

36th

**ANNUAL REPORT
2016-2017**



**GUJARAT THEMIS
BIOSYN LIMITED**

Corporate Information

Board Of Directors

Dr. Dinesh S. Patel
Chairman (Non Executive & Promoter)

Dr. Sachin D. Patel
Director (Non Executive & Promoter)

Mr. Vijay Agarwal
Director (Non Executive & Independent)

Mrs. Preeti K. Trivedi
Director (Non Executive & Independent)
(w.e.f. 14th February, 2017)

Mr. J. H. Choi
Director (Non Executive Representative of
Yuhan Corpn.)

Mr. S. S. Lee
Director (Non Executive Representative of
Yuhan Corpn.)

Dr. Vikram D. Sanghvi
Director (Non Executive & Independent)

Mr. Siddharth Y. Kusumgar
Director (Non Executive & Independent)

Mr. Hinesh Doshi
Director (Non Executive Director)
(Alternate to Mr. J. H. Choi)

Mr. Tapas Guha
Chief Executive Officer

Mr. Bharat Desai
Chief Financial Officer

Mr. Vikas Tarekar (upto 12th June, 2017)
Company Secretary & Compliance Officer

Mr. Abhishek D. Buddhadev
(w.e.f. 8th August, 2017)
Company Secretary & Compliance Officer

Audit Committee

Mr. Vijay Agarwal, Chairman

Mrs. Preeti K. Trivedi, Member

Dr. Sachin D. Patel, Member

Dr. Siddharth Y. Kusumgar, Member

Nomination and Remuneration Committee

Mr. Vijay Agarwal, Chairman

Mrs. Preeti K. Trivedi, Member

Dr. Sachin D. Patel, Member

Stakeholders Relationship Committee

Dr. Sachin D. Patel, Chairman

Mr. Vijay Agarwal, Member

Dr. Dinesh S. Patel, Member

Bankers

Union Bank Of India

Registered Office and Works

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

Listing

BSE Limited (BSE)

Statutory Auditors

M/S. Khandelwal Jain & Co.
Chartered Accountants,
Mumbai

Internal Auditors

R P Sardar & Co
Chartered Accountants,
Mumbai

Secretarial Auditors

H V Gor & Co.
Practicing Company Secretaries

Registrar and Share Transfer Agents

Link Intime India Pvt Ltd.
C 101, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai - 400078.
Tel.: 022-49186270
Fax: 022-49186060
E-mail: rnt.helpdesk@linkintime.co.in
Web site: www.linkintime.com

Contents

Notice to Member	02
Directors' Report	08
Report on Corporate Governance	31
Auditors' Report	44
Financial Statements	50
Proxy Form	73
Attendance Slip	75
Map	76

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 36th Annual General Meeting of Gujarat Themis Biosyn Limited will be held on Wednesday, 27th September, 2017 at 12 Noon at the Registered Office of the Company at 69/C, GIDC Industrial Estate, Vapi-396 195, Dist. Valsad, Gujarat, to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 together with Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Dinesh S. Patel, (DIN: 00033273) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. S.S. Lee, (DIN: 01933988) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. GMJ & Co., Chartered Accountants (Firm Registration No. 103429W), be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditors M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W), to hold office from the conclusion of 36th Annual General Meeting (AGM) until the conclusion of the 41st AGM (subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting) and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration (plus applicable taxes) for the said period and permit reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties."

SPECIAL BUSINESS:

5. To appoint Mrs. Preeti K. Trivedi (DIN: 00179479), as an Independent Director of the Company.

To consider & if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Preeti K. Trivedi (DIN: 00179479), who was appointed as an Additional Director by the Board of Directors with effect from 14th February, 2017 pursuant to provisions of Section 161 of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office up to 5 (five) consecutive years w.e.f 14th February, 2017."

Registered Office

69/C, GIDC Industrial Estate,
Vapi- 396 195
Dist. Valsad, Gujarat
CIN : L24230GJ1981PLC004878

Place : Mumbai
Date : 8th August, 2017

By Order of the Board of Directors

Sd/-
Dr. Dinesh S. Patel
Chairman
DIN: 00033273

NOTES:

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

1. The Instrument appointing the Proxy, duly completed, stamped and signed, should reach the Registered Office of the Company not less than forty-eight hours before the time of the Annual General Meeting. Members are requested to note

that a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In terms of Section 152 of the Companies Act, 2013, Dr. Dinesh S. Patel and Mr. S.S. Lee, Directors of the Company, retire by rotation at the Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commends their re-appointment.
5. The details of the Directors seeking appointment/reappointment under item nos. 2, 3, and 5 of this Notice, is annexed hereto in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings.
6. 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.
7. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
8. 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.
9. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
10. The Company has notified closure of Register of Members and Share Transfer Books from 21st September, 2017 to 27th September, 2017 (both days inclusive).
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Link Intime. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
12. Instructions for shareholders voting electronically are as under:

Pursuant to the provisions of Section 108 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, as amended and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

The Board of Directors of the Company has appointed M/s. H. V. Gor & Co., a Practicing Company Secretaries, Mumbai as a Scrutinizer to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

- (i) The voting period begins on Saturday, 23rd September, 2017 (at 9.00 am) and ends on Tuesday, 26th September, 2017 (till 5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date), i.e. 20th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **Gujarat Themis Biosyn Limited** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

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

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

Registered Office

69/C, GIDC Industrial Estate,
Vapi- 396 195
Dist. Valsad, Gujarat
CIN : L24230GJ1981PLC004878

Place : Mumbai
Date : 8th August, 2017

By Order of the Board of Directors

Sd/-
Dr. Dinesh S. Patel
Chairman
DIN: 00033273

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

Item No. 5

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mrs. Preeti K. Trivedi (DIN 00179479) as an Additional Director with effect from 14th February, 2017 under Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company. Mrs. Preeti K. Trivedi holds office upto the date of this Annual General Meeting.

The Company has received a Notice from member in writing along with requisite deposit under Section 160 of the Act, proposing candidature of Mrs. Preeti K. Trivedi for the office of Director.

Mrs. Preeti K. Trivedi is a Chartered Accountant with more than 25 years of experience in Corporate Finance and Management Consulting. Mrs. Preeti K. Trivedi is on the Board of Compuage Infocom Limited. Mrs. Preeti K. Trivedi does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

Mrs. Preeti K. Trivedi has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. She is independent of the management of the Company.

In the opinion of the Board, Mrs. Preeti K. Trivedi fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for her appointment as a Non-Executive Independent Director of the Company.

The Board recommends the resolution in relation to appointment of Mrs. Preeti K. Trivedi as a Non-Executive Independent Director to hold office up to 5 (five) consecutive years w.e.f 14th February, 2017, for the approval by the members of the Company.

Except Mrs. Preeti K. Trivedi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice

Registered Office

69/C, GIDC Industrial Estate,
Vapi- 396 195
Dist. Valsad, Gujarat
CIN : L24230GJ1981PLC004878

By Order of the Board of Directors

Place : Mumbai
Date : 8th August, 2017

Sd/-
Dr. Dinesh S. Patel
Chairman
DIN: 00033273

ANNEXURE TO ITEMS 2,3 and 5 OF THE NOTICE**Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Name of the Director	Dr. Dinesh Patel	Mr. S. S. Lee	Mrs. Preeti K. Trivedi
Date of Birth	02/11/1948	03/11/1961	23/09/1957
Nationality	Indian	South Korea	Indian
Date of Appointment on the Board	25/05/1992	19/01/2008	14/02/2017
Qualifications	Doctorate in Medicinal Chemistry. Fellow of the Royal Society of Chemistry, London, U.K.	Bachelor's degree in Science	Chartered Accountant
Expertise in specific functional Area	More than 40 years experience in Medicinal and pharmaceutical research, Fermentation Technology & exploitation of new molecules.	Product Development, Overseas Business	Chartered Accountant with more than 25 years of experience in Corporate Finance and Management Consulting.
Number of shares held in the Company	4701	Nil	Nil
List of the directorships held in other companies*	1. Themis Medicare Limited 2. Artemis Biotech Limited	Nil	1. Compuage Infocom Limited
Number of Board Meetings attended during the year	5	1	1
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	<u>Chairman:</u> None <u>Member</u> a) Audit Committee- Nil b) Stakeholder Relationship Committee – Gujarat Themis Biosyn Ltd	None	<u>Chairman:</u> a) Audit Committee- Nil b) Stakeholder Relationship Committee – Compuage Infocom Ltd <u>Member</u> a) Audit Committee- Gujarat Themis Biosyn Ltd. b) Stakeholder Relationship Committee – Compuage Infocom Ltd
Relationships between Directors inter-se	Dr. Dinesh S. Patel is father of Dr. Sachin D. Patel.	None	None
Remuneration details	Nil	Nil	Nil

* Directorship includes Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether Listed or not).

DIRECTORS' REPORT

**The Members,
Gujarat Themis Biosyn Limited**

Your Directors have pleasure in presenting herewith the 36th Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2017.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS:

The Company's performance during the year ended 31st March, 2017 as compared to the previous financial year, is summarized below:

(₹ in Lakhs)

PARTICULARS	Year ended 31.03.2017	Year ended 31.03.2016
Revenue from Operation	3585.00	3262.47
Operating Profit / (Loss)	601.02	605.45
Other Income	16.86	17.00
Finance Cost	(35.32)	(37.75)
Profit / (Loss) before depreciation, prior period adjustments & tax	582.56	584.71
Depreciation and amortization expenses	(111.96)	(119.87)
Prior period adjustment	(0.64)	(1.90)
Profit after depreciation, exceptional item and prior period adjustments	469.97	462.93
Net Profit after tax	424.53	462.93
Surplus/(Deficit) brought forward	(574.12)	(1037.05)
Surplus / (Deficit) carried forward to Balance Sheet	(149.60)	(574.12)

b. OPERATIONS:

Your Company's performance during the year was better than the previous year, as the Company is doing Job Work for other Pharma Company with fixed contracted price. The production capacity was utilized to the maximum level during both the years. Your Company has generated profit during the year under review as well as in the previous year.

Your Company's major operations were from Job Work. During the period conversion charges recorded at ₹ 3585.00 Lacs (previous year ₹ 3262.47 Lacs). The operating Profit for the year is ₹ 601.02 Lacs as compared to operating Profit of ₹ 605.45 Lacs for the previous year. The Net Profit recorded by the Company for the year is ₹ 424.53 Lacs as compared to net profit of ₹ 462.93 Lacs in the previous year.

The Company proposes to carry the profit after tax of ₹ 424.53 Lacs for adjustment against brought forward losses.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and as on the date of the report which affect the Balance Sheet.

c. BIFR

The Company has filed Miscellaneous Application before Hon'ble BIFR on 5th February, 2016 for deregistration of the Company from BIFR under SICA as the Company's net worth turned positive. As per the recent notification by MCA on 1st June, 2016, MCA has constituted NCLT and NCLAT and BIFR/SICA had been repealed by the Government with effect from 1st December, 2016.