

GUFIC PHARMA LIMITED

Head Office : 12th Floor, Devika Tower, Nehru Place, New Delhi-110 019
Phone No- 011-26452666

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting 30th Annual Report of the Company and Audited Accounts for the fifteen months period ended March 31, 2014.

Financial Performance

During the period under review, the Company earned a total revenue of Rs.3,00,000. The Company incurred a Loss after tax of Rs.197,042. This includes share in loss of the Solrex Pharmaceuticals Company, of which Company is a partner. The Board of Directors have not recommended any dividend.

Change in Financial year

The Board of Directors of the Company approved change in the financial year of the Company from January-December to April-March effective April 1, 2014. In view of this, the current financial year is for a period of 15 months i.e. January 1, 2013 to March 31, 2014.

Particulars with respect of Conservation of Energy/Technology Absorption and Foreign Exchange Earnings and Outgo.

There are no particulars to be furnished with regard to conservation of energy/technology absorption as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Foreign exchange earnings and outgo was Nil during the period.

Fixed Deposits

The Company has not invited/received any fixed deposits during the period under review.

Particulars of Employees

As the Company did not pay any remuneration during the period, there are no particulars to be furnished under Section 217 (2A) of the Companies Act, 1956, and the Rules made thereunder.

Directors' Responsibility Statement

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, (Act) your Directors confirm as under:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, wherever applicable;

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- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the accounting period and of the Loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis.

Directors

Mr. Sandeep Mehandroo was appointed as an Additional Director of the Company effective November 30, 2012 and his appointment was regularized in the Annual General Meeting of the Company held on June 10, 2013. Mr. Sanjeev I. Dani and Mr. Ranjit Kohli resigned from the directorship of the Company effective March 7, 2014. Mr. Amit Rai who was appointed as an Additional Director of the Company, resigned on June 30, 2014. The Directors place on record their appreciation for valuable services rendered by them during their tenure as Director of the Company.

Mr. Sanjay Jerry was appointed as an Additional Director of the Company effective March 7, 2014 and hold office up to the date of this Annual General Meeting. The Company has received a notice along with the requisite deposit of Rs.1 Lac. from a member under section 160 of the Companies Act, 2013, proposing the candidature of Mr. Sanjay Jerry as Director of the Company.

In accordance with the Articles of Association of the Company, Mr. Sanjay Jerry, who were appointed as the Additional Director of the Company will expire at the ensuing Annual General Meeting ("AGM") therefore Mr. Sandeep Mehandroo, being the only Director left, is liable to retire at the said AGM. The Board was further informed that Mr. Mehandroo is eligible for re-appointment as Director of the Company.

Auditors

M/s. B S R & Co. LLP, Chartered Accountants, the retiring Auditors of the Company, holds office from the conclusion of the ensuing Annual General Meeting till the conclusion of sixth consecutive Annual General Meeting, subject to ratification by the shareholders at every Annual General Meeting. They confirmed their eligibility and willingness to accept the office of the Auditors, if re-appointed.

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Acknowledgements

Your Directors wish to acknowledge with thanks all stakeholders for their valuable sustained support and encouragement.

On behalf of the Board of Directors

Sd/-

Sd/-

Place: Gurgaon
Dated: May 8, 2014

(SANDEEP MEHANDROO)
DIRECTOR

(SANJAY JERRY)
DIRECTOR

Gufic Pharma Limited

**Accounts for the fifteen months ended
31 March 2014**

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

Telephone: + 91 124 2549 191
Fax: + 91 124 2549 101

Independent Auditors' Report

To the Members of **Gufic Pharma Limited**

1. Report on the Financial Statements

We have audited the accompanying financial statements of Gufic Pharma Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2014, and the Statement of Profit and Loss and the Cash Flow Statement for the fifteen months ended 31 March 2014 ("current period"), and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 financial statements.

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



4. Opinion

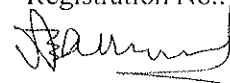
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the fifteen months ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the fifteen months ended on that date.

5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- (ii) As required by provisions of section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e. on the basis of written representations received from the directors as on 31 March 2014 and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For B S R & Co. LLP
Chartered Accountants
Registration No.: 101248W



Akhil Bansal
Partner

Membership No.: 090906

Place: Gurgaon, India

Date: 8 May 2014


Annexure referred to in paragraph 5 of the Independent Auditors' Report

The Annexure referred to in our report to the members of Gufic Pharma Limited ("the Company") for the fifteen months ended 31 March 2014. We report that:

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 4(i) of the Order are not applicable.
- (ii) The Company does not hold any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that services rendered are for the specialised requirements of the buyer and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system with regard to sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. There was no purchase of fixed assets during the current period. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) In our opinion and according to the information and explanations given to us, there are no contracts and arrangements, the particulars of which need to be entered into the register maintained under section 301 of the Act.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The paid-up capital and reserves of the Company do not exceed Rs. 50 lakhs as at the commencement of the current period concerned and it does not have an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year concerned. Accordingly, the provisions of clause 4 (vii) of the Order are not applicable.
- (viii) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the activities carried out by the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues of Income-tax have been regularly deposited during the current period by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax were in arrears as at 31 March 2014 for a period of more than six months from the date they became payable.

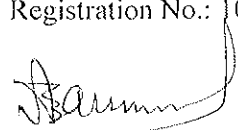
- (b) According to the information and explanations given to us, there are no dues of Income



tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.

- (x) The Company does not have any accumulated losses at the end of the current period. *However, it has incurred cash losses in the current period.* No cash losses were incurred in the immediately preceding financial year.
- (xi) The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the current period.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the current period.
- (xvii) According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the current period.
- (xx) The Company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co. LLP
Chartered Accountants
Registration No.: 101248W



Akhil Bansal
Partner
Membership Number : 090906

Place: Gurgaon
Date: 8 May 2014

Gufic Pharma Limited

Balance Sheet as at 31 March 2014

(All amounts are in Indian Rupees except share data, per share data and unless otherwise stated)

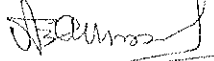
	Note	As at 31 March 2014	As at 31 December 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	500,000	500,000
Reserves and surplus	4	3,312,512	3,532,554
		<u>3,812,512</u>	<u>4,032,554</u>
Current liabilities			
Trade payables	5	28,090	28,067
Short-term provisions	6	4,983	4,983
		<u>33,073</u>	<u>33,050</u>
TOTAL		<u><u>3,845,585</u></u>	<u><u>4,065,604</u></u>
ASSETS			
Non-current assets			
Non-current investments	7	3,053,041	3,434,132
Long-term loans and advances	8	197,011	257,345
		<u>3,250,052</u>	<u>3,691,477</u>
Current assets			
Cash and bank balances	9	556,901	351,029
Short-term loans and advances	10	38,632	23,098
		<u>595,533</u>	<u>374,127</u>
TOTAL		<u><u>3,845,585</u></u>	<u><u>4,065,604</u></u>

Significant accounting policies 2

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

As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W



Akhil Bansal

Partner

Membership No. : 090906

For and on behalf of the Board of Directors of
Gufic Pharma Limited



Sanjay Jerry

Director



Sandeep Mehandroo

Director

Place: Gurgaon
Date: 8 May 2014

Place: Gurgaon
Date: 8 May 2014

Gufic Pharma Limited

Statement of Profit and Loss for the fifteen months ended 31 March 2014

(All amounts are in Indian Rupees except share data, per share data and unless otherwise stated)

	Note	For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
Revenue			
Sale of services	11	300,000	240,000
Other operating income	12	-	234,132
Total revenue		300,000	474,132
Expenses			
Share in loss of partnership firm		353,091	-
Other expenses	13	81,951	64,612
Total expenses		435,042	64,612
Profit before tax		(135,042)	409,521
Current tax		85,000	55,000
Profit after tax		(220,042)	354,521
Earnings per equity share (Rs.)			
Basic and diluted - par value of Rs. 100 per share	14	(44.01)	70.90
Significant accounting policies	2		

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W



Akhil Bansal
Partner
Membership No. : 090906

For and on behalf of the Board of Directors of
Gufic Pharma Limited



Sanjay Jerry
Director



Sandeep Mehandroo
Director

Place: Gurgaon
Date: 8 May 2014

Place: Gurgaon
Date: 8 May 2014

Gufic Pharma Limited

Cash Flow Statement for the fifteen months ended 31 March 2014

(All amounts are in Indian Rupees except share data, per share data and unless otherwise stated)

	For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
A. Cash flows from operating activities		
Net (loss) / profit before tax	(135,042)	409,521
Adjustments :		
Share in loss / (profit) of partnership firm	353,091	(234,132)
Operating profit before working capital changes	218,049	175,389
Adjustments :		
Increase / (decrease) in trade payables	23	(334)
	23	(334)
Cash generated from operations before taxes	218,072	175,055
Income taxes (paid) / refund	(40,200)	(37,000)
Net cash provided by operating activities	177,872	138,055
B. Cash flows from investing activities		
Realisation from investment in a partnership firm	28,000	-
Investment in a partnership firm	-	(3,200,000)
Net cash generated from / (used in) investing activities	28,000	(3,200,000)
Net increase / (decrease) in cash and cash equivalents (A+B)	205,872	(3,061,946)
Cash and cash equivalents as at the beginning of the period	351,029	3,412,975
Cash and cash equivalents as at the end of the period	556,901	351,029

Notes to Cash flow statement:

1 Components of cash and cash equivalents (Refer to note 9):

Balance with banks

- on current accounts

Cash and cash equivalents at the end of the period

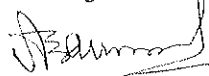
556,901	351,029
556,901	351,029

2 The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' specified in Accounting Standard 3, Cash Flow Statement, notified by Central Government in the Companies (Accounting Standard) Rules, 2006.

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

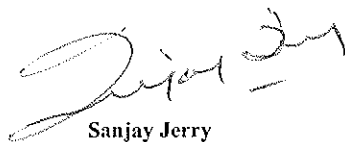
As per our report of even date attached

For **B S R & Co. LLP**
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Firm Registration No.: 101248W



Akhil Bansal
Partner
Membership No. : 090906

For and on behalf of the Board of Directors of
Gufic Pharma Limited



Sanjay Jerry
Director



Sandeep Mehandroo
Director

Place: Gurgaon
Date: 8 May 2014

Place: Gurgaon
Date: 8 May 2014

1 Company overview

Gufic Pharma Limited ('the Company') was set up in 1983 to carry on the business of pharmaceuticals related and other products. The Company receives royalty income under the license user agreement with Ranbaxy Laboratories Limited ("RLL") the holding company, for the use of its trademarks Exel, Exel-G, Exel- M, Zole-F and Suprinox.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

a) Basis of preparation of financial statements

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, which as per a clarification issued by the Ministry of Corporate Affairs continue to apply under section 133 of the Companies Act, 2013 (which has superseded section 211(3C) of the Companies Act, 1956 w.e.f. 12 September 2013), the other relevant provisions of the Companies Act, 1956 (including the new notified sections under Companies Act, 2013, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest rupees.

The Board of Directors vide their resolution dated 14 November 2013 has approved the change of financial year of the Company from January-December to April-March effective 01 April 2014. In view of this, the current financial year is for a period of 15 months i.e. 01 January 2013 to 31 March 2014 ("current period"). Accordingly, the figures for the current period are not comparable with figures for the year ended 31 December 2012 ('previous year') presented in the Statement of Profit and Loss, Cash Flow Statement and related notes.

b) Use of estimates

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

c) Current-non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956.

Assets

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

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

Liabilities

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

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

Current assets/ liabilities include the current portion of non-current financial assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

d) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Revised Schedule VI.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures etc.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

Investment in the capital of a partnership firm is shown by reference to the capital of the firm on the Balance Sheet date. The Company's share of profit or loss in a partnership firm is recognised in the Statement of Profit and Loss as and when it accrues i.e. when it is computed and credited or debited to the capital/ current/ any other account of the Company in the books of the partnership firm.

e) Revenue recognition

Share in profits from investment in a partnership firm is recognised on accrual basis. Royalty is recognised on accrual basis in accordance with the term of the relevant agreement. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank, and highly liquid investments with original maturities, at the date of purchase/ investment, of three months or less.



g) Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expense is recognised in the Statement of Profit and Loss except that tax expense related to items recognised directly in reserves is also recognised in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Minimum Alternate Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

h) Earnings per share ('EPS')

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

i) Provisions

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

j) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.



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	As at	
	31 March 2014	31 December 2012
3 Share capital		
Authorised		
5,000 (previous year 5,000) equity shares of Rs. 100 each	500,000	500,000
Issued, subscribed and fully paid up		
5,000 (previous year 5,000) equity shares of Rs. 100 each	500,000	500,000
	500,000	500,000

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2014		As at 31 December 2012	
	Number	Amount	Number	Amount
Equity shares of Rs. 100 each fully paid up:				
At the commencement and end of the period	5,000	500,000	5,000	500,000
	5,000	500,000	5,000	500,000

b. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on show of hand or through proxy shall be in proportion to his share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c. Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	As at 31 March 2014		As at 31 December 2012	
	Number	Amount	Number	Amount
Equity shares of Rs. 100 each fully paid up held by:				
Ranbaxy Laboratories Limited, the holding company, along with its nominees	4,900	490,000	4,900	490,000
Ranbaxy Drugs Limited, fellow subsidiary	100	10,000	100	10,000
	5,000	500,000	5,000	500,000

Note:

Daiichi Sankyo Co. Ltd., Japan is ultimate holding company

d. Particulars of shareholders holding more than 5% shares of a class of shares

	As at 31 March 2014		As at 31 December 2012	
	Number	% holding in the class	Number	% holding in the class
Equity shares of Rs. 100 each fully paid up held by:				
Ranbaxy Laboratories Limited along with its nominees	4,900	98	4,900	98
	4,900	98	4,900	98

e. During the five years immediately preceding the current period and previous year, neither any bonus shares or shares issued for consideration other than cash that have been issued nor any shares that have been bought back.

4 Reserves and surplus

	As at	As at
	31 March 2014	31 December 2012
<i>Surplus in the Statement of Profit and Loss</i>		
Balance at the beginning of the period	3,532,554	3,178,034
Add: (Loss) / Profit for the period	(220,042)	354,520
Balance at the end of the period	3,312,512	3,532,554

5 Trade payables

	As at	As at
	31 March 2014	31 December 2012
Trade payables *	28,090	28,067
	28,090	28,067

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, there are no overdrafts outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act.

6 Provisions

	Long term		Short term	
	As at 31 March 2014	As at 31 December 2012	As at 31 March 2014	As at 31 December 2012
Provision for income tax (Net of advance tax and tax deducted at source amounting to Rs 70,366 (Previous year Rs 70,366))	-	-	4,983	4,983
	-	-	4,983	4,983

7 Non-current investments

(valued at cost unless otherwise stated)

	As at	As at
	31 March 2014	31 December 2012
Trade:		
Other non-current investments		
Unquoted investments		
Investment in partnership firm		
Share in Solrex Pharmaceuticals Company, a partnership firm		
Opening balance	3,434,132	-
Add: Investment made during the period	-	3,200,000
Less / Add: Share of (loss) / profit from partnership firm for the period	(353,091)	234,132
Less: Withdrawal from partnership firm	28,000	-
	3,053,041	3,434,132

Names of partners and share in profits (%)

	As at 31 March 2014		As at 31 December 2012	
	Capital contribution	% Share in profits	Capital contribution	% Share in profits
Name, capital and profits sharing ratio of the partners:				
Gulfic Pharma Limited	3,053,041	0.10	3,434,132	0.10
Ranbaxy Drugs Limited	1,949,294,584	99.90	2,580,233,852	99.90
	1,952,347,625	100.00	2,583,667,984	100.00

Aggregate book value of unquoted non-current investments (net of provision for other-than-temporary diminution)

Aggregate provision for other-than-temporary diminution in value of non-current investments

Aggregate carrying amount of 'long-term investments' within the meaning of Accounting Standard 13 "Accounting for Investments".

3,053,041	3,434,132
-	-
3,053,041	3,434,132



8 Long-term loans and advances (Unsecured and considered good)	Non-current portion		Current portion	
	As at 31 March 2014	As at 31 December 2012	As at 31 March 2014	As at 31 December 2012
To parties other than related parties				
Minimum alternate tax credit entitlement	155,039	214,611	38,632	23,098
Advance tax and tax deducted at source (net of provision for tax amounting to Rs. 221,099 (previous year Rs. 136,099))	41,972	42,734	-	-
	<u>197,011</u>	<u>257,345</u>	<u>38,632</u>	<u>23,098</u>
9 Cash and cash equivalents			As at 31 March 2014	As at 31 December 2012
Balance with banks				
Current accounts			556,001	351,029
			<u>556,001</u>	<u>351,029</u>
10 Short-term loans and advances (Unsecured and considered good)			As at 31 March 2014	As at 31 December 2012
Current portion of long-term loans and advances *				
To parties other than related parties			38,632	23,098
*Refer to note 8			<u>38,632</u>	<u>23,098</u>
11 Sale of services			For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
Royalty income			300,000	240,000
			<u>300,000</u>	<u>240,000</u>
12 Other operating income			For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
Share in profit of partnership firm*			-	234,132
*Refer to note 7			<u>-</u>	<u>234,132</u>
13 Other expenses			For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
Legal and professional charges^			40,732	56,816
Rates and taxes			4,000	600
Miscellaneous expenses			37,219	7,196
			<u>81,951</u>	<u>64,612</u>
^ Include payment to auditors (including of service tax)				
As auditor				
Statutory audit			21,068	21,068
Tax audit			7,022	7,022
Reimbursement of expenses			-	387
			<u>28,090</u>	<u>28,477</u>
14 Earnings per equity share			For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
Weighted average number of shares			5,000	5,000
Net (loss) / profit after tax attributable to equity shareholders			(220,042)	354,521
Basic and diluted earnings per share			(44.01)	70.90
Nominal value per equity share			100	100

15 Segment information

In the opinion of the management, there is only one segment as envisaged by Accounting Standard 17 "Segment Reporting". Accordingly, no disclosure for segment reporting has been made in the financial statements.

16 Related party disclosures

(a) Names of related parties

Related parties where control exists:

- Ultimate holding company Danich Sankyo Co. Ltd., Japan
- Holding company Ranbaxy Laboratories Limited

Related parties with whom transactions have taken place during the period:

- Enterprise under the common control of the holding company ("Enterprise") Solrex Pharmaceuticals Company (a partnership firm)

(b) Transactions with related parties during the current period and previous year

Related party	Nature of transactions	Description of relationship	For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
Ranbaxy Laboratories Limited	Royalty income	Holding company	300,000	240,000
Solrex Pharmaceuticals Company	Investment in capital	Enterprise	-	3,200,000
Solrex Pharmaceuticals Company	Share of (loss) / profit	Enterprise	(353,091)	234,132
Solrex Pharmaceuticals Company	Withdrawal from partnership firm	Enterprise	28,000	-

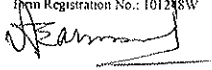
There are no outstanding balances as at current period-end and previous year-end.



17 Certain amounts, as detailed below, reported for previous year have been reclassified to conform to current year's presentation.

Particulars	Amount	Head in which the amount was disclosed in the previous year	Head in which the amount was disclosed in the current period
Share in profit of partnership firm	234,132	Other income	Other operating income

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W




Akhil Bansal
Partner
Membership No. : 090906

Place: Gurgaon
Date: 8 May 2014

For and on behalf of the Board of Directors of
Gulfic Pharma Limited



Sanjiv Jerry
Director



Sandeep Mehandroo
Director

Place: Gurgaon
Date: 8 May 2014