



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 including one Lady Director).

II. Meetings, attendance, and position held in Board and Committee meetings:

The Board met 4 times on 27-05-2014, 14-08-2014, 13-11-2014 and 12-02-2015. 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 2015 are given below.

Name of the Director	Category	Board Meetings held during tenure of Director	Board Meetings Attended	Last AGM	No. of Directors hip in other Public Limited Cos.	Chairman/ Membership in other public limited Cos.
Dr.Chimanbhai K. Patel	Executive	4	4	Y	-	-
Shri Dhirajlal K. Patel	Executive	4	4	Y	-	-
Smt.Alpaben A. Patel	Director	2	2	Y	-	-
Shri Thakarshibhai M. Patel	Independent	4	4	N	-	-
Shri Bharatbhai M. Shah	Independent	4	4	Y	-	-
Shri Ketanbhai C. Patel	Independent	4	2	Y	-	-
ShriGhanshyambhaiD.Kewadia	Independent	4	4	Y	-	-
Shri Dineshbhai H. Patel	Executive	4	3	Y	-	-
Shri. Ambalal K. Patel*	Executive	2	Nil	Y	-	-

* Resigned w.e.f. 14th August, 2014

DETAILS OF REMUNERATION

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

Name of Director	Relationship with other Director	Total Remuneration paid (Rs.)	No. of Board meeting attended
Dr. C. K. Patel	NIL	9,81,000	4
Shri D. K. Patel	Brother of Shri.A. K. Patel	27,28,800	4
Shri A. K. Patel	Brother of Shri D. K. Patel	2,77,000	Nil
Shri D. H. Patel	Nil	18,28,800	3

III. Information on Directors Appointment/Re-appointment

Dr.Chimanbhai K. Patel, Director, retires by rotation and being eligible offers himself for reappointment at the ensuing annual general meeting.

The brief particulars of the retiring director are as follows.

Name of Director	Dr.Chimanbhai K. Patel
Date of Birth	10/03/1935
Date of Appointment	26/09/1994



Qualification	MSC., PHD.
Expertise in specific Functional areas	Research and Development
List of Companies in which Directorship is held	Nil
Chairman/ Member of the Committee of other Companies	Nil

IV. Audit Committee

The Audit Committee, comprises of three non-executive independent directors viz. Shri Bharatbhai M. Shah, Shri T. M. Patel and Shri K. C. Patel, who have good experience of finance, accounts and industry.

Shri Bharatbhai M. Shah, is the chairman of the AUDIT COMMITTEE.

Committee met on 27-05-2014, 14-08-2014, 13-11-2014 and 12-02-2015 for perusal of financial position and unaudited quarterly results and also met for perusal of the finalization of annual accounts for the year ended on 31.03.2015. The Accounts and Financial position were perused by the Audit Committee and 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

V. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee consists of following non-executive directors:

Shri Ghanshyambhai D. Kewadia,

Shri Thakarshibhai M. Patel,

Shri Ketanbhai C. Patel.

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

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:

The Nomination and Remuneration Committee deals with the manner of Selection of Board of Directors, CEO & Managing Director and their remuneration.

i) CRITERIA OF SELECTION OF NON-EXECUTIVE DIRECTORS

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, Marketing, finance, taxation, law, governance and general administration.

In case of appointment of independent Directors, the committee shall satisfy itself with regard to independent nature of Directors vis-à-vis the company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under section 164 of the Companies Act, 2013.

ii) REMUNERATION

The non-executive Directors are entitled to receive remuneration by way of sitting fees @ Rs. 5,000/- for attending each Board Meeting.

iii) CEO & MANAGING DIRECTOR – CRITERIA FOR SELECTION / APPOINTMENT

For the purpose of selection of the CEO & MD, the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position .

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the companies Act 2013 or other applicable laws.

REMUNERATION FOR THE CEO & MANAGING DIRECTOR

At the time of appointment and re-appointment, the CEO& Managing Director shall be paid such remuneration as may be mutually agreed between the company and the CEO & Managing Director within the overall limits prescribed under the Companies Act 2013. The remuneration shall be subject to approval of the members of the company in General Meeting.



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.

VII. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As required under section 135 of the Companies Act, 2013 the company has formed a CSR Committee which comprises of Directors Shri Dhirajlal K. Patel, Shri Bharatbhai M. Shah and Shri Ketanbhai C. Patel, effective from 13-11-2014.

The CSR Committee met 2 times during the financial year ended March 31, 2015. The attendance record of the members at the meeting was as follows.

Name of the Member	Designation	No. of meetings attended
Shri Dhirajlal K. Patel	Managing Director	2
Shri Bharatbhai M. Shah	Independent Director	2
Shri Ketanbhai C. Patel	Independent Director	2

VIII. PERFORMANCE EVALUATION COMMITTEE

The company has formed a performance evaluation committee consisting of Shri Bharatbhai M. Shah, Shri Dhirajlal K. Patel and Shri Thakarshibhai M. Patel as the members w.e.f 13-11-2014.

The committee met 2 times during the financial year ended March 2015. The attendance record of the members at the meeting was as follows.

Name	Designation	No. of meetings attended
Shri Dhirajlal K. Patel	Managing Director	2
Shri Bharatbhai M. Shah	Independent Director	2
Shri Thakarshibhai M. Patel	Independent Director	2

Pursuant to the provisions of the companies Act, 2013 and clause 49 of the listing agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Audit, Nomination and Remuneration Committees. Decisions are taken after consideration of inputs received from the Directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its committees, Board culture, execution and performance of specific duties, obligations and governance.

IX. BUSINESS RISK MANAGEMENT COMMITTEE

The committee comprises of Shri Dhirajlal K. Patel, Shri Ketanbhai C. Patel and Dr. C. K. Patel. The committee met 2 times during the financial year 2014-15. The attendance records of the committee was as follows:

Name	Designation	No. of meetings attended
Shri Dhirajlal K. Patel	Managing Director	2
Shri Ketanbhai C. Patel	Independent Director	2
Dr. Chimanbhai K. Patel	Executive Director	2

The Business Risk Management is an ongoing process within the organization. The company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of

1. Overview of risk management performed by the executive management.
2. Reviewing of the BRM policy and framework in line with the local legal requirements and SEBI guidelines.
3. Reviewing the risks and evaluated treatment including initiating mitigation action and ownership as per a pre-defined cycle.
4. defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
5. Within its overall scope as aforesaid the committee shall review risks trends, exposure, potential input analysis and mitigation plan.



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X. INDEPENDENT DIRECTORS MEETING

During the year under review, the independent Directors met on 12-02-2015 inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and The Board of Directors as a whole.
2. Evaluation of the performance of the Chairman of the company, taking into account the views of the executive and Non-Executive Directors.
3. Evaluation of the quality, content and time lines of flow of information between the management and the Board that it is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the meeting.

XI. REGISTRAR AND SHARE TRANSFER AGENT:

M/s. BIGSHARE SERVICES PVT. LTD., Mumbai 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.

XII. MEANS OF COMMUNICATION:

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

XIII. DETAILS OF NON-COMPLIANCES, PENALTIES ETC.

There were no such instances of non-compliance. Neither any penalty nor strictures were 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.

XIV. MARKET PRICE DATA :

The month wise detail of market prices of the shares during the year 2013-2014 of the company at The Bombay Stock Exchange Ltd. are as under:

Month	High	Low
April 2014	66.00	51.05
May 2014	69.45	54.60
June 2014	77.00	54.65
July 2014	80.00	61.40
August 2014	69.40	60.25
September 2014	103.00	63.10
October 2014	117.60	78.75
November 2014	126.40	90.00
December 2014	116.00	92.50
January 2015	115.00	95.35
February 2015	104.40	71.10
March 2015	80.00	62.40

XV. MANAGEMENT DISCUSSION AND ANALYSIS:

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

XVI. ANNUAL GENERAL MEETINGS

Annual General meeting of the company will be held on 29-09-2015 at 9.00 A.M. at THE GREEN PEARL, Opp. Satva Vikas School, Sindhu Bhavan Road, Bodak Dev, Ahmedabad 380059

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
27-09-2012	ATMA HALL, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad-380009	4.00 P.M.	Increase in remuneration of Shri Dhirajbhai K. Patel and Dr. Dineshkumar H. Patel.
12-09-2013	THE GREEN PEARL, Opp. Satva Vikas School, Sindhu Bhavan Road, Bodak Dev, Ahmedabad 380059	9.30 A.M.	NIL
29-09-2014	THE GREEN PEARL, Opp. Satva Vikas School, Sindhu Bhavan Road, Bodak Dev, Ahmedabad 380059	9.00 A.M.	Appointment of Mrs. Alpaben A. Patel as a Woman Director.

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



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XVII. COMPLIANCE OFFICER:

Mr. Maheshkumar K. Shah, Company Secretary, is the Compliance Officer of the Company.
TEL.NO. 079-27543745 e-mail ID: legal@vikramthermo.com

XVIII. LISTING :

The Company's equity shares are listed at The Bombay Stock Exchange Ltd.
The Company has paid the listing fees to BSE for the financial year 2015-16.

XIX. STOCK CODE :

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

XX. FINANCIAL RESULTS:

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

XXI. 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 25th Sept., 2015 to 29th Sept., 2015 (both days inclusive).

E-VOTING :

The Company offers e-voting facility to all its members to enable them to cast their vote electronically at the Annual General Meeting, in terms of Section 108 of the Companies Act, 2013

XXII. SHAREHOLDING PATTERN:

Category wise distribution of equity shareholding as on 31.03.2015 is as under:

Category	No. of Shares	% age
Promoter's Group	33,59,697	60.18
Other Body Corporate	2,03,373	3.64
Banks	—	—
Mutual Funds and UTI	11,500	0.21
NRI	2,53,894	4.54
Others	17,29,134	30.98
Shares in Transit	25,172	0.45
Total	55,82,570	100.00

Distribution Schedule: as on 31.03.2015

No. of Shares	No. of Shareholders	% age
1 5000	2252	76.60
5001 10000	325	11.06
10001 20000	148	5.03
20001 30000	78	2.65
30001 40000	25	0.85
40001 50000	22	0.75
50001 100000	35	1.19
100001 And above	55	1.87
Total	2940	100.00

XXIII. 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.

XXIV. REGISTERED OFFICE:

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

XXV. PLANT LOCATION:

The plants of the company are located at:

- (A) Unit – I : AT DHANOT, 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: 601, GIDC, Chhatral, Tal. Kalol, Dist. GandhinagarGujarat (India)



MANAGEMENT DISCUSSION AND ANALYSIS:

1. INDUSTRY OUTLOOK:

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

2. OPPORTUNITIES AND THREATS:

Opportunities

- India has a long tradition of chemical activities and a very strong Pharmaceutical Industry which is going at rapid pace which shall directly help the Company's revenue to grow in foreseeable future.
- India has abundant supply of highly skilled manpower, scientists and technical personnel for which the salaries are considerably lower than the same in developed nations.
- The capital cost for setting up a decent world class facility is fraction of what it would cost in Western Countries. This makes the Indian Companies at the competitive position in the international markets.

Threats

- Import of goods from some of the large global sized plants may add to the competition for the Company's Products.
- We would see FDI in the form of JV or wholly owned subsidiaries in the sector to take advantage of the growing local pharmaceutical market.

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 ensure 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 have 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 Dhirajlal 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 : 12th August, 2015

FOR VIKRAM THERMO (INDIA) LTD.

MANAGING DIRECTOR



Vikram Thermo (India) Limited

Certification by Chief Executive Officer(CEO) and Chief Financial Officer (CFO)

pursuant to Clause 49 of the Listing Agreement:

We, Mr. Dhirajlal K. Patel, Managing Director and Mr. M.D.Fosi, Chief Financial Officer, in our capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of the Company hereby certify that –

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2015 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - these statements together present a true and fair view of the Company's affairs and are *in compliance with existing accounting standards, applicable laws and regulations.*
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee –
- significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (e) That to the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

For **Vikram Thermo (India) Limited**

Dhirajlal K. Patel
Managing Director

M.D.Fosi
Chief Financial Officer

Place : Ahmedabad
Date : 12th August, 2015

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 2015, 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.

Place : Ahmedabad.
Dated : 12th August, 2015

For, B. A. Rajpara & Co.
Chartered Accountants
(B. A. Rajpara)
Proprietor
M. No. 034451
FRN No. 108472W