

BOARD OF DIRECTORS	:	Mr. ARUN KUMAR BHANGADIA Chairman- Promoter Non Executive
		Mr. ARVIND KUMAR BHANGADIA Managing Director
		Mr. MURLIDHAR MUTGI Independent Director
		Mr. RAMSWAROOP AGRAWAL Independent Director
		Mr. ARUN KUMAR SARDA Independent Director
		Mr. VIJAY KUMAR TAORI Independent Director
COMPANY SECRETARY/ COMPLIANCE OFFICER	:	Ms. PARUL AGARWAL
REGISTERED OFFICE	:	4-4-231/1/2/ABC, Inderbagh, Sultan Bazar, Hyderabad - 500 095. Phone No. (040) 24757370 Email: info@trimurthidrugs.com Web site: www.trimurthidrugs.com
AUDITORS	:	M/s. K. VENKATESWARA RAO & ASSOCIATES Chartered Accountants H No. 3-5-907/2, Flat No. 402, Mahavir Lok ,Himayat Nagar, Hyderabad - 500 029.
BANKERS	:	ING VYSYA BANK, HDFC BANK
REGISTRAR & SHARE TRANSFER AGENT	:	VENTURE CAPITAL & CORPORATE INVESTMENTS PRIVATE LIMITED 12-10-167, Bharat Nagar, Hyderabad – 500 018 Ph.No: (040) 23818475/23818476
STOCK EXCHANGE (Listed/Traded)	:	Bombay Stock Exchange Ltd. (BSE Indo Next- BSE Code 590093) The Ahmedabad Stock Exchange Ltd. Madras Stock Exchange
DEMAT	:	Central Depository Services (I) Ltd., National Securities Depository Ltd.,

## NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Members of the Company will be held on 30th day of September 2013, at 11.00 A.M. at Vaishnaoi Hotel # 3-2-848/1 Station Road, Kachiguda Hyderabad 500 027., to transact the following Business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint Mr. Arun Kumar Bhangadia, Director who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Mr. V.K. Taori, Director who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

### NOTES:

1. 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.

2. The Register of Members and Share Transfer Books of the Company will remain closed from ..... to ..... (both days inclusive).

3. 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 205A(5) read with section 205C of the Companies act, 1956, 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.

4. 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

5. 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.

6. 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.

7. 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 .

8. 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.

9.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.

10. 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 provision of section 53 of the companies Act, 1956 keeping in view shareholders are requested to update their E-Mail ID with their DP.

11. Queries on accounts may please be sent to the Company at registered office 10 day in advance of the Annual General Meeting so that the answers may be made available at the meeting.

12. Details of Directors seeking appointment at the Annual General Meeting:

**INFORMATION PURSUANT TO THE CORPORATE GOVERNANCE CLAUSE 49 OF THE LISTING AGREEMENT REGARDING THE DIRECTORS SEEKIN RE-APPOINTMENT IN THE ANNUAL GENERAL MEETING**

Particulars	Mr. Arun Kumar Bhangadia	Mr.VK Taori
Date of Birth	28-03-1964	24-07-1947
Date of Appointment	04-05-2005	30-09-2011
Qualifications	Graduate	M. A. Economics
Expertise in specific functional Areas	Vast Experience in the Pharma Industry	Vast Experience in Economics, Financial & Banking Industry
Directorships held in other Public Companies	03	03
Memberships/Chairmanships of committees of other public companies	Nil	Nil
No. of Shares held in the company	1392200 Shares	Nil

Place: Hyderabad.  
Dated:03-09-2013

By Order of the Board

ARUN KUMAR BHANGADIA  
Chairman

## DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting the 19th Annual Report on the business and operations of the Company together with the audited statements of accounts for the financial year ended 31st March, 2013.

### FINANCIAL HIGHLIGHTS:

The Financial results for the year ended 31st March, 2013 are summarized as under:

	<i>2012-13</i>	<i>2011-12</i>
Income from Operations	<i>516.82</i>	<i>1109.71</i>
Other Income	<i>79.47</i>	<i>73.89</i>
Total Expenditure	<i>541.57</i>	<i>1123.09</i>
Profit/Loss before Interest and Depreciation	<i>82.05</i>	<i>87.57</i>
Interest	<i>0.70</i>	<i>0.85</i>
Depreciation	<i>26.63</i>	<i>26.21</i>
Profit/Loss after Interest and Depreciation	<i>54.72</i>	<i>60.51</i>
Provision for Taxation		
- Current Tax	<i>19.57</i>	<i>15.76</i>
- Deferred Tax	<i>(2.59)</i>	<i>(1.65)</i>
Profit after taxation	<i>37.73</i>	<i>46.41</i>
Appropriations		
- Proposed Dividend	<i>Nil</i>	<i>20.25</i>
- Provision for Tax on Dividend	<i>Nil</i>	<i>3.28</i>
- Transfer to General Reserve	<i>37.73</i>	<i>4.64</i>
Balance Brought Forward from previous year	<i>111.18</i>	<i>92.95</i>
Balance carried to Balance Sheet	<i>145.15</i>	<i>111.18</i>
Earnings Per share	<i>0.55</i>	<i>0.69</i>

### 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.

### AUDITORS AND AUDITOR REPORT:

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 within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Accordingly, the members approval is being sought for their appointment as Auditor of the Company.

**DIRECTORS:**

Mr. Arun Kumar Bhangadia. and Mr. V K Taori in accordance with provisions of the Companies Act, 1956 and the Articles of Association of the Company retire by rotation at the 19th Annual General Meeting and being eligible, offers themselves for re-appointment. The board recommends their reappointment as a director of your company.

Brief profile of the directors seeking reappointment 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.

**COMPANY SECRETARY:**

Your Board of Directors has appointed Ms. Parul Agarwal, as Company Secretary and Compliance Officer with effect from 01-07-2013. She has experience of 5 years in the Secretarial Matters.

**ALLOTMENT OF SHARES ON CONVERSION OF WARRANTS:**

During the year under review your company has allotted 13,50,000 Equity Shares to holders of convertible warrants issued at Rs. 19/- per warrant by the company in terms of authority granted in the previous Annual General meeting.

**PARTICULARS OF EMPLOYEES:**

None of the employees who is employed throughout the year are covered under section 217 (2A) of the Companies Act 1956 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 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 ARRANGEMENTS:**

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

Your Board of directors has made an application for Direct Listing with Bombay Stock Exchange Limited and expects to get the approval for direct listing in a short period.

**INSURANCE :**

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

**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.

**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 31st March, 2013 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.

#### 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.

#### 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 of the shareholders.

#### CORPORATE SOCIAL RESPONSIBILITY:

Your Company recognized that its operations impact a wide community of stakeholders, including investors, employees, customers, business associates and local communities and that appropriate attention to the fulfillment of its corporate responsibilities can enhance overall performance. In structuring its approach to the various aspects of the corporate social responsibility, the company takes account of guidelines and statements issued by stakeholder representatives and other regulatory bodies.

#### 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.

Place: Hyderabad.  
Dated: 03-09-2013

For and on behalf of the Board

ARUN KUMAR BHANGADIA  
Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY OVERVIEW:

Indian pharmaceutical industry is on a strong growth path with the total value of Indian Pharma industry expected to reach almost \$50 Billion by 2015-2016. Out of this close to 22 billion is expected to originate from the domestic formulation business. A key issue faced by the industry is management of the supply chain. Supply chain in India is highly fragmented with more than 550,000 retail pharmacies in the country. According to a report by bioplan Associates, though the number of distributors have increased by 4 fold in the last three decades, from 125,000 in 1978, the volume of prescriptions distributed have not increased proportionally. Hence it is evident that though there is a growth in the number of distributors and retail pharmacies, distribution is not very efficient. Also the rural markets remain highly untapped.

### Outlook:

Keeping in view of the current competitive marketing conditions and improving economic situations in the country, the company is looking at various cost reduction measures and hopes to perform better in its margins. The Company looks forward to greater reach and significant holding of hand with new business areas in the years to come. The Company also expects to enhance the shareholders value through a responsible strategy directed at building value over the long-term.

### 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.

### 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 6 directors with a Non executive Chairman on its Board. Out of these 1 is Executive Director and 5 are Non- Executive Directors (of which 4 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 ASE and MSE.
- 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 shareholders & Investor Grievances committees of other Public Companies.

Category	Number of Directors	Non-Executive	Executive
Promoter Directors	2	1	1
Independent Directors	4	4	Nil

##### b) Board Meetings

The Board of Directors of the Company shall meet at least four times a year, with a time gap of not more than four months between any two meetings.

During the year the meeting(s) of the Board of Directors held 7 times viz. as per the below table.

Particulars	Date
First Meeting	08-04-2012
Second Meeting	14-05-2012
Third Meeting	21-07-2012
Fourth Meeting	24-08-2012
Fifth Meeting	15-09-2012
Sixth Meeting	27-10-2012
Seventh Meeting	28-01-2013
Eighth Meeting	19-02-2013



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.

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
Mr. Arvind Kumar Bhangadia	8	Y	4
Mr. Murlidhar Mutgi	8	Y	Nil
Mr. Ramswaroop Agarwal	8	N	3
Mr. Arun Kumar Bhangadia	8	Y	5
Mr. Arun Kumar Sarda	8	Y	2
Mr. Vijay Kumar Taori	8	N	6

#### AUDIT COMMITTEE:

The Audit committee consists of the following directors:

Mr. Arun Kumar Sarda	- Chairman	- Independent Non-Executive Director
Mr. Murlidhar Mutgi	- Member	- Independent Non-Executive Director
Mr. Arun Kumar Bhangadia	- Member	- Promoter Non-Executive Director
Mr. Vijay Kumar Taori	- Member	- Independent Non-Executive Director

During the year under review, Four Audit Committee meetings were held on: 14-05-2012, 21-07-2012, 27-10-2012, 28-01-2013.

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.

#### REMUNERATION COMMITTEE:

The remuneration committee consists of the following Directors:

Mr. Murlidhar Mutgi	- Chairman	- Independent Non-Executive Director
Mr. Ramswaroop Agarwal	- Member	- Independent Non-Executive Director
Mr. Arun Kumar Sarda	- Member	- Independent Non-Executive Director
Mr. Arun Kumar Bhangadia	- Member	- Promoter Non-Executive Director
Mr. Vijay Kumar Taori	- Member	- Independent Non-Executive Director

The Remuneration committee meeting was held on 20th July, 2012 during the year under review.

The details of the remuneration to the managerial personnel of the company for the financial year 2012-2013 as under.

The Company had paid an amount of Rs. 4,20,000/- To Mr. Arvind Kumar Bhangadia, Managing Director of the Company as Remuneration to the Director.

#### INVESTORS' GRIEVANCE COMMITTEE:

The investors' grievance committee consists of the following directors.

Mr. Arvind Kumar Bhangadia	- Chairman - Promoter Non-Executive Director
Mr. Murlidhar Mutgi	- Member - Independent Non-Executive Director
Mr. Arun Kumar Sarda	- Member - Independent Non-Executive Director
Mr. Ramswaroop Agarwal	- Member - Independent Non-Executive Director

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: