



**Trimurthi Drugs & Pharmaceuticals Ltd.**



**15<sup>th</sup> ANNUAL REPORT**  
**2008 - 2009**



BOARD OF DIRECTORS	:	<b>Mr. ARUN KUMAR BHANGADIA</b> Chairman- Promoter Non Executive .  <b>Mr. ARVIND KUMAR BHANGADIA</b> Managing Director  <b>Mr. MURLIDHAR MUTGI</b> Independent Director  <b>Mr. RAMSWAROOP AGRAWAL</b> Independent Director  <b>Mr. ARUN KUMAR SARDA</b> Independent Director
REGISTERED OFFICE	:	4-4-231/1/2/ABC, Inderbagh, Sultan Bazar, Hyderabad - 500 095. Phone No. : 040-24757370
AUDITORS	:	<b>M/s. K. VENKATESWARA RAO &amp; ASSOCIATES</b> Chartered Accountants Flat No. 105, 1 <sup>st</sup> Floor, Pooja Manor, Himayathnagar, Hyderabad - 500 029.
BANKERS	:	<b>Axis Bank</b> <b>ING Vysya Bank</b>
REGISTRAR & SHARE TRANSFER AGENT	:	<b>Venture Capital &amp; Corporate Investments Private Limited</b> 12-10-167, Bharat Nagar, Hyderabad - 500 018 Ph.No: (040) 23818475 / 23818476
STOCK EXCHANGE (Listed/Traded)	:	<b>Bombay Stock Exchange Ltd</b> <b>(BSE Indo Next-BSE Code 590093)</b> <b>The Ahmedabad Stock Exchange Ltd.</b>
DEMAT	:	<b>Central Depository Services (India) Ltd.,</b> <b>National Securities Depository Limited</b>

**NOTICE**

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Monday the 7<sup>th</sup> day of September, 2009 at 4.30 P.M. 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 Balance Sheet as at 31<sup>st</sup> March, 2009 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare dividend for the financial year ended 31<sup>st</sup> March, 2009.
3. To appoint Mr. Muralidhar Mutgi, Director who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors who shall hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS :**

5. To Consider, and if thought fit, to pass with or without modification, the following resolution as ordinary resolution:

“Resolved that pursuant to the provisions of section 257 and all other applicable provisions, if any of the Companies Act, 1956, Mr. Arun Kumar Sarda, who was appointed as additional director of the company and who, under section 260 of the Companies Act, 1956 holds office only up to this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the company has received a notice in writing from a member, be and is hereby appointed as Director of the company liable to retire by rotation”

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

“RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 and other applicable provisions if any of the Act, Sri Arun Kumar Bhangadia, Director of the Company be and is hereby designated as Chairman of the Company.”

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

“RESOLVED THAT pursuant to section 94(1)(d) of the companies Act, 1956, the approval of the shareholders be and is hereby accorded to the sub-division of existing authorised share capital of 70,00,000 equity shares of Rs.10/- each fully paid up into 7,00,00,000 equity shares of Rs.1/- each fully paid up & sub-division of existing paid up share capital of 67,50,000 equity shares of Rs. 10/- each fully paid up in to 6,75,00,000 equity shares of Rs. 1/- each.

“RESOLVED FURTHER that clause V of memorandum of association and article 4 of articles of association be altered accordingly.

“RESOLVED FURTHER that Mr. Arvind Kumar Bhangadia, Managing Director of the Company be and is hereby authorised to file the Necessary forms with the Registrar of Companies and make an application to Ahmedabad Stock Exchange and Bombay Stock Exchange for Permission to deal in and for official quotation for 7,00,00,000 Equity shares of Rs. 1/-each and also to inform all statutory authorities wherever the same is required.”

By Order of the Board

Place: Hyderabad.

Dated: 25.07.2009

SD/-

**ARUN KUMAR BHANGADIA**  
Chairman

**NOTES:**

1. Explanatory statement pursuant to Section 173(2) of the Act is annexed herewith.
2. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company. The instrument of proxy in order to be effective shall be deposited at the registered office of the Company by not less than 48 hours before the commencement of the meeting.**
3. The Register of Members and Share Transfer Books of the Company will remain closed from 3<sup>rd</sup> September, 2009 to 7<sup>th</sup> September, 2009 (both days inclusive) for the purpose of Annual General Meeting and dividend.
4. Pursuant to Clause 49 of the Listing Agreement additional information on directors seeking appointment/reappointment at the annual general meeting is annexed here to.
5. The Dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid to those share holders whose name appear in Register of Members as on 7<sup>th</sup> September 2009.
6. Members / Proxies should bring the attendance slip duly filled in along with their Annual Report for attending the meeting.

By Order of the Board

Place : Hyderabad  
Dated: 25.07.2009

SD/-  
**ARUN KUMAR BHANGADIA**  
Chairman

**ANNEXURE TO THE NOTICE  
INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT  
PROFILE OF DIRECTORS TO BE REAPPOINTED**

**MR. MURALIDHAR MUTGI**

Sri. Muralidhar Mutgi is an Independent Director of the Company. He has a vast experience in pharma industry, and worked for IDPL for more than 35 years. Your Directors feel that his services will immensely help in strengthening the internal as well as qualitative control of the Company and thereby benefiting the Company. Hence the Board recommends his appointment for the approval of the members.

Number of Shares held by him in the Company- 15000 Equity Shares (Fifteen thousand only)

None of the Directors are interested in the above resolution except Sri. Muralidhar Mutgi.

***EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.***

**Item No. 5 :**

Sri Arun Kumar Sarda, is a fellow member of Institute of Chartered accountants of India. He has vast experience of around 20 years in Corporate Matters, Audits and Accounts and related matters. Your Directors are of the opinion that his appointment as Director of the Company will provide a big boost to the overall development of the Company. Hence the Board recommends his appointment for the approval of the members.

Number of Shares held by him in the Company - Nil

None of the Directors are interested in the above resolution except Mr. Arun Kumar Sarda

**Item No. 6 :**

Sri Arun Kumar Bhangadia is a Promoter Director of the Company and is associated with the Company since its inception and is having vast experience in the Pharmaceuticals and Financial fields. He is playing a vital role in the company's meetings as Chairman for a quite long period. To avoid the procedural aspect of appointment of Chairman at every meeting the Board proposes to appoint Mr. Arun Kumar Bhangadia as the Chairman of the Company.

None of the directors of the Company are interested or concerned in the above resolution except Sri Arun Kumar Bhangadia and Sri Arvind Kumar Bhangadia.

**Item No. 7 :**

Presently the Equity Share Capital of the Company is consisting of Authorised Share Capital of Rs. 7.00 crores divided into 70,00,000 equity share of Rs.10/- each and paid up share capital of Rs.10/- Each divided into 67,50,000 equity shares of Rs.10/- each. It is proposed to sub-divide the each equity share of Rs.10/- each (Rupees ten only) into ten equity share of Rs1/- each (Rupee one only). The proposed resolution is intended to give effect to the above proposal and is placed before the members for according approval thereto by passing a special resolution.

None of the directors of the Company are interested or concerned in the above resolution except to the extent of Shares held by them.

By Order of the Board

Place : Hyderabad

Dated: 25.07.2009

SD/-

**ARUN KUMAR BHANGADIA**

Chairman

## DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting the 15<sup>th</sup> Annual Report on the business and operations of the Company together with the audited statements of accounts for the financial year ended 31<sup>st</sup> March, 2009.

### FINANCIAL HIGHLIGHTS :

The Financial results for the year ended 31<sup>st</sup> March, 2009 are summarized as under:  
(Rs. In Lakhs)

Particulars	2008-2009	2007-2008
Income from operations	3160.66	2727.38
Other Income	51.13	56.95
Total Expenditure	3141.50	2697.79
Profit/Loss before Interest and Depreciation	70.28	86.55
Interest	1.16	----
Depreciation	22.79	22.89
Profit/Loss after Interest and Depreciation	46.33	63.66
Provision for Taxation		
* Current Tax	11.74	08.62
* Deferred Tax	02.83	05.40
* Fring Benifit Tax	00.36	00.23
* Previous Year's Tax Adjustment	(01.41)	00.31
Profit After Taxation	32.82	49.10
Appropriations		
* Proposed Dividend	20.25	----
* Provision for Tax on Dividend	03.44	----
* Transfer to General Reserve	03.28	03.30
Balance Brought Forward from Previous Year	29.67	(16.13)
Balance Carried to Balance Sheet	35.52	29.67
Earning Per Share	0.49	0.73

**DIVIDEND:**

Your board of directors have recommended a dividend of Re 0.30 Paisa (Thirty Paisa Only) (3%) per equity share which is subject to the approval of the Shareholders in the ensuing Annual general meeting of the Company. The total payment on account of dividend (Including Dividend Tax) shall be Rs.23.69 Lakhs.

**REVIEW OF OPERATIONS:**

The Company has earned a profit of Rs.32.82 Lakhs after Tax and after making provision for Dividends and Dividend Tax. A sum of Rs. 3.28 Lakhs has been transferred to General Reserve during the year.

2008-09 is better year for the Company, Even though the Net Profit of the Company has decreased from 49.10 Lakhs to 32.82 Lakhs. The over all working of the Company is satisfactory. The main reason for decrease in Net Profit is due to increase in expenditure, current competitive marketing conditions and economic slow down in country. The Company is looking at various cost reduction measures and hopes to perform better in its margins in the year to come. The Company also expects to enhance the shareholders value through a responsible strategy directed at building the brand value over a period of time.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) Appropriate accounting policies have been selected and applied consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2009 and of the profit of the Company for the said period.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.

**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.

**DIRECTORS:**

Mr. Murlidhar Mutgi in accordance with provisions of the Companies Act, 1956 and the Articles of Association of the Company retire by rotation at the 15<sup>th</sup> Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his reappointment as director of your company.

Mr. Arun Kumar Sarda who was appointed as additional director of your company on 25-07-2009, shall vacate his office at the ensuing Annual General Meeting. A notice has been received under section 257 of the Companies Act, 1956, proposing his candidature for his appointment. The Board recommends his appointment as director of your company who retires by rotation.

Brief profile of the directors seeking reappointment and appointment is given in Annexure to AGM Notice.

None of the Directors of the Company are disqualified under section 274 (1)(g) of the Companies Act, 1956.

**FIXED DEPOSITS:**

The Company has not accepted any fixed deposits U/s 58A and as such no amount of principle or interest was outstanding as on the date of Balance Sheet.

**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 earning or outgo during the year. Hence no information pursuant to section 217(1)(e) of the Companies Act, 1956 read with (disclosure of particulars in the report of Board of Directors) Rules, 1988 is provided.

**LISTING OF SECURITIES:**

The Equity Shares of your Company are traded at Bombay Stock Exchange Limited (BSE Indo Next Model) and listed at The Ahmedabad Stock Exchange Limited. The requisite Annual Listing Fees of the Ahmedabad Stock Exchange Limited had been paid as on the date of this report.

**CORPORATE GOVERNANCE:**

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