   | -Nil-  |
| <b>Total Expenses</b>   |             | <b>60808183</b>   | <b>51494109</b>  |
| <b>V. Profit Before Tax (V-VI)</b>  |             | <b>2712161</b>  | 6361308  |
| <b>VI. Tax Expense:</b>   |             |   |  |
| (1) Current Tax   |             | 1621820   | 2228746  |
| (2) Deferred Tax  |             | (327736)  | (210457)   |
|   |             | <b>1294084</b>  | 2018289  |
| <b>VII. Profit for the period</b>   |             | <b>1418077</b>  | 4343019  |
| <b>VIII. Minority Interest</b>  |             | <b>566672</b>   | 75798  |
| <b>IX. Profit After Minority Interest</b>                                     |             | <b>851405</b>   | 4267221  |
| <b>X. Earning Per Share</b>   |             |   |  |
| Basic   |             | 0.11  | 0.53   |
| Diluted   |             | 0.11  | 0.53   |
| <b>XI. Number of Shares used for EPS working</b>                              |             |   |  |
| Basic   |             | 8100000   | 8100000  |
| Diluted   |             | 8100000   | 8100000  |
| Significant Accounting Policies and Notes to Accounts                         | 1 & 2       |   |  |

for **K. VENKATESWARA RAO & ASSOCIATES,**  
Chartered Accountants,

Sd/-

**CA. K. VENKATESWARA RAO,**  
Proprietor.  
M.No. 027305  
Firm Regn. No.0063745

Place : Hyderabad,  
Dated : 27th May, 2015.

for & on behalf of the Board,

Sd/-

**ARUN KUMAR BHANGADIA,**  
(DIN 00021024)  
Chairman

Sd/-

**Vani Manda**  
Chief Financial Officer

Sd/-

**ARVIND KUMAR BHANGADIA,**  
(DIN 00015838)  
Managing Director.

Sd/-

**Jyothi Ramesh Kakani**  
Company Secretary



**TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED**

4-4-231/1/2/ABC, Inder Bagh, Sultan Bazar, Hyderabad-500095.

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015**

(Rs. In Lakhs)

| Particulars                                       | As at 31.03.2015 | As at 31.03.2014 |
|---|------------------|------------------|
| <b>A. Cash Flow from Operating Activities:</b>    |                  |                  |
| Net Profit before Tax and Extraordinary Items     | 27.12            | 63.61            |
| Adjustments for:                                  |                  |                  |
| Depreciation & Amortization                       | 40.89            | 28.53            |
| Interest & Other Income                           | (114.26)         | (93.80)          |
| Loss on Sale of Assets                            | -Nil-            | -Nil-            |
| Profit on Sale of Investments                     | 20.63            | -Nil-            |
| Operating profit before Working Capital Changes   | <b>(25.64)</b>   | <b>(1.66)</b>    |
| Adjustments for:                                  |                  |                  |
| Trade and Other receivables                       | (63.09)          | 13.15            |
| Inventories                                       | (12.80)          | 1.07             |
| Trade payables                                    | 33.44            | 6.27             |
| Cash generated from Operations                    | <b>(42.46)</b>   | <b>20.49</b>     |
| Cash flow before Extraordinary Items              | (68.10)          | 18.83            |
| Extraordinary Items and Tax                       | (16.22)          | (22.29)          |
| <b>Net Cash used for Operating activities</b>     | <b>(84.32)</b>   | <b>(3.46)</b>    |
| <b>B. Cash Flow from Investing Activities:</b>    |                  |                  |
| Purchase of Fixed Assets                          | (10.24)          | (23.87)          |
| Sale of Fixed Assets                              | -Nil-            | -Nil-            |
| Purchase of Investments                           | (1684.53)        | (3.00)           |
| Sale of Investments                               | 1555.12          | -Nil-            |
| Increase / (Decrease) in Deposits                 | -Nil-            | 13.48            |
| Interest & Other Income                           | 114.28           | 93.80            |
| <b>Net Cash flow from Investing activities</b>    | <b>(25.37)</b>   | <b>80.41</b>     |
| <b>C. Cash Flow from Financing Activities:</b>    |                  |                  |
| Increase in Share Capital                         | -Nil-            | -Nil-            |
| Increase in Share Premium                         | -Nil-            | -Nil-            |
| Increase / Decrease in Long Term Borrowings       | (1.36)           | (3.02)           |
| Share Issue and Preliminary Expenses              | -Nil-            | -Nil-            |
| Dividends Paid                                    | -Nil-            | -Nil-            |
| Capital Contribution from Minority Interest       | -Nil-            | 22.01            |
| <b>Net Cash flow from Financing activities</b>    | <b>(1.36)</b>    | <b>18.99</b>     |
| <b>Net Increase in Cash and Cash Equivalents</b>  | <b>(111.05)</b>  | <b>95.94</b>     |
| Cash and Cash Equivalents as at (Opening Balance) | 132.84           | 36.90            |
| Cash and Cash Equivalents as at (Closing Balance) | <b>21.79</b>     | <b>132.84</b>    |

We have verified the above Cash Flow Statement of **TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED**, for the year ended on **31st March, 2015** which has been derived from the audited annual accounts after making such adjustments / groupings as were considered appropriate and found the same to be true and correct.

As per our report of even date,  
for **K. VENKATESWARA RAO & ASSOCIATES**,  
Chartered Accountants,

for and on behalf of the Board,

Sd/-  
**CA. K. VENKATESWARA RAO**,  
Proprietor.  
M.No. 027305  
Firm Regn. No.0063745

Sd/-  
**ARUN KUMAR BHANGADIA**,  
(DIN 00021024)  
Chairman

Sd/-  
**ARVIND KUMAR BHANGADIA**,  
(DIN 00015838)  
Managing Director.

Sd/-  
**Vani Manda**  
Chief Financial Officer

Sd/-  
**Jyothi Ramesh Kakani**  
Company Secretary

Place : Hyderabad,  
Date : 27th May, 2015.



## **SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS ON CONSOLIDATED FINANCIAL STATEMENTS (1 & 2)**

### **1. SIGNIFICANT ACCOUNTING POLICIES:**

#### **1.1 Basis of Preparation of Financial Statements:**

- i. The Financial Statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and they comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncement issued by the Institute of Chartered Accountants of India (ICAI), to the extent applicable, and with the applicable provisions of the Companies Act, 2013.
- ii. Accounting Policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles followed by the Company.
- iii. All Income and Expenditure items are recognised on accrual basis. However, Dividend Income is accounted for on Receipt Basis.

#### **1.2 Basis of Consolidation:**

The Consolidated financial statements include the financial statements of Trimurthi Drugs & Pharmaceuticals Limited ("TDPL" or the "parent company"), and Trimurthi Pharmaceuticals India Private Limited (referred as "the Company"), in which the parent company has more than one-half of the voting power of an enterprise. The consolidated financial statements have been prepared on the following basis:

The financial statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.



### **1.3 Fixed Assets & Depreciation:**

- (i) Fixed Assets are valued at cost less Depreciation. Cost includes all expenses incurred for acquisition of assets and the expenditure incurred for renovation on leased premises has been Capitalised. Intangible assets represents consideration paid for acquisition of such assets and also includes amortised cost of merger expenses.
- (ii) The Company provides Depreciation on Straight Line Method at the rates and in the manner specified under Schedule XIV of the Companies Act, 1956. For the Intangible assets the depreciation has been provided by considering the useful life of the asset as 10 years. For the Intangible Assets namely Website Development, the useful life is estimated as Three years and accordingly depreciation has been provided on prorata basis.

### **1.4 Inventories:**

Closing Stock had been valued at Cost or Market Value whichever is lower.

### **1.5 Retirement Benefits:**

Employees post retirement benefits such as Gratuity, Pension and leave Encashment will be accounted as and when it arises.

### **1.6 Impairment of Assets:**

No asset was identified as impaired during the year.

### **1.7 Cash Flow Statement:**

The Cash Flow Statement is prepared by the "Indirect Method" set out in Accounting Standard (AS) - 3 on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the company. Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand, with Banks in current accounts and demand deposit.

### **1.8 Foreign Exchange Transactions:**

There were no foreign exchange transactions during the year.

### **1.9 Changes in Accounting Policies:**

Accounting Policies have been consistently applied where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use, Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting Policies as applicable.



### 1.10 Taxes on Income:

Current tax determined based on the amount of tax payable in respect of taxable Income for the period. Deferred tax is recognized on timing differences being the difference between the taxable Income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. During the current period the timing difference has arisen due to change in depreciation rates.

### 1.11 Investments:

Investments have been recorded at Cost of acquisition. Temporary diminution in the value of the Investments has been ignored in accordance with the Accounting Standard.

## 2 NOTES TO ACCOUNTS:

(Amount in Rupees)

### 2.1 SHARE CAPITAL:

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| (A) <b>Authorised Capital:</b><br>2,00,00,000 Equity shares of Rs.10/- each                                 | 200000000           | 200000000           |
| (B) <b>Issued, Subscribed &amp; Paid up Capital:</b><br>81,00,000 Equity Shares of Rs. 10/- each fully paid | 81000000            | 81000000            |

### (C) Reconciliation of Number of Shares Outstanding at the beginning and end of Reporting Period

| Particulars                                     | As on<br>31-03-2015 |              | As on<br>31-03-2014 |              |
|---|---------------------|--------------|---------------------|--------------|
|   | Number              | Amount (Rs.) | Number              | Amount (Rs.) |
| Shares Outstanding at the beginning of the year | 8100000             | 81000000     | 6750000             | 67500000     |
| <u>Add:</u> Shares Issued during the year       | -Nil-               | -Nil-        | 1350000             | 13500000     |
|   | 8100000             | 81000000     | 8100000             | 81000000     |
| <u>Less:</u> Shares bought back during the year | -Nil-               | -Nil-        | -Nil-               | -Nil-        |
| Shares outstanding at the end of the year       | 8100000             | 81000000     | 8100000             | 81000000     |

### (D) Names of Persons who are holding more than 5% Shares in the Paid up Capital:

| Name of the Shareholder          | As on 31st March 2015 |              | As at 31st March 2014 |               |
|----------------------------------|-----------------------|--------------|-----------------------|---------------|
|                                  | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding  |
| Arun Kumar Bhangadia             | 1542200               | 19.04        | 1542200               | 19.00%        |
| Smt. Kiran Bhangadia             | 1349500               | 17.00        | 1032900               | 13.00%        |
| Mahaveer Infoway Limited         | 750000                | 9.00         | 750000                | 9.00%         |
| Arun Kumar Bhangadia (HUF)       | 387000                | 5.00         | 387000                | 5.00%         |
| TDPL Health Care (India) Limited | 1430000               | 18.00        | 1430000               | 18.00%        |
|                                  | <b>5458700</b>        | <b>68.00</b> | <b>5142100</b>        | <b>64.00%</b> |

(E) Other information required to be disclosed under 6(A)(h), (i), (j), (k), (l) is Nil.



**2 NOTES TO ACCOUNTS:**

(Amount in Rupees)

**2.2 RESERVES AND SURPLUS:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| <b>(A) General Reserve:</b>   |                     |                     |
| Opening Balance   | 3077177             | 2661362             |
| Add: Transfers during the year  | -Nil-               | 415815              |
| Less: Depreciation Adjusted as per New Provisions of Companies Act, 2013        | 1243709             | -Nil-               |
|   | <b>1833468</b>      | <b>3077177</b>      |
| <b>(B) Securities Premium</b>   |                     |                     |
| on Issue of Shares at premium of Rs. 9/- per Share                              | 12150000            | 12150000            |
|   | <b>12150000</b>     | <b>12150000</b>     |
| <b>(C) Capital Reserve</b>  |                     |                     |
| (on account of holding of 59% shares in TPIPL)                                  | 144211              | 144211              |
| <b>(D) Profit &amp; Loss Account:</b>   |                     |                     |
| Opening Balance   | 18310786            | 14514665            |
| Add: Net Profit for the Current Year  | 851405              | 4267221             |
| Less: Transfer to Capital Reserve (revenue profit till the date of acquisition) | -Nil-               | 55285               |
|   | <b>19162191</b>     | <b>18726601</b>     |
| Less: Proposed Dividend   | -Nil-               | -Nil-               |
| Dividend Distribution Tax   | -Nil-               | -Nil-               |
| Transferred to General Reserve  | -Nil-               | 415815              |
|   | <b>19162191</b>     | <b>18310786</b>     |
| <b>Total (A) + (B) + (C)</b>  | <b>33289870</b>     | <b>33682174</b>     |

**2.3 LONG TERM BORROWINGS:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| <b>Secured Loans:</b>   |                     |                     |
| HDFC Car Loan   | -Nil-               | 135915              |
| (Secured By Hypothecation of Renault Duster Car)                    |                     |                     |
| (Repayable in 36 Instalments of Rs. 27,395/- each, Interest @ 11 %) |                     |                     |
|   | <b>-Nil-</b>        | <b>135915</b>       |

**2.4 DEFERRED TAX LIABILITIES:**

| Particulars                                   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| Opening Deferred Tax Liability                | 1159568             | 1370025             |
| Add/(Less): Timing Differences on account of: |                     |                     |
| (a) Differences in Depreciation rates         | (764263)            | (262678)            |
| (b) Amortisation of Expenses under IT Act     | 52221               | 52221               |
| (c) Difference on adjustment of Schedule-II   | 384306              | -Nil-               |
| <b>Net Deferred Tax Liability</b>             | <b>831832</b>       | <b>1159568.00</b>   |

**2 NOTES TO ACCOUNTS:***(Amount in Rupees)***2.5 OTHER CURRENT LIABILITIES:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| (a) Current Maturities of Finance Lease Obligations<br>HDFC Car Loan<br>(Secured By Hypothecation of Renault Duster Car)<br>(Repayable in 36 Instalments of Rs. 27,395/- each, Interest @ 11 %) | -Nil-               | 301977              |
| (b) Income Received in Advance  | -Nil-               | -Nil-               |
| (c) Unpaid Dividends  | 534796              | 518382              |
| (d) Other Payables  |                     |                     |
| (i) Advance from Debtors  | -Nil-               | -Nil-               |
| (ii) Outstanding Expenses   | 295674              | 383568              |
| (iii) TDS Payable   | 16991               | 27651               |
|   | <b>847461</b>       | <b>1231579</b>      |

**2.6 SHORT TERM PROVISIONS:**

| Particulars                         | As on<br>31-03-2015 | As on<br>31-03-2014 |
|-------------------------------------|---------------------|---------------------|
| (a) Provision for Employee Benefits | -Nil-               | -Nil-               |
| (b) Others:                         |                     |                     |
| Provision for Income Tax            | 1621820             | 2228746             |
|                                     | <b>1621820</b>      | <b>2228746</b>      |



**STATEMENT OF FIXED ASSETS & DEPRECIATION**

2.7

| (Amount in Rupees)           |                         |                          |                                   |                          |                          |              |                          |                          |  |
|------------------------------|-------------------------|--------------------------|-----------------------------------|--------------------------|--------------------------|--------------|--------------------------|--------------------------|--|
| Sl. No.                      | Particulars             | GROSS BLOCK              |                                   | ACCUMULATED DEPRECIATION |                          |              | NET BLOCK                |                          |  |
|                              |                         | Balance as at 01-04-2014 | Balance at Additions/ (Disposals) | Balance as at 31-03-2015 | Balance as at 01-04-2014 | For the Year | Balance as at 31-03-2015 | Balance as at 31-03-2014 |  |
| <b>(A) Tangible Assets</b>   |                         |                          |                                   |                          |                          |              |                          |                          |  |
| 1                            | Property at Kothur      | 1020605                  | -Nil-                             | 1020605                  | -Nil-                    | -Nil-        | -Nil-                    | 1020605                  |  |
| 2                            | Building & Civil Works  | 715853                   | 715000                            | 1430853                  | 57752                    | 1959         | 59711                    | 65099                    |  |
| 3                            | Plant and Machinery     | 455862                   | -Nil-                             | 455862                   | 70048                    | 21208        | -Nil-                    | 677291                   |  |
| 4                            | Furniture & Fixings     | 1057208                  | 128413                            | 1185621                  | 417502                   | 30628        | 529239                   | 638506                   |  |
| 5                            | Office Equipment        | 755366                   | 32500                             | 827866                   | 456553                   | 58723        | 515376                   | 80555                    |  |
| 6                            | Vehicles                | 5824581                  | -Nil-                             | 5824581                  | 218761                   | 114226       | 2329207                  | 300980                   |  |
| 7                            | Computer and Printer    | 1348299                  | 92248                             | 1440547                  | 651887                   | 488858       | 1132745                  | 219706                   |  |
|                              |                         | 11213284                 | 978661                            | 12291945                 | 3649603                  | 1818682      | 5667685                  | 5296520                  |  |
| <b>(B) Intangible Assets</b> |                         |                          |                                   |                          |                          |              |                          |                          |  |
| 8                            | Others (Merge Expenses) | 2000000                  | -Nil-                             | 2000000                  | 1600000                  | 200000       | -Nil-                    | 400000                   |  |
| 9                            | Website                 | 59750                    | -Nil-                             | 59750                    | 59509                    | -Nil-        | 59509                    | 100                      |  |
| 10                           | Computer Software       | 614214                   | 45000                             | 659214                   | 75146                    | 148277       | 223423                   | 236791                   |  |
|                              |                         | 3647584                  | 45000                             | 3692584                  | 1633756                  | 2149277      | 18282071                 | 2368881                  |  |
|                              |                         | 31697248                 | 1023661                           | 32720909                 | 19981759                 | 3967879      | 23949678                 | 7527521                  |  |
|                              | <b>TOTAL</b>            |                          |                                   |                          |                          |              |                          | 11715449                 |  |





**2 NOTES TO ACCOUNTS:**

(Amount in Rupees)

**2.8 NON CURRENT INVESTMENTS:**

| Particulars   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| <b><u>Investment in Shares:</u></b>   |                     |                     |
| (a) 50,000 Shares of Kaushalya Global Limited<br>(Face Value of Rs.10/- each, quoted and Valued at Cost)              | 500000              | 500000              |
| <b><u>Quoted:</u></b>   |                     |                     |
| (a) 5000 shares of Orient Paper And Inds Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.23.05/- and Valued at Cost) | 96100               | -Nil-               |
| (b) 1000 shares of Jindal Saw Ltd<br>(Face Value of Rs.10/- each, quoted at Rs. 65.70/- and Valued at Cost)           | 68819               | -Nil-               |
| (c) 25000 shares of Dcw Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.16.50/- and Valued at Cost)                  | 433000              | -Nil-               |
| (d) 3000 shares of Suzlon Energy Limited<br>(Face Value of Rs.10/- each, quoted at Rs.27.40/- and Valued at Cost)     | 80330               | -Nil-               |
| (e) 2000 shares of Opto Circuits (I) Ltd<br>(Face Value of Rs.10/- each, quoted at Rs. 18.80/- and Valued at Cost)    | 42342               | -Nil-               |
| (f) 5000 shares of Excel Industries Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.284.20/- and Valued at Cost)     | 1298843             | -Nil-               |
| (g) 10000 shares of Lokesh Machines Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.70.95/- and Valued at Cost)      | 645035              | -Nil-               |
| (h) 2000 shares of Multi Comm Exchange Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.70.95/- and Valued at Cost)   | 2203398             | -Nil-               |
| (i) 3000 shares of Vishnu Chemicals Ltd<br>(Face Value of Rs.10/- each, quoted at Rs.170/- and Valued at Cost)        | 510118              | -Nil-               |
| <b><u>Others</u></b>  |                     |                     |
| (a) Investment in 3676.977 Units of LFGP-IDBI Liquid Fund   | 5500000             | -Nil-               |
|   | <b>11377985</b>     | <b>500000</b>       |



**2 NOTES TO ACCOUNTS:**

*(Amount in Rupees)*

**2.9 LONG TERM LOANS & ADVANCES:**

| Particulars  | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--|---------------------|---------------------|
| (a) <b>Security Deposits:</b><br>Unsecured and Considered Good | 2051549             | 2051549             |
| (b) Others   | -Nil-               | -Nil-               |
|  | <b>2051549</b>      | <b>2051549</b>      |

**2.10 INVENTORIES:**

| Particulars    | As on<br>31-03-2015 | As on<br>31-03-2014 |
|----------------|---------------------|---------------------|
| Finished goods | 4501246             | 3220859             |
|                | <b>4501246</b>      | <b>3220859</b>      |

**2.11 TRADE RECEIVABLES:**

| Particulars  | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--|---------------------|---------------------|
| (a) Debtors outstanding for a period exceeding 6 months<br>Unsecured Considered Good | -Nil-               | 772731              |
| (b) Other Debtors<br>Unsecured Considered Good                                       | 7153654             | 7699012             |
|  | <b>7153654</b>      | <b>8471742</b>      |



**2 NOTES TO ACCOUNTS:**

(Amount in Rupees)

**2.12 CASH & CASH EQUIVALENTS:**

| Particulars                    | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--------------------------------|---------------------|---------------------|
| (a) Bank Balances in           |                     |                     |
| (i) Current Accounts           | 889676              | 9589154             |
| (ii) Fixed Deposits with       |                     |                     |
| Less than 12 months maturity   | -Nil-               | 3033555             |
| More than 12 months maturity   | -Nil-               | -Nil-               |
| (iii) Unpaid Dividend Accounts | 534796              | 518382              |
|                                | 1424472             | 13141092            |
| (b) Cash on Hand               | 755045              | 143007              |
|                                | 2179518             | 13284099            |

**2.13 SHORT TERM LOANS & ADVANCES:**

| Particulars  | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--|---------------------|---------------------|
| (a) <b>Loans to Unrelated Parties</b>              |                     |                     |
| Unsecured and considered good                      | 85017307            | 68241022            |
| (b) <b>Other Advances:</b>                         |                     |                     |
| (i) Advances to Suppliers (Unsecured)              | -Nil-               | 3197001             |
| (ii) Advances for Property (Unsecured)             | 2625000             | 8875000             |
| (iii) Advances to Employees and Others (Unsecured) | 449720              | 278008              |
| (iv) Other Recoverable Advances                    | 31854               | -Nil-               |
|  | 88123881            | 80591031            |

**2.14 OTHER CURRENT ASSETS:**

| Particulars                                    | As on<br>31-03-2015 | As on<br>31-03-2014 |
|--|---------------------|---------------------|
| (a) Advance Tax & TDS                          | 1537522             | 1450802             |
| (b) IT Refund                                  | 109249              | 109249              |
| (c) VAT Receivable                             | 11215               |                     |
| (d) Misc. Expenditure                          | 605229              |                     |
| Less: Amortization Of Expense (1/5th per year) | 121046              | 605229              |
| (e) Prepaid Insurance                          | 54254               | 77486               |
| (f) Advance Rent Paid                          | 20000               | -Nil-               |
|  | 2216423             | 2242766             |

**2 NOTES TO ACCOUNTS:**
*(Amount in Rupees)*
**2.15 REVENUE FROM OPERATIONS:**

| Particulars               | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---------------------------|---------------------|---------------------|
| (a) From Sale of Products | 51151300            | 47606313            |
| (b) From Sale of Services | 917443              | 868740              |
| (c) Interest Income       | 11427668            | 9215116             |
|                           | <b>63496411</b>     | <b>57690169</b>     |

**2.16 OTHER INCOME:**

| Particulars                                   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|---|---------------------|---------------------|
| (1) Dividend                                  | -Nil-               | 1200                |
| (2) Other Income / Chit Dividend / Commission | -Nil-               | 164049              |
| (3) Short Term Capital Gain on sale of Shares | 23933               | -Nil-               |
|   | <b>23933</b>        | <b>165249</b>       |

**2.17 PURCHASES:**

| Particulars                      | As on<br>31-03-2015 | As on<br>31-03-2014 |
|----------------------------------|---------------------|---------------------|
| Purchase of Trading Goods/Shares | 47224154            | 42294902            |
|                                  | <b>47224154</b>     | <b>42294902</b>     |

**2.18 CHANGES IN INVENTORY:**

| Particulars                | As on<br>31-03-2015 | As on<br>31-03-2014 |
|----------------------------|---------------------|---------------------|
| Opening Stocks             |                     |                     |
| <u>Less:</u> Closing Stock | 3220859             | 3327741             |
|                            | 4501246             | 3220859             |
|                            | <b>(1280387)</b>    | <b>106882</b>       |


**2 NOTES TO ACCOUNTS:**
*(Amount in Rupees)*
**2.19 EMPLOYEE BENEFITS EXPENSE:**

| Particulars            | As on<br>31-03-2015 | As on<br>31-03-2014 |
|------------------------|---------------------|---------------------|
| Salaries               | 2991322             | 2892637             |
| Directors Remuneration | 595000              | 420000              |
|                        | <b>3586322</b>      | <b>3312637</b>      |

**2.20 FINANCE COSTS:**

| Particulars          | As on<br>31-03-2015 | As on<br>31-03-2014 |
|----------------------|---------------------|---------------------|
| Interest on Car Loan | 39345               | 64561               |
| Interest Paid        | -Nil-               | -Nil-               |
|                      | <b>39345</b>        | <b>64561</b>        |

**2.21 OTHER EXPENSES:**

| Particulars                   | As on<br>31-03-2015 | As on<br>31-03-2014 |
|-------------------------------|---------------------|---------------------|
| Audit Fees                    | 223752              | 112360              |
| Bank Charges                  | 11649               | 12526               |
| Boarding & Lodging Expenses   | 12407               | 19535               |
| Electricity Charges           | 60432               | 64750               |
| General Expenses              | 58388               | 64118               |
| Freight Expenses              | 153904              | 0                   |
| Insurance Charges             | 137093              | 131472              |
| Listing Fee                   | 156181              | 163062              |
| License & Fees                | 86869               | 90557               |
| Postage & Courier Charges     | 71228               | 50775               |
| Printing & Stationery         | 85244               | 41203               |
| Membership & Subscriptions    | -Nil-               | 2809                |
| Professional Charges          | 261545              | 273258              |
| Rates & Taxes                 | 200438              | 119729              |
| Rent                          | 600000              | 600000              |
| Repairs & Maintenance         | 323658              | 193881              |
| Vehicle Fuel Expenses         | 218124              | 202791              |
| Telephone & Internet Expenses | 97079               | 78394               |
| Travelling Expenses           | 462076              | 203561              |
| Discount                      | 35968               | 30901               |
| Carriage Outward Expenses     | -Nil-               | 118062              |
| Advertisement Expenses        | 96313               | 54996               |
| Packing Materials             | 6979                | 23564               |
| Business Promotion Expenses   | 20618               | 2262                |
| Special Course Fee            | -Nil-               | 140450              |
| Donation                      | -Nil-               | 67000               |
| Demat Charges                 | 7216                | -Nil-               |
| Bad Debts Written Off         | 1675563             | -Nil-               |
|                               | <b>5062724</b>      | <b>2862016</b>      |



**2. Notes to Accounts:**
**2.22 Disclosure of Remuneration to Auditors:**

| Particulars                  | 2014-15<br>Amount (Rs.) | 2013-14<br>Amount (Rs.) |
|------------------------------|-------------------------|-------------------------|
| Statutory Audit Fees         | 1,60,000                | 70,000                  |
| Tax Audit Fee                | 30,000                  | 20,000                  |
| Certification Fee            | 10,000                  | 10,000                  |
| Reimbursement of Service Tax | 23,752                  | 12,360                  |
| <b>Total</b>                 | <b>2,23,752</b>         | <b>1,12,360</b>         |

**2.23 Accounting Standard 18 Related Party Disclosure:**

As per Accounting Standard -18 issued by the Institute of Chartered Accountants of India, the company's related parties with whom the company has entered into transactions during the year in the ordinary course of business, as certified by the Management are discussed below:

| Name of the Person            | Relationship   | Amount<br>(Rs.) | Nature of<br>Transaction |
|-------------------------------|--|-----------------|--------------------------|
| Arvind Kumar Bhangadia        | Executive Director   | 5,95,000        | Remuneration             |
| Arun Kumar Bhangadia          | Director   | 3,00,000        | Rent                     |
| Kiran Bhangadia               | Director's Relative  | 3,00,000        | Rent                     |
| TDPL Health Care (India) Ltd. | Company in which Mr. Arun Kumar Bhangadia and Mr. Arvind Kumar Bhangadia, are Directors. | 2,09,18,983     | Purchase of Products     |

- (a) The Management of the Company feels that the rent paid to above related parties was reasonable when compared to prevailing market prices in the similar areas.
- (b) M/s TDPL Health Care India Limited is a C&F Agent of M/s Alpha Laboratories Limited, Indore which is not related to the Company. The price paid for purchase of medicines is reasonable when compared to prevailing market prices.

**2.24 Earning Per Share:**

|  |          |
|--|----------|
| Basic EPS before extraordinary items   | Rs. 0.11 |
| Diluted EPS before extraordinary items | Rs. 0.11 |

**2.25 Segment Reporting:**

As per the Accounting Standard -17 Segment Reporting is furnished hereunder:

(Rupees in Lakhs)

| Particulars              | Amount (Rs.)<br>31.03.2015 | Amount (Rs.)<br>31.03.2014 |
|--------------------------|----------------------------|----------------------------|
| <b>Revenue</b>           |                            |                            |
| i) Pharma Business       | 520.68                     | 486.39                     |
| ii) Financial Activity   | 114.28                     | 89.48                      |
| iii) Investment Activity | (19.67)                    | 0.01                       |
| iv) Trading in Shares    | 0.00                       | 0.00                       |
| <b>Total:</b>            | <b>615.29</b>              | <b>575.88</b>              |
| <b>Results</b>           |                            |                            |
| i) Pharma Business       | 16.82                      | (19.51)                    |
| ii) Financial Activity   | 31.00                      | 80.44                      |
| iii) Investment Activity | (20.70)                    | 0.01                       |
| iv) Trading in Shares    | 0.00                       | 0.00                       |
| <b>Total:</b>            | <b>27.12</b>               | <b>60.94</b>               |
| <b>Capital Employed</b>  |                            |                            |
| i) Pharma Business       | 68.68                      | 413.38                     |
| ii) Financial Activity   | 940.43                     | 681.82                     |
| iii) Investment Activity | 113.79                     | 31.50                      |
| <b>Total:</b>            | <b>1122.90</b>             | <b>1126.70</b>             |

Note: In the segment reporting, common assets that are used interchangeable not allocated to the individual segments above.

**2.26 Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if the Company has a present obligation as a result of past event, a probable outflow of resource is expected to settle the obligation and the amount of obligation can be really estimated.

An amount of Rs.2,88,000/- has identified as a Contingent Liability on account of dispute in title of a Motor Car purchased by the Company. The Company has filed a case in the Hon'ble High Court of Andhra Pradesh which is pending for disposal.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet Date.

**2.27 Taxes on Income:**

Current Year Income Tax amounting to Rs. 16,21,820/- has been recognized as per the Tax rates applicable for the year. Deferred Tax (Asset) amounting to Rs. 3,37,490/- has been recognized due to the differences arising on account of Depreciation, Amortization of Expenses and Losses on Sale of Assets.

**2.28** In the opinion of the Directors, Current Assets, Loans and Advances have the value at which they are stated in the Balance sheet, if realized in the ordinary course of the Business.

**2.29** Balances of Sundry Debtors, Loans and Advances are subject to confirmation.

**2.30** The Company has made payments to units covered under Micro, Small and Medium Enterprises Development Act, 2006 in due time. There are no outstanding balances due to these Units at the closure of the accounting year.

**2.31** Previous year figures have been regrouped and rearranged wherever found necessary, to be in confirmative with current year classification.

**2.32** Paises are rounded off to the nearest rupee.

As per our report of even date,

**For K.VENKATESWARA RAO & ASSOCIATES,**

for and on behalf of the Board,

Chartered Accountants,

Sd/-

**CA. K. VENKATESWARA RAO,**  
Proprietor.

**M.No. 027305**

Firm Regn. No. 006374S

Place : Hyderabad,

Date : 27th May, 2015.

Sd/-

**ARUN KUMAR BHANGADIA**  
Chairman  
(DIN: 00021024)

Sd/-

**ARVIND BHANGADIA**  
Managing Director.  
(DIN:00015838)



## TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED

Regd. Office: 4-4-231/1/2/ABC, Inderbagh, sultan Bazar, Hyderabad-500 095

Ph : 040-24757370, email: info@trimurthidrugs.com, website: www.trimurthidrugs.com

CIN: L67120TG1994PLC018956

### ATTENDANCE SLIP CUM E-VOTING INSTRUCTIONS

21st ANNUAL GENERAL MEETING - 28th September, 2015

1. Name & Registered Address of the  
Sole/first names shareholder :
2. Name(s) of the joint shareholders if any :
3. Registered Folio No / DP ID/Client ID No :
4. Number of Shares held :

I certify that I am a member/Proxy for the member of the company. I hereby record my presence at the 21st ANNUAL GENERAL MEETING of the Company at RGA Hall, Snatak Bhavan, 5-4-790/1, Ashirvad Complex, 1st Floor, Abids, Hyderabad - 500 001 at 10.30 A.M.

Member / Proxy name in Block Letters

Member's / Proxy's Signature

Dear Member,

#### SUBJECT : E-VOTING

In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules") and clause 35B of the listing agreement, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 21st September, 2015 (End of Day) being the cut-off date ( i.e. record date for the purpose of Rule 20(3)(vii) of the Rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by National Securities Depository Limited (NSDL).



The e-voting particulars are set out below:

| <b>EVEN (E-Voting Event Number)</b> | <b>USER ID</b> | <b>PASSWORD</b> |
|-------------------------------------|----------------|-----------------|
|                                     |                |                 |

The e-voting period commences from 25th September,2015 (9.00 a.m.) and ends on 27th September,2015. The members of the Company, holding shares either in physical or demat form, as on the cut-off date of 21st September,2015 may cast their vote electronically.

For instructions on E-Voting please read the attached Notice of the Annual General Meeting. This communication forms an integral part of the Notice dated 31st August,2015 convening the Annual General Meeting of the Company to be held on 28th September,2015.



**TRIMURTHI DRUGS AND PHARMACEUTICALS LIMITED****PROXY FORM**

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of Companies (Management & Administration) rules, 2014]

**TRIMURTHI DRUGS & PHARMACEUTICALS LIMITED**

CIN: L67120TG1994PLC018956

Regd. Office: 4-4-231/1/2/ABC, Inderbagh, sultan Bazar, Hyderabad-500 095

|                       |   |
|-----------------------|---|
| Name of the member(s) | : |
| Registered Address    | : |
| E-mail Id             | : |
| Folio No./*Client Id  | : |
| *DP ID                | : |

\* Applicable for investors holding shares in electronic form

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

1. \_\_\_\_ (Name) of \_\_\_\_\_ (Address) having E-mail Id \_\_\_\_\_ or failing him
2. \_\_\_\_ (Name) of \_\_\_\_\_ (Address) having E-mail Id \_\_\_\_\_ or failing him
3. \_\_\_\_ (Name) of \_\_\_\_\_ (Address) having E-mail Id \_\_\_\_\_ or failing him

And whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the company, to be held on 28th September, 2015 10.30 A.M. at RGA Hall, Snatak Bhavan, 5-4-790/1, Ashirvad Complex, 1st Floor, Abids, Hyderabad - 500 001 at 10.30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my proxy to vote in the manner as indicated in the box below.

| Resolutions | For | Against |
|-------------|-----|---------|
|             |     |         |
|             |     |         |
|             |     |         |
|             |     |         |
|             |     |         |
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Signed this ..... day of ..... 2015

Affix a  
15 Paise  
Revenue  
Stamp

Signature of shareholder

Signature of First Proxy holder(s)

Signature of Second Proxy holder(s)

Signature of Third Proxy holder(s)

21<sup>st</sup> Annual Report

ISO 9001:2008 Company

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\*4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the "For" or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.