

ANNUAL REPORT
2012 - 2013





CORPORATE INFORMATION

BOARD OF DIRECTORS

DR. CHIMANBHAI KHODIDAS PATEL	- Chairman & Executive Director
DHIRAJLAL KARSANDAS PATEL	- Managing Director
AMBALALBHAI K. PATEL	- Executive Director
DR. DINESHKUMAR H. PATEL	- Executive Director
BHARATBHAI M. SHAH	- Non Executive Director
KETANBHAI C. PATEL	- Non Executive Director
THAKARSHIBHAI M. PATEL	- Non Executive Director
GHANSHYAMBHAI D. KEWADIA	- Non Executive Director

AUDITORS

B.A. RAJAPARA & CO.

Chartered Accountants
707, "Samruddhi",
Nr. Sattar Taluka Society, Opp. Sakar III,
Ashram Road, Ahmedabad – 380 014.

BANKERS

PUNJAB NATIONAL BANK

Popular House, Ashram Road,
Ahmedabad – 380 009.

BANK OF BARODA

Navrangpura Branch,
Ahmedabad – 380 009.

SHARE TRANSFER AGENT:

BIGSHARE SERVICES PVT. LTD.

E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai – 400 072.

FACTORY:

Unit-I

At Dhanot,
Chhatral – Kadi Road, Tal. Kalol,
Dist. Gandhinagar, Gujarat (INDIA)

Unit-II

At Indrad, S. No. 322,
Chhatral- Kadi Road, Tal. Kadi,
Dist. Mehsana, Gujarat (INDIA)

Application Lab

601, GIDC, Chhatral,
Tal. Kalol, Dist. Gandhinagar,
Gujarat (INDIA)

REGISTERED OFFICE:

101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad – 380 009.

Contents	Page No.
Notice	01-02
Directors' Report	03-05
Report on Corporate Governance	06-10
Management Discussion and Analysis	10
Auditors' Report	11-13
Balance Sheet	14
Statement of Profit & Loss	15
Cash Flow Statements	16
Notes to the Financial Statements	17-28



NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **VIKRAM THERMO (INDIA) LIMITED** will be held on the 12th September 2013, at 9.30 a.m. at THE GREEN PEARL, Opp. Satva Vikas School, Sindhu Bhavan Road, Bodakdev, AHMEDABAD-380 059, to transact the following business, with or without modifications.

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 31st March 2013, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Bharatbhai M. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of, Shri Ketanbhai C. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint Auditors and to fix their remuneration.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE VALID, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 05-09-2013 to 12-09-2013 (both days inclusive).
3. Dividend, if declared, will be paid to those members whose names appear in the Register of Members on 12-09-2013.
4. Members are requested to quote Folio number in all their correspondences.
5. Members are requested to inform the Company immediately the changes, if any, in their address specifying full address in Block Capital Letters with Pin code of the post office.
6. Members are requested to bring their copy of Annual report at the meeting as the same shall not be distributed thereat.
7. Members are requested to bring with them the attendance slip and hand it over at the entrance duly signed by them.
8. Those shareholders who have not encashed the Dividend Warrants for the financial year 2006-07 & Dividend for the year 2007-08 are advised to submit their claim to the Registrar/ Company immediately quoting their folio numbers. The unpaid/unclaimed Dividend for the year 2005-06, 2006-07 & 2007-08 will become due for transfer to Investor Education & Protection Fund Account in September 2013, September 2014 & September 2015 respectively. Once the unclaimed dividend is transferred to the fund, no claim shall lie against the fund of the Company in respect of the individual amounts which were unclaimed or unpaid.
9. With respect to payment of dividend, the Company provides the facility of ECS to all shareholders, holding shares in electronic and physical forms. Shareholders holding shares in the physical form who wish to avail ECS facility, may authorise the Company with their ECS mandate in the prescribed form which can be obtained from the Registrars and Transfer Agents, Bigshare Services P. Ltd., E- 2/ 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka , Andheri (East), MUMBAI 400072. The requests for payment of dividend through ECS for the year 2012-13 should be lodged with Bigshare Services P. Ltd. on or before 5th September, 2013. Copy of ECS form is attached with the report.
10. With reference to the Circular No. 17/2011 dated April 21, 2011 from Ministry of Corporate Affairs propagating "Green Initiative", by allowing paperless compliances by Companies by serving documents to shareholders through electronic mode (e-mail), we are sending the annual accounts along with Annual Reports to the shareholders of the Company who have registered their e-mail ids with the Company or Registrar & Share Transfer Agent. Rests of the shareholders are provided with the physical copy of the Annual Report for the year 2012-13.



ANNEXURE TO NOTICE

(1) DETAILS OF DIRECTORS SEEKING APPOINTMENT AND REAPPOINTMENT ARE AS UNDER:

Name of Director	Shri K. C. Patel	Shri B. M. Shah
Date of Birth	23/08/1970	29/12/1954
Date of Appointment	1/5/2003	1/5/2003
Qualification	M. Sc., M.B.A.	B.Sc., M.B.A.
Expertise in specific Functional areas	Finance, Manufacturing & Marketing	Management & Marketing
List of Companies in which Directorship is held	Arbuda Plastochem Pvt. Ltd.	NIL
Chairman/ Member of the Committee of other Companies	NIL	NIL

Registered Office
101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad - 380009
Date: 03-08-2013

**By order of Board of Directors
For, Vikram Thermo (India) Ltd.**

Managing Director



DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in submitting their Annual Report together with the Audited Statements of Accounts for the year ended on 31st March 2013.

FINANCIAL RESULTS:

The financial results are as under:

	2012-2013	2011-2012
Turn over	411532798	391569460
Profit before Tax	84030986	85680588
Provision for Taxation:	30372951	25671894
Profit after Tax	56227800	57768176
Balance Brought Forward	104231771	59195900
Balance profit available for Appropriation.	160459571	116964076
APPROPRIATIONS		
General Reserves	3000000	3000000
Proposed Dividend	8373855	8373855
Provision for Dividend Tax	1358450	1358450
Balance carried to Balance Sheet	147727266	104231771
	160459571	116964076

DIVIDEND:

Your directors are pleased to recommend payment of dividend @ 15% (Previous year 15%) on the paid up Equity Share Capital of the Company. Your directors feel that members will appreciate the same. The dividend payout will result in a total outflow of Rs. 97,32,305/- (Previous Year Rs. 97,32,305/-).

OPERATIONS:

During the year under report, your Company continued to achieve good results. The turnover of the Company has increased to Rs. 41,15,32,798/- (Previous Year Rs. 39,15,69,460/-) which reflects more than 5% rise. The gross profit has also increased from Rs. 12,36,76,610/- to Rs. 13,66,15,456/- which reflects sound performance of the Company. Though the economic situation in the country as a whole was not satisfactory, by the efforts of your Directors, the Company has made remarkable increase in the profits. Members will appreciate that the Company is gradually marching towards sound progress and prosperity.

CHANGE OF SITUATION OF PLANT AT UNIT II:

Members are aware that the factory of the Company at Unit-II is situated at Indrad, S. No. 322, Chhatral-Kadi Road, Tal. Kadi, Dist. Mehsana, Gujarat (INDIA). The level of the plot of the factory is little lower than the main road and some problems like flow of water, etc. have to be faced. In order to come out of this condition, the Company has decided to set up Plant in the same Plot on other side and then Company will not have to face any problems. The work is well under progress and it is expected that the same will be completed within about six months. This will also result in better working of the plant.

FIXED DEPOSIT:

The Company has not accepted any deposit as per the provisions of the Section 58 - A of the Companies Act, 1956.

GRATUITY:

The Company has already established a Group Gratuity Fund for the benefit of the employees of the Company. The Group policy has been taken with Life Insurance Corporation of India (Pension and Gratuity Fund Scheme). During the year contribution amounting to Rs. 12,89,689/- was made towards this fund (Previous year Rs. 2,00,000/-).

PARTICULARS OF THE EMPLOYEES:

There is no employee who is in receipt of remuneration exceeding the limit specified under Section 217 (2A) of the Companies Act, 1956.



Vikram Thermo (India) Limited

ENERGY CONSERVATION:

Pursuant to Section 217(1) (e) of the Companies Act, 1956 the information required in respect of pollution and energy conservation is given in the Annexure enclosed to this report.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- I. In the preparation of the accounts for the financial year under report, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- II. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 financial year under report, and of the profit of the Company for the year under review.
- III. The Directors have taken proper and sufficient care 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; and
- IV. The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

FOREIGN EXCHANGE EARNING AND OUTGO:

Particulars regarding Foreign Exchange Earning & Outgo are provided in Note Nos. 26, 27 & 28 in the Notes to Financial Statement.

DIRECTORS:

Shri Ketanbhai C. Patel and Shri Bharatbhai M. Shah, Directors of the Company retire by rotation and being eligible offer themselves for the reappointment at the ensuing annual general meeting. You are requested to appoint Directors.

DEMATERIALIZATION OF SHARES:

To provide better and smooth services to the shareholders, the Company's Equity shares are made available for dematerialization in electronic form in the Depository System operated by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

In order to avail this service, shareholders, who have not yet converted their shares in dematerialized form, are advised to dematerialize the shares in the electronic form as quickly as possible.

CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreements with the Stock Exchange, the report of the Corporate Governance and the Certificates of the Managing Director and Auditors of the Company in respect of compliance thereof are appended here to and form part of this report.

INSURANCE:

The assets of the Company are adequately insured against various risks.

AUDITORS:

You are requested to appoint auditors from the conclusion of ensuing Annual General Meeting up to conclusion of next Annual General Meeting and fix their remuneration. Present auditors M/s. B. A. Rajpara & Co. are eligible for reappointment and have confirmed their re-appointment, if made shall be within the limits of Section 224(1B) of the Companies Act, 1956.

COST AUDIT:

The Ministry of Corporate Affairs has ordered Cost Audit under S. 233 B of the Companies Act, 1956 from 1st April, 2012 through Cost Audit Order No. 52/26/CAB-2010 dated 24th January 2012. Accordingly, Company has appointed Shri V. H. Shah as Cost Auditor for F. Y. 2013-14.

APPRECIATION:

The Board place on record the appreciation of the sincere and devoted services rendered by all the employees and the continued co-operation and confidence of shareholders. The Board expresses their sincere thanks to the Punjab National Bank, Government and Semi Government Authorities and all other well wishers for their support and contribution towards the growth of the Company.

On behalf of Board of Directors
FOR, VIKRAM THERMO (INDIA) LIMITED

Registered Office :
101, Classic Avenue, Opp. Sales India,
Ashram Road, Ahmedabad – 380009
Date : 03-08-2013

CHIMANBHAI K. PATEL
CHAIRMAN



ANNEXURE TO DIRECTOR'S REPORT FOR THE YEAR 2012-13

FORM – A (See Rule 2)

A. POWER AND FUEL CONSUMPTION

		<u>Current year 2012-13</u>	<u>Previous Year 2011-12</u>
1. Electricity:			
Purchase unit		774390	765423
Total Amount	RS.	5140934	4796488
Rate/Unit	RS.	6.639	6.266
2. Own Generation:			
Fuel Purchase (Ltr.) (Diesel)		3422	3187
Total amount	RS.	166735	144966
Rate/Ltr.	RS.	48.724	45.486
3. Others			
i. FIREWOOD	(Kgs.)	1215909	1171830
Total Amount	RS.	4038059	3532362
Rate/Kg.	RS.	3.321	3.014

B. CONSUMPTION PER UNIT OF PRODUCTION

Name of Product	Unit	<u>Current Year</u>	<u>Previous Year</u>
Drug Coat	Kgs.	1689792	1540151
DPO	Kgs.	737145	883190
TOTAL		2426937	2423341
ELECTRICITY UNIT CONSUMED:		774390	765423
Electricity	Unit	0.319	0.316
Diesel Oil	Liter	0.001	0.001
Fire wood	Kilogram	0.501	0.484

FORM – B (See Rule 2)

Form of Disclosure of particulars with respect to absorption

Research and development (R & D) : Necessary steps are being taken from time to time

Technology absorption, adaptation and innovation : Necessary steps are being taken from time to time.



CORPORATE GOVERNANCE

The Company, pursuant to Clause 49 of the listing agreement with the Stock Exchange, is pleased to furnish its report on Corporate Governance.

COMPANYS' PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company is committed to the adoption of best Corporate Governance practice and the management is of the view that a good Corporate Governance policy is one which results in the control of the Company in a regular manner, which makes management transparent, ethical, accountable and fair resulting in enhanced shareholder value. The management is pleased to provide detailed disclosures of specific matters required by Securities and Exchange Board of India.

Board of Directors:**I. Composition and Category**

The Board at present consists of **EIGHT** directors (Four Executive and Four non-executive Independent directors).

II. Board Meetings, attendance, and position held in committee meetings

The Board met Four times on 11th May, 2012, 6th August, 2012, 6th November, 2012, 7th February, 2013. Notices of the meetings with agenda along with necessary details were sent to the directors in time.

The names and categories of the Directors, their attendance at Board meetings and General Meeting as also position held by them in committees of other public limited companies as on 31st March 2013 are given below.

Name of the Director	Category	Board Meeting held during tenure of Director	Board Meeting Attended	Last AGM	No. of Directorship in other Public Limited Co.s	Chairman/ Membership in other public limited Cos.
Shri Chimanbhai K. Patel	Executive	4	4	Y	-	-
Shri Dhirajbhai K. Patel	Executive	4	4	Y	-	-
Shri Ambalal K. Patel	Executive	4	2	Y	-	-
Shri Dineshbhai H. Patel	Executive	4	4	Y	-	-
Shri Thakarshibhai M. Patel	Independent	4	4	Y	-	-
Shri Bharatbhai M. Shah	Independent	4	4	Y	-	-
Shri Ketanbhai C. Patel	Independent	4	2	Y	-	-
Shri Ghanshyambhai D. Kewadia	Independent	4	4	Y	-	-

III. Information on Directors Appointment/Re-appointment

Shri Ketanbhai C. Patel and Shri Bharatbhai M. Shah Directors of the Company retire by rotation and being eligible offer themselves for the reappointment at the ensuing annual general meeting.

Their brief particulars are as follows.

Name of Director	Shri K. C. Patel	Shri B. M. Shah
Date of Birth	23/08/1970	29/12/1954
Date of Appointment	1/5/2003	1/5/2003
Qualification	M. Sc., M.B.A.	B.Sc., M.B.A.
Expertise in specific Functional areas	Finance, Manufacturing & Marketing	Management & Marketing
List of Companies in which Directorship is held	Arbuda Plastochem Pvt. Ltd.	NIL
Chairman/ Member of the Committee of other Companies	NIL	NIL



Vikram Thermo (India) Limited

IV. Audit Committee

The Audit Committee comprises of four non-executive independent directors viz. Shri Bharatbhai M. Shah, Shri Ketanbhai C. Patel, Shri Ghanshyambhai D. Kewadia and Shri Thakarshibhai M. Patel.

Shri Bharatbhai M. Shah is the Chairman of the AUDIT COMMITTEE.

Committee met on 11th May, 2012, 6th August, 2012, 6th November, 2012, and 7th February, 2013 for perusal financial position and un-audited quarterly results and also met for perusal of the finalization of annual accounts for the year ended on 31.03.2013. The Accounts and Financial position perused by the Audit Committee were thereafter placed before board for their consideration. The composition and attendance record of the members of the Audit committee meetings are as follows.

Name of the Director	No. of Meeting held	No. of Meeting Attended
Shri Bharatbhai M. Shah	4	4
Shri Thakarshibhai M. Patel	4	4
Shri Ketan C. Patel	4	2
Shri Ghanshyambhai D. Kewadia	3	3

V. REMUNERATION COMMITTEE:

The Board constituted the Remuneration Committee consisting of following non-executive directors.

Shri Ghanshyambhai D. Kewadia

Shri Thakarshibhai M. Patel

Shri Ketanbhai C. Patel

Shri Bharatbhai M. Shah

The Committee determines the remuneration paid/payable to the Managing Directors and other Executive Directors subject to the approval of the members. The committee reviewed the remuneration payable to the Managing Director and Executive Directors from time to time.

The details of payment of remuneration to the Directors are given below:

Name of Director	Relationship with other Director	Total Remuneration paid	No. of Board meeting attended
Dr. C. K. Patel	NIL	Rs. 9,81,600/-	4
Shri D. K. Patel	Brother of Shri. A. K. Patel	Rs. 48,38,800/-	4
Shri A. K. Patel	Brother of Shri D. K. Patel	Rs. 7,89,600/-	2
Shri D. H. Patel	NIL	Rs. 13,49,725/-	4

VI. SHARE TRANSFER COMMITTEE /INVESTOR GRIEVANCE COMMITTEE:

The Company has Share Transfer and Investor's Grievance Committee, under the chairmanship of independent director, for quick and timely transfer of shares, issue of duplicate share certificates, etc. Transfers of shares approved by the committee are placed before the Board. The Committee also looks in to all issues related to investor grievances.

Shares of the Company are also available for dematerialization.

VII. REGISTRAR AND SHARE TRANSFER AGENT:

M/s. BIGSHARE SERVICES PVT. LTD.,

E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka Andheri (East), Mumbai – 400 072

Phone (022) 28473747 are Registrar and Share Transfer Agent of the Company.

VIII. MEANS OF COMMUNICATION:

The quarterly/half yearly /yearly financial results are published in English and Gujarati languages in news paper. Moreover necessary reports and certificates as required by the listing agreement are sent to the Bombay Stock Exchange Ltd.

IX. DETAILS OF NON-COMPLIANCES, PENALTIES ETC:

There were no such instances of non-compliance. Neither any penalty for strictures was imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the year.



Vikram Thermo (India) Limited

X. MARKET PRICE DATA:

The month wise detail of market prices of the shares during the year 2012-2013 of the Company at the Bombay Stock Exchange Ltd. is as under:

Month	High	Low
April 2012	36.40	31.20
May 2012	45.55	29.25
June 2012	43.00	36.00
July 2012	40.50	36.50
August 2012	40.65	33.30
September 2012	46.00	35.35
October 2012	44.40	38.35
November 2012	46.80	40.75
December 2012	56.95	43.05
January 2013	72.30	51.25
February 2013	72.25	42.35
March 2013	55.75	40.70

XI. MANAGEMENT DISCUSSION AND ANALYSIS:

Report on Management discussion and analysis has been given separately in this report and form part of this report.

XII. ANNUAL GENERAL MEETINGS

Annual General meeting of the Company will be held on 12th September 2013 at 9.30 a.m. at THE GREEN PEARL, Opp. Satva Vikas School, Sindhu Bhavan Road, Bodakdev, AHMEDABAD-380 059.

A. PARTICULARS OF ANNUAL GENERAL MEETINGS HELD DURING LAST THREE YEARS:

Date of A.G.M.	Place of A.G.M.	Time	Particulars of Special Resolutions, if any
18-09-2010	ATMA HALL, Ahmedabad Textile Mills' Association, Ashram Road, Ahmedabad-380009	9.30 a.m.	Re-appointment of Shri Dhirajbhai K. Patel as Managing Director and appointment of Shri Chimanbhai k. Patel as Executive Director (Technical) and payment of remuneration to him
26-09-2011	ATMA HALL, Ahmedabad Textile Mills' Association, Ashram Road, Ahmedabad-380009	9.00 a.m.	Increase in remuneration of Dr. Dinesh H. Patel and appointment of Shri Bharatbhai M. Shah and Dr. Dinesh H. Patel.
27-09-2012	ATMA HALL, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad-380009	4.00 pm	Increase in remuneration of Shri Dhirajbhai K. Patel and Dr. Dineshkumar H. Patel

No Special Resolution was passed or proposed to be passed through postal ballot.

XIII.COMPLIANCE OFFICER:

Mr. Jaymin C. Patel is the Compliance Officer of the Company.

XIV. LISTING:

The Company's equity shares are listed at The Bombay Stock Exchange Ltd.

XV. STOCK CODE:

- (1) Trading Scrip Code at The Bombay Stock Exchange Ltd. : 530477
- (2) Demat ISIN number in NSDL & CDSL for equity Shares : INE337E01010



Vikram Thermo (India) Limited

XVI. FINANCIAL RESULTS:

The quarterly/half yearly /yearly financial results were published in English and Gujarati languages in news papers, from time to time.

XVII. BOOK CLOSURE:

For updating records and shareholding information of the members of the Company and also for entitlement of payment of dividend, the Share Transfer Books and Register of Members shall remain closed from 05-09-2013 to 12-09-2013 (both days inclusive).

XVIII. SHAREHOLDING PATTERN:

Category wise distribution of equity shareholding as on 31.03.2013 is as under:

Category	No. of Shares	% age
Promoter's Group	3201997	57.36
Other Body Corporate	150878	02.70
Banks	-	-
Mutual Funds and UTI	61,500	01.10
NRI	176744	03.17
Others	1985428	35.56
Shares in Transit	6023	00.11
Total	55,82,570	100.00

Distribution Schedule: (as on 31.03.2013)

No. of Shares	No. of Shareholders	% age
1 5000	1690	73
5001 10000	279	12
10001 20000	128	5
20001 30000	70	3
30001 40000	15	1
40001 50000	25	1
50001 100000	37	2
100001 And above	67	3
Total	2311	100

XIX. DIVIDEND PAYMENT DATE:

Dividend will be paid within 30 days from the date of ensuing Annual General Meeting at which dividend is proposed to be declared.

XX. REGISTERED OFFICE:

The registered office of the Company is situated at 101, Classic Avenue, Opp. Sales India, Ashram Road, Ahmedabad – 380009.

XXI. PLANT LOCATION:

The plants of the Company are located at

- (A) Unit – I : AT DHANOT, S. No. 131/1 & 131/2, Chhatral Kadi Road, Ta. Kalol, Dist. Gandhinagar, Gujarat (India).
- (B) Unit – II : AT INDRAD, S. NO. 322, Chhatral Kadi Road, Ta. Kadi, Dist. Mehsana, Gujarat (India).
- (C) Application Lab : AT 601, GIDC, Chhatral, Ta. Kalol, Dist. Gandhinagar, Gujarat (India).



MANAGEMENT DISCUSSION AND ANALYSIS:

1. INDUSTRY OUTLOOK:

Company's products, utilities are majorly in Pharmaceutical Industry. The Indian Pharma Industry is fast growing industry. Future of the Indian Pharma Industry is fabulous.

2. OPPORTUNITIES AND THREATS:

The Company envisaged remarkable growth over previous years. Company's turnover and profit figures show increase by 5.10 % and 10.46 % respectively in comparison with previous year. Company has also increased their strength by appointing qualified and experienced staff in marketing department which has direct effect on the sales, turnover and growth of the Company.

3. RISKS AND CONCERNS:

The Company's raw materials are based on petrochemicals. Major fluctuations in the petroleum products can affect the Company's performance.

4. INTERNAL CONTROL SYSTEM:

The Company has proper and adequate system of internal controls which ensures that all assets are safeguarded against loss from unauthorized use or disposition and all the transaction are authorized, recorded and reported correctly. Regular internal audits and checks are carried out to provide assurance that the responsibilities at various levels are discharged effectively and that adequate systems are in existence. The management continuously reviews the internal control systems and procedure for efficient conduct of business. A strong system of internal audit committee of the Board has strengthened the internal control within the organization.

5. HUMAN RESOURCES:

The management believes that people working with the organization are of key resource for the success of the Organization. The sincere efforts put in by the employees have translated in to Quality improvements, Productivity improvements and Cost reduction etc. Management firmly believes in developing and nurturing its human resources and improving their talents which subsequently help in the growth of the Company. Proper care is taken for safety, health and welfare of the employees. All efforts are made to give them adequate training.

CERTIFICATE OF MANAGING DIRECTOR

I, Dhirajbhai K. Patel, Managing Director of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for the Board Members and Senior Management of the Company and the Board Members and Senior Management have affirmed compliance with the said code of conduct.

PLACE : AHMEDABAD
DATE : 03.08.2013

For, VIKRAM THERMO (INDIA) LIMITED.
MANAGING DIRECTOR

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
VIKRAM THERMO (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by Vikram Thermo (India) Limited, for the year ended on 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For, B.A.Rajpara & Co.
Chartered Accountants

(B.A.RAJPARA)
Proprietor

M. No. 34451

FRN No. 108472W

Dated : 03.08.2013

Place : Ahmedabad.



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
VIKRAM THERMO (INDIA) LIMITED.
AHMEDABAD.

Report on the Financial Statements

We have audited the accompanying financial statements of VIKRAM THERMO (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 principles generally accepted in India including Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 ("the Act"). 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.

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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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. 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2013;
- b) In the case of the Statement of Profit and Loss, of the profit of the company for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by 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 section 211(3C) of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of section 274(1)(g) of the Companies Act, 1956.

For, **B.A.Rajpara & Co.**
Chartered Accountants

(B.A.RAJPARA)
Proprietor

M. No. 34451

FRN No. 108472W

Dated : 27.05.2013
Place : Ahmedabad.



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. In respect of Fixed Assets:

- i) The company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- ii) We have been informed that the fixed assets were physically verified during the year by the Management in accordance with a program of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancy was noticed on such verification.
- iii) The fixed assets disposed off during the year, in our opinion do not constitute a substantial part of the fixed assets of the company and such disposal has, in our opinion, not affected the going concern status of the company.

2. In respect of Inventories:

- i) The inventory of the company has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- ii) In our opinion and according to the information and explanations given to us, the procedures of physically verification of inventory followed by the Management are reasonable and adequate in relation to the size of the company and nature of its business.
- iii) The company has maintained proper records of inventory, as explained to us there were no material discrepancy between the physical stock and the book stock is noticed on physical verification.

3. The Company has not granted or taken any loans, secured or unsecured to or from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act 1956. Accordingly the provisions of clauses 4(iii)(b), 4(iii)(c), 4(iii)(d), 4(iii)(f) and 4(iii)(g) of the order are not applicable to the Company.

4. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to the purchases of inventories and fixed assets and with regard to sales of goods and services.

During the course of our audit we have not observed any major weaknesses in the internal control system.

5. According to the information & explanation given to us, the particular of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section.

According to information and explanation given to us, transaction made in pursuance of such contract or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time where such market prices are available with the company or the prices at which transactions for similar goods or services have been made with other parties.

6. According to the information & explanation given to us, The Company has not accepted any deposits from the public. Therefore, the provision of clause (vi) of paragraph 4 of the order are not applicable.

7. In our opinion, the company has adequate internal audit system commensurate with the size and nature of its business.

8. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost record under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.

9. In respect of statutory dues:

According to information and explanation given to us and the records of the company examined by us, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Excise duty, Cess and other statutory dues with the appropriate authorities during the year.

The dues outstanding in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3,38,980/-	A.Y 2009-10	Commissioner(Appeal)



Vikram Thermo (India) Limited

10. The company does not have accumulated losses at the end of the financial year and the company has not incurred cash losses during the current and immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to the banks. The Company has not obtained any borrowing from financial institution or by way of debentures.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanation given to us, the company is not a chit fund/nidhi/mutual benefit fund/society. Therefore, paragraph 4(xiii) of the order is not applicable.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments. Based on our examination of the records the Company has maintained proper records of the transactions and contracts in respect of shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the company in its own name.
15. According to the records of the Company and information given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions. Therefore, paragraph 4(xv) of the order is not applicable.
16. According to the information and explanation given to us, company has not raised any term loan during the year.
17. 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 there are no funds raised on short-term basis that have been used for long-term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures.
20. The company has not raised any monies by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For, **B.A.Rajpara & Co.**
Chartered Accountants

(B.A.RAJPARA)

Proprietor

M. No. 34451

FRN No. 108472W

Dated : 27.05.2013
Place : Ahmedabad.



BALANCE SHEET AS ON 31-03-2013

(AMOUNT IN RUPEES)

Particulars	Notes	As At 31-3-2013	As At 31-3-2012
A. EQUITY AND LIABILITIES			
1. Share holders fund			
(a) Capital	2	55,825,700	55,825,700
(b) Reserve & Surplus	3	161,227,266	114,731,771
		217,052,966	170,557,471
2. Non current liabilities			
Deffered tax Liability (Net)	4	6,149,224	8,718,989
		6,149,224	8,718,989
3. Current liabilities			
(a) Short term borrowings	5	19,299,548	11,352,565
(b) Trade payables	6	49,592,805	38,281,645
(c) Other Current liability	7	2,383,008	2,653,436
(d) Short term provision	8	10,418,130	12,059,183
		81,693,492	64,346,829
Total :		304,895,682	243,623,289
B. ASSETS			
1. Non current assets:			
(a) Fixed assets:	9		
(I) Tangible Assets			
Gross Block		158,064,522	147,294,946
Less : Depreciation		67,173,375	59,743,303
Net Block		90,891,147	87,551,643
(II) Intangible Assets	9	49,300	-
(III) Capital W-I-P	10	37,427,864	2,818,677
(IV) Intangible assets under development	-	-	-
(b) Non current investment	-	-	-
(c) Long term loan and advances	11	1,363,417	1,307,495
(d) Other non current assets	-	-	-
		129,731,728	91,677,815
2. Current assets:			
(a) Current Investment	12	8,217,273	-
(b) Inventories	13	34,941,148	31,528,811
(c) Trade receivables	14	87,808,664	88,384,213
(d) Cash & Cash equivalents	15	30,638,837	23,937,786
(e) Short-terms loans and advances	16	13,324,835	8,031,122
(f) Other Current Assets	17	233,198	63,541
		175,163,954	151,945,474
Total :		304,895,682	243,623,289
Summary of Significant Accounting policies	1		

As per our report of even date

For and on behalf of the Board

For B.A. Rajpara & Co.

Chartered Accountants

(B.A. Rajpara)

Proprietor

MRN 034451

FRN 108472W

Place : Ahmedabad

Date : 27.05.2013

D. K. Patel

Managing Director

Dinesh H. Patel

Director



Vikram Thermo (India) Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31-3-2013

(AMOUNT IN RUPEES)

Particulars	Notes	2012-13	2011-12
Revenue from operation	18	377,017,359	360,875,265
Other Income	19	1,246,996	214,614
TOTAL REVENUE		378,264,355	361,089,879
Expenses:			
Cost of Material Consumed	20	199,382,983	199,134,251
Purchases of Stock-in-Trade	-	-	-
Changes in Inventories of Finished Goods and Work in Process	21	(13,403,076)	(6,541,465)
Employee Benefit Expenses	22	28,157,595	20,289,112
Financial Costs	23	401,189	699,492
Depreciation expenses	9	7,845,581	6,930,700
Other expenses	24	71,849,098	55,330,758
TOTAL EXPENSES		294,233,369	275,842,848
Profit before exceptional item & extra-ordinary item & tax		84,030,986	85,247,030
Exceptional item	25	-	(433,558)
Profit before tax		84,030,986	85,680,588
Tax expenses: -			
Current Tax		30,372,951	25,671,894
Deffered Tax		(2,569,765)	2,240,518
Total Tax:		27,803,186	27,912,412
Profit/Loss for the period		56,227,800	57,768,176
Add : balance profit brought forward		129,696,381	71,928,205
Balance Profit carried over to balance sheet		185,924,181	129,696,381
Earning per share	29		
Basic		10.07	10.35
Diluted		10.07	10.35
Summary of Significant Accounting policies	1		

As per our report of even date

For B.A. Rajpara & Co.

Chartered Accountants

(B.A. Rajpara)

Proprietor

MRN 034451

FRN 108472W

Place : Ahmedabad

Date : 27.05.2013

For and on behalf of the Board

D. K. Patel

Managing Director

Dinesh H. Patel

Director



CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2013

(AMOUNTS IN RUPEES)

	YEAR ENDED 31-03-2013	YEAR ENDED 31-03-2012
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extraordinary Items	84,030,986	85,680,588
Adjusted for :		
Depreciation	7,845,581	6,930,700
Interest/Other Income	(1,235,413)	(214,614)
Finance Cost	401,189	699,492
Provision For Doubtful Debts	12,842,025	(3,186,879)
Profit/Loss On Sale of Assets	(11,583)	-
Operating Profit Before Working Capital Changes	103,872,784	89,909,288
Adjusted for :		
Current Investments	(8,217,273)	
Inventories	(3,412,337)	(5,629,646)
Trade Receivables	(12,266,476)	2,942,093
Short Term Loans & Advances	(5,293,713)	
Other Current Assets	(169,657)	1,168,534
Trade Payables	11,311,160	(5,282,921)
Other Current Liabilities	(270,428)	955,899
Tax Paid During the Year	(31,392,507)	(24,030,313)
Gratuity Provision Paid during the year	(621,497)	
Net Cash Generated/(Used) in Operating Activities	53,540,057	60,032,934
B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investment		-
Sale of Fixed assets	66,500	-
Purchase of Fixed Assets	(11,289,301)	(16,529,429)
Purchase of Fixed Assets (In WIP)	(34,609,187)	(2,818,677)
Movement of Loan and advances	(55,922)	(43,667)
Interest/Dividend/Unit Income	1,235,413	214,614
Net Cash Generated/(Used) in Investing Activities	(44,652,497)	(19,177,159)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Loans		-
Increase In Bank Borrowing	7,946,983	(8,644,167)
Finance Cost	(401,189)	(699,492)
Dividend Paid	(8,373,855)	(8,373,855)
Tax On Dividend	(1,358,450)	(1,358,450)
Net Cash Generated/(Used) in Financial Activities	(2,186,511)	(19,075,964)
Net Increase/(Decrease) in Cash and Cash Equivalents	6,701,050	21,779,811
Opening Cash and Cash Equivalent	23,937,787	2,157,976
Closing Cash and Cash Equivalent	30,638,837	23,937,787

As per our report of even date

For B.A. Rajpara & Co.

Chartered Accountants

(B.A. Rajpara)

Proprietor

MRN 034451

FRN 108472W

Place : Ahmedabad

Date : 27.05.2013

For and on behalf of the Board

D. K. Patel

Managing Director

Dinesh H. Patel

Director



1. SIGNIFICANT ACCOUNTING POLICIES :

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of financial statement are consistent with those followed in the previous year.

1.2 VALUATION OF FIXED ASSETS :

Fixed assets are stated at cost of acquisition or construction net of modvat/cenvat less accumulated depreciation and impairment loss if any.

1.3 DEPRECIATION :

The Company has provided depreciation on straight line method on all of its fixed assets on prorata basis in the manner prescribed in schedule XIV of the Companies Act, 1956 except in case of Mobile phones.

In view of fast changing technology depreciation on Mobile Phones is charged @ 100% P.A. on the new purchases since April 2006.

1.4 FOREIGN CURRENCY TRANSACTIONS :

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Current assets and current liabilities are translated at the year end rate. The difference between the rate prevailing on the date of settlement as also on translation of current assets and current liabilities at the end of the year is recognised as income or expense as the case may be.

1.5 IMPAIRMENT OF ASSETS

Impairment loss is provided to the extent the carrying amount(s) of assets exceeds their recoverable amount(s). At each balance sheet date the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an assets net selling price and its value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

1.6 INVENTORIES :

Inventories are valued at lower of cost or net realisable value. Cost is determined at the First-in-First Out (FIFO) method. The cost of finished goods and work in process comprises raw material, direct material, direct labour other direct costs and related production overhead. Cost of finished goods includes the excise duty payable. Net realisable value is the estimate of the selling price in the ordinary course of business.

1.7 EXCISE DUTY :

Excise Duty has been accounted on finished goods as and when goods are cleared except on the finished stock lying at the factory at the year end. Finished Goods are valued inclusive of excise duty payable.

1.8 REVENUE RECOGNITION :

- I. Sales are recognise when the substantial risks and rewards of ownership in goods are transferred to the buyer, upon supply of the goods and are recorded inclusive of Excise duty and VAT.
- II. Interest income is accounted on accrual basis.
- III. Income from export incentives such as Duty drawback and Premium on sale of import licenses is recognise on an accrual basis.

1.9 RETIREMENT BENEFITS :

- I. Short term employee benefits are recognized as expense in the profit and loss account of the year in which service is rendered.
- II. Contribution to defined contribution schemes such as Provident Fund, Family Pension Fund and ESI Fund are charged to the Profit & Loss Account.



III. The defined obligations in respect of gratuity are recognized on the basis of valuation done by an independent actuary applying project unit credit method. The actuarial gain/loss arising during the year is recognized in the profit and loss account of the year. The Company has an employee's gratuity fund managed by the Life Insurance Corporation of India (LIC).

IV. Leave encashment is charged to revenue on accrual basis.

1.10 TAXES ON INCOME :

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.11 RESEARCH AND DEVELOPMENT EXPENSES :

Expenditure relating to capital item is debited to fixed assets and depreciated at applicable rates. Revenue expenditure is charged to Profit and loss account for the year in which they are incurred.

1.12 BORROWING COST :

Borrowing costs, whether specific or general , utilised for acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets till the activities necessary for its intended use or sale are complete. All other borrowing costs are charged to profit and loss statement of the year in which incurred.

1.13 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation that can be reliably estimated.

Contingent Liabilities are not recognised but are disclosed in the notes.

Contingent Assets are neither recognised nor disclosed.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

2. Share Capital (Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
AUTHORISED :		
60,00,000 Equity Shares of Rs. 10 each (Previous year 60,00,000 Equity Shares of Rs. 10 each)	60,000,000	60,000,000
ISSUED SUBSCRIBED AND PAID UP :		
55,82,570 Equity Shares of Rs. 10 each fully paid up (Previous year 55,82,570 Equity Shares of Rs.10 each fully paid up)	55,825,700	55,825,700
Total :	55,825,700	55,825,700

a. There is no movement in share capital during the current year and previous year.

b. **Details of Equity shares held by shareholders holding more than 5% shares in the Company.**

No shareholder holds more than 5% of shares of the Company.

3. Reserves & Surplus (Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
General Reserve		
Opening Balance	10,500,000	7,500,000
Transferred From Profit & Loss Account	3,000,000	3,000,000
Closing Balance	13,500,000	10,500,000
Profit & Loss Account		
Opening Balance	104,231,771	59,195,900
Add : Profit for the year	56,227,800	57,768,176
	160,459,571	116,964,076
Less : Appropriation		
Transferred To General Reserve	3,000,000	3,000,000
Proposed Dividend [Dividend per Share Rs.1.50 (Previous Year Rs.1.50)]	8,373,855	8,373,855
Tax on Dividend	1,358,450	1,358,450
Closing Balance	147,727,266	104,231,771
Total Reserve & Surplus	161,227,266	114,731,771

4. Deffered Tax (Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Deferred tax liabilities		
Timing difference in Depreciation	11,271,223	9,876,038
Gross deferred tax liability	11,271,223	9,876,038
Deferred tax assets		
Provision for bad and doubtful debts	5,121,999	955,404
Tax impact of other expenses charged in the financial statement but allowable as deductions in future years under income tax.	-	201,645
Gross deferred tax assets	5,121,999	1,157,049
Deferred tax liabilities (net) Total :	6,149,224	8,718,989



Vikram Thermo (India) Limited

5. Short Term Borrowings

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Secured Borrowings		
Working Capital Rupee Loan From Banks	19,299,548	11,352,565
Total :	19,299,548	11,352,565

5.1. Working Capital facilities are secured against first charge on entire present and future current assets including entire stock, Book Debts, Loans and Advances And mortgage of Fixed Assets.

6. Trade Payables

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Micro, Small and Medium Enterprise	425,083	-
Others	49,167,722	38,281,645
Total :	49,592,805	38,281,645

6.1 The details of amount outstanding to Micro, Small and Medium Enterprise under the Micro, Small and Medium Enterprise Development Act 2006 (MSMED Act) based on the available information with the Company are as under:

	As at 31st March 2013	As at 31st March 2012
a. Principal amount due and remaining unpaid	—	—
b. Interest due on (a) above and the unpaid interest	—	—
c. Interest paid on all delayed payments under MSMED Act	—	—
d. Payment made beyond the appointed day during the year	—	—
e. Interest due and payable for the period of delay other than '(c) above	—	—
f. Interest Accrued and remaining unpaid	—	—
g. Amount of further interest remaining due and payable in succeeding years	—	—

7. Other Current Liabilities

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Unclaimed Dividends (refer to note (a) below)	1,585,058	1,409,131
Advance From Customers	751,624	964,664
Creditors for capital goods	46,326	279,641
Total :	2,383,008	2,653,436

a. There is no amounts due and outstanding to be credited to Investor Education and Protection Fund under section 205C of The Companies Act, 1956 as at year end.



Vikram Thermo (India) Limited

8. Short Term Provisions

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Proposed Dividend	8,373,855	8,373,855
Tax on Dividend	1,358,450	1,358,450
Provision For Income Tax (Net of Advance Tax)	662,825	1,692,781
Provision For Wealth Tax	23,000	12,600
Provision For Gratuity	-	621,497
Total :	10,418,130	12,059,183

9. FIXED ASSETS

(Amount in Rupees)

Sr. Name		GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
No	of Assets	Opening Balance As at 1.4.2012	Additions during the year	Deduction / Adjust. during the year	Closing Balance As at 31.3.2013	Opening Balance As at 1.4.2012	Depre. During the year	Deduc. During the year	Closing Balance As at 31.3.2013	As at 31.3.2013	As at 31.03.2012
TANGIBLE ASSETS											
1	Land (free hold)	3,003,362	-	-	3,003,362				-	3,003,362	3,003,362
2	Buildings	34,939,144	-	-	34,939,144	9,446,785	1,130,060	-	10,576,845	24,362,299	25,492,359
3	Plant & Machinery	90,110,042	4,969,608	-	95,079,650	43,375,544	5,239,563	-	48,615,107	46,464,544	46,734,498
4	Furniture & Fixtures	2,617,558	58,313	-	2,675,871	1,394,843	166,665		1,561,508	1,114,363	1,222,715
5	Equipments	9,399,975	4,278,071	-	13,678,046	3,182,444	555,510		3,737,954	9,940,092	6,217,531
6	Vehicles	5,879,133	1,645,487	393,436	7,131,184	1,539,101	589,511	338,519	1,790,093	5,341,091	4,340,032
7	Computers	1,345,732	283,822	72,289	1,557,265	804,585.91	159,571	72,289	891,868	665,397	541,146
		147,294,946	11,235,301	465,725	158,064,522	59,743,303	7,840,880	410,808	67,173,375	90,891,147	87,551,643
	2011-12	130,765,517	16,529,429	-	147,294,946	52,812,603	6,930,700		-	59,743,303	87,551,643
INTANGIBLE ASSETS											
1	Computer Software	-	54,000	-	54,000	-	4,700	-	4,700	49,300	-

10. Capital Work-in Progress

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Machinery	25,507,006	1,191,683
Factory Building	11,920,858	1,626,994
Total :	37,427,864	2,818,677

11. Long Term Loan & Advances

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Security Deposits	1,363,417	1,307,495
Total :	1,363,417	1,307,495



Vikram Thermo (India) Limited

12. Current Investment

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
(Unquoted; At lower of cost or net realisable value)		
Principal Mutual Funds - Liquid Fund No. of Units 7254.107 (Prev. Year NIL)	8,217,273	-
Total :	8,217,273	-

13. Inventories

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
(At lower of cost or net realisable value)		
Raw Materials	9,510,631	20,179,651
Work In Process	476,806	495,005
Finished Goods	23,664,391	10,243,116
Stores and Others	1,289,320	611,039
Total :	34,941,148	31,528,811

14. Trade Receivable

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Unsecured		
- More than Six Months		
Considered Good	1,401,378	4,628,887
Considered Doubtful	13,329,955	2,944,688
- Others		
Considered Good	86,407,286	83,755,326
Considered Doubtful	2,456,757	-
	103,595,376	91,328,900
Less : Provision For Doubtful Debts	15,786,712	2,944,687
Total :	87,808,664	88,384,213

15. Cash & Cash Equivalents

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Cash on hand	524,469	213,851
Balance with Banks		
- in current a/c.	10,125,939	10,411,435
- in fixed deposit a/c. (Refer note 'a' below)	18,400,000	11,900,000
- in unclaimed Dividend Accounts	1,588,428	1,412,501
Total :	30,638,837	23,937,786

- a. Fixed deposit with banks includes deposits of Rs. 1 Lac (Previous Year Rs. 1 Lac) with maturing of more than 12 months.
Fixed deposit with banks also includes deposit of Rs. 3 Lacs (Previous Year 3 Lacs) marked as Margin for Letter of Credit.



Vikram Thermo (India) Limited

16. Short Term Loans and Advances

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
(Unsecured and Considered Good)		
Loans and Advances for which values to be received	12,888,243	7,480,265
Balance With Customs & Excise Authorities	436,592	550,857
Total :	13,324,835	8,031,122

17. Other Current Assets

(Amount in Rupees)

	As At 31.3.2013	As At 31.3.2012
Interest Receivable	233,198	63,541
Total :	233,198	63,541

18. Revenue From Operations

(Amount in Rupees)

	2012-13	2011-12
Sales of Products	411,532,798	391,569,460
Less : Excise Duty	34,515,439	30,694,195
Total :	377,017,359	360,875,265
a. Particulars of sale of products		
Drugcoat	235,103,412	192,917,077
Diphenyle Oxide	175,747,956	197,854,921
	410,851,368	390,771,998

19. Other Income

(Amount in Rupees)

	2012-13	2011-12
Bank FDR interest	783,335	94,966
Interest On Security Deposits	94,539	57,275
Profit On Sale of Units	17,773	-
Bad Debt Recovery	200,000	-
Other Non Operating Income	151,349	62,373
Total :	1,246,996	214,614



Vikram Thermo (India) Limited

20. Cost Of Material Consumed

(Amount in Rupees)

	2012-13	2011-12
Opening Stock Of Materials	20,179,651	21,171,566
Add : Purchases	188,713,963	198,142,336
Less : Closing Stock of Materials	9,510,631	20,179,651
Total :	199,382,983	199,134,251
(a) Particulars of Material Consumed		
Methacrylic Acid	49,797,203	43,397,881
Ethyle Acelate	36,597,028	35,442,118
Phenol	41,624,650	46,185,441
MCB	41,804,276	43,731,642
Packing Material	11,195,521	10,943,855
Others	18,364,305	19,433,317
Total :	199,382,983	199,134,253
(b) Value of Imported & Indigenous Raw Material Consumed		
Indigenous	199,382,983	186,457,753
Imported	-	126,765,000
Total :	199,382,983	199,134,253
(c) Value of Imports on CIF basis in Respect of		
Raw Materials	-	12,676,500
Capital Goods	3,245,085	476,868
	3,245,085	13,153,368

21. Changes in Inventories of Finished Goods and Work in Process

(Amount in Rupees)

	2012-13	2011-12
Closing Inventories		
Finished Goods	23,664,391	10,243,116
Work-in Process	476,806	495,005
	24,141,197	10,738,121
Opening Inventories		
Finished Goods	10,243,116	3,778,900
Work-in Process	495,005	417,756
	10,738,121	4,196,656
Total :	(13,403,076)	(6,541,465)

**Vikram Thermo (India) Limited****22. Employee Benefit Expenses****(Amount in Rupees)**

	2012-13	2011-12
Salaries and Wages	25,529,491	18,840,551
Contribution to Provident and Other Funds	2,230,495	999,555
Staff Welfare Expenses	397,609	449,006
Total :	28,157,595	20,289,112

(a) As per AS 15 (Revised) Employee Benefits, the disclosures as defined in the accounting standard are given below

	2012-13	2011-12
(A) DEFINED CONTRIBUTION PLAN :		
Employers Contribution to Provident Fund	628,687	515,355
Employers Contribution to ESI Fund	264,487	206,816
(B) DEFINED BENEFIT PLAN :		
The Company has an employee gratuity fund plan managed by Life Insurance Corporation of India. As required by AS 15 the Status of closing balance of fund is as under :		
a. Closing balance at the year end	6,018,399	3,896,145
b. Total benefit paid during the year	111,312	115,281
c. The return on plan	355,714	319,053
d. Contribution during the year charged to Profit & Loss Account	1,877,852	173,361

23. Finance Cost**(Amount in Rupees)**

	2012-13	2011-12
Interest Expenses	271,363	1,005,423
Other Expenses	560,737	570,790
Gain on Foreign Currency Transactions and Translation	(430,911)	(876,721)
Total :	401,189	699,492



Vikram Thermo (India) Limited

24. Other Expenses

(Amount in Rupees)

	2012-13	2011-12
Manufacturing Expenses		
Consumable Stores Expenses	539,343	504,342
Insurance Expenses	345,213	318,793
Machinery Spareparts and Repairs	5,543,521	3,659,433
Power, Fuel & Water Charges	9,525,251	8,693,737
Building Repairs	1,740,440	3,351,768
Excise Duty *	1,828,572	1,688,993
Other Manufacturing Expenses	3,802,374	1,935,027
	23,324,713	20,152,092
Selling and Distribution Expenses		
Advertisement Expenses	722,029	645,539
Bad Debt. Provision Exp.	12,842,025	(3,186,879)
Freight Outward Expenses	3,261,799	5,526,042
Sales Commission	8,292,715	7,376,313
Other Selling & Distribution Expenses	2,670,468	5,425,007
	27,789,036	15,786,022
Administrative Expenses		
Legal and Professional Fees	2,954,391	1,823,301
Rates & Taxes	104,841	46,537
Travelling And Conveyance Expenses	1,001,255	687,244
Payment To Auditors	139,700	160,597
Charity and Donations	4,500,140	4,425,925
CST/VAT	10,549,092	10,783,543
Other Repairs	107,695	43,086
Other Administrative Expenses #	1,378,234	1,422,410
	20,735,348	19,392,643
Total :	71,849,098	55,330,758

* Represents difference between excise duty on closing stock and opening stock of finished goods.

Other Administrative Expenses includes Rs.1100/- (Prev. Year NIL) Prior Period Expenses

24 (a) Payment To Auditors

(Amount in Rupees)

	2012-13	2011-12
Audit Fees	113,000	113,000
Fees For Taxation Martter	26,700	47,597
Total :	139,700	160,597

**Vikram Thermo (India) Limited**

25. Exceptional Items	(Amount in Rupees)	
	2012-13	2011-12
Stock adjustment due to fire	-	(433,558)

26. Expenditure in Foreign Currency	(Amount in Rupees)	
	2012-13	2011-12
Sales Commission	299,987	208,707
Books/ Stationery	-	180,480
Travelling Expenses	162,319	180,462
R & D Equipment Repair	141,344	-
Seminar Exp.	103,373	-
	707,023	569,649

27. Earning in Foreign Currency	(Amount in Rupees)	
	2012-13	2011-12
FOB Value of Exports sales	19,038,803	36,263,570

28. Remittance of Foreign Currency For Dividends	(Amount in Rupees)	
	2012-13	2011-12
Number of shareholders	12	4
Number of Shares Held	15,900	12,500
Amount of Dividend Paid	23,850	18,750
Year to Which Dividend Relates	2011-12	2010-11

As Non Resident shareholders also mandated to credit the dividend to their NRE account it is not considered as payment of dividend in foreign currency.

29. Earning Per Share	(Amount in Rupees)	
	2012-13	2011-12
Profit available for Equity Share Holder	56,227,800	57,768,176
No. of Equity Shares	5,582,570	5,582,570
Weighted Average Number of Equity Shares in computing diluted earning per share	5,582,570	5,582,570
Basic and Diluted Earning per share	10.07	10.35
Nominal Value of Share	10.00	10.00



Vikram Thermo (India) Limited

30. Related Party Disclosures

Related party disclosure as per Accounting Standard 18 issued by the Institute Of Chartered Accountants Of India.

I. Related Party & Their Relationship

Name Of Related Party	Nature Of Relationship
Dr. Chimanbhai K Patel	Chairman Cum Director
Mr. Dhirajbhai K Patel	Managing Director - Key Management Personnel
Mr. Ambalal K. Patel	Director Liaison - Key Management Personnel
Dr. Dinesh H. Patel	Director Production & Research - Key Management Personnel
Mr. Harjivanbhai K Patel	Brother/Father - Key Management Personnel
Mr. Ghanshyambhai K Patel	Brother - Key Management Personnel
Mr. Jaimin C Patel	Son - Key Management Personnel
Mr. Alpesh A. Patel	Son - Key Management Personnel
Mr. Ankur D. Patel	Son - Key Management Personnel
Mr. Vikalp D. Patel	Son - Key Management Personnel

II. Material Transaction With Related Parties : (Amount in Rupees)

	2012-13	2011-12
1 Remuneration To Key Management Personnel	8,036,125	7,002,100
2. Remuneration To Relative Of Key Management Personnel	4,588,125	2,892,300

31. Segment Reporting

As per the definition of Reportable Segment in accordance with Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company has only one reportable segment i.e. "Chemicals", hence separate disclosure for segment reporting is not applicable to the Company.

32. Contingent Liabilities and Commitments

Commitments

- Estimated amount net of advance payments for contract remaining to be executed on capital account and not provided for is Rs.2,16,29,628/- (Previous year Rs.2,68,12,391/-)
- Disputed Income Tax demand of Rs.3,38,980/-.
- Bills Discounted but not matured Rs.24,80,466/-

33. Previous years figures

The previous year figures have been regrouped / re-classified to conform to the current year's classification wherever is necessary.

As per our report of even date

For B.A. Rajpara & Co.

Chartered Accountants

(B.A. Rajpara)

Proprietor

MRN 034451

FRN 108472W

Place : Ahmedabad

Date : 27.05.2013

For and on behalf of the Board

D. K. Patel

Managing Director

Dinesh H. Patel

Director



Vikram Thermo (India) Limited

VIKRAM THERMO (INDIA) LTD.

Registered Office : 101, Classic Avenue, Opp. Sales India, Ashram Road, Ahmedabad - 380009

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Members Folio No. : _____

Client Id : _____

Dp Id : _____

Name of Share Holder(In Block Letter)

Name of the Proxy(in Block Letters) To be filled if the proxy attends instead of the member _____

No. of Shares Held : _____

I hereby record my presence at the Annual General Meeting to be held on Thursday, the 12th September 2013, at 9.30 a.m. at THE GREEN PEARL, Opp. Satva Vikas School, Sindhu Bhavan Road, Bodakdev, AHMEDABAD-380 059.

Member's/ Proxy's Signature

1. To be signed at the time of handing over this slip.
2. Shareholders are requested to advice, indicating their folio numbers, the change in their address, if any, to the Company.

VIKRAM THERMO (INDIA) LTD.

Registered Office : 101, Classic Avenue, Opp. Sales India, Ashram Road, Ahmedabad - 380009

PROXY FORM

Members Folio No. : _____

Client Id : _____

Dp Id : _____

I/We _____

of _____ being a member/members of the

above named Company, hereby appoint _____

of _____ or failing him _____

as my/our proxy to attend and vote for me/us on me/our behalf at the Annual General Meeting of the Company to be held on Thursday, the 12th September 2013, at 9.30 a.m. at THE GREEN PEARL, Opp. Satva Vikas School, Sindhu Bhavan Road, Bodakdev, Ahmedabad-380 059.

Signed : _____

Date : _____

Affix
Revenue
Stamp of
appropriate
value

NOTE :

1. The instrument of Proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the Commencement of the Meeting
2. The form should be signed across the stamp as per specimen signature registered with the Company.
3. A Proxy need not be a member.

Vikram Thermo (India) Limited

Unit: VIKRAM THERMO (INDIA) LTD.

To
M/s Bigshare Services Pvt. Ltd.,
Unit : VIKRAM THERMO (INDIA) Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), MUMBAI-400 072
Tel: (022) 4043 0200 2847 0652/53

Sub : National Electronic Clearing Service (NECS) Mandate Form for Shares held in Physical Form.

Dear Sir,

With reference to above subject, I agree to avail of the National Electronic Clearing Service with respect to payment of dividend to me. I here by authorize **VIKRAM THERMO (INDIA) LIMITED** to credit the dividend amount directly to my bank account through **National Electronic Services Services (NECS)**. The particulars required to, this purpose are as below:

[illegible]

If the transaction is delayed or not affected at all for reasons of incomplete or incorrect of the Company. I would not hold **Vikram Thermo (India) Ltd.** responsible.

I hereby declare that the particulars given above are correct and complete.

The above mandate for NECS will supersede the earlier bank instructions/mandate, in any, case if the dividend could not be paid through NECS. I hereby authorize the Company to print the above bank details on my dividend warrant to prevent fraudulent encashment.

Place :
Date :

Signature of First / Sole holder

Book Post

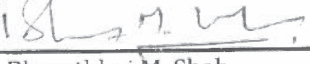
If undelivered please return to:



101, Classic Avenue,
Opposite Sales India,
Ashram Road, Ahmedabad - 380 009.

FORM A

**FORMAT OF THE COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE
FILED WITH THE STOCK EXCHANGES**

1.	Name of the Company	VIKRAM THERMO (INDIA) LIMITED
2.	Annual Financial Statements for the year ended	31 st March, 2013
3.	Type of Audit Observation	Un-qualified/Matter of Emphasis
4.	Frequency of the Observation	Whether appeared first time.../repetitive.../since how long period N/A
5.	To be Signed by- • CEO/Managing Director • Auditor of the Company • Audit Committee Chairman	 Mr. Dhirajlal K. Patel, M.D.  Mr. B. A. Rajpara, Auditor  Mr. Bharatbhai M. Shah, Chairman-Audit Committee