



KABRA DRUGS LIMITED

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**KABRA DRUGS LIMITED**

**31<sup>st</sup> ANNUAL REPORT**

**2019-2020**



## KABRA DRUGS LIMITED

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### Board of Directors

Mr. Bharat Dewda	Non-Executive Independent Director
Mr. Arvind Hirve	Non-Executive Independent Director
Mr. Bangalore Venkatakrishnappa Ananth Kumar	Whole-time Director
Mr. Ramachandran Muralidharan	Additional Director
Mr. Ananthkumar Shilpa	Additional Director
Mr. Bangalore Rajeevalochana Prasanna	Additional Director

### Company Secretary

Mrs. Radhika Dammani

### Auditors

M/S. Rishi Sekhri and Associates  
Chartered Accounts

### REGD OFFICE & WORKS

270 Shastri Market  
INDORE – MP - 452 007

### Registrar & Transfer Agent

M/s Skyline Financial Services Pvt.Ltd  
A/505, Dattani Plaza, Andheri-Kurla Road,  
Safeed Pool, Andheri (East), Mumbai,  
Maharashtra, 400072

**CIN: L02423MP1989PLC005438**

Website: [www.kabradrugs.com](http://www.kabradrugs.com)

Email: [kabradrugs@gmail.com](mailto:kabradrugs@gmail.com)

Notice is hereby given that the **31<sup>st</sup> Annual General Meeting** of the Members of KABRA DRUGS LIMITED, will be held at 270 Shastri Market, Indore – 452 007 on Wednesday the 30<sup>th</sup> September, 2020 at 10:00 A.M. to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**RESOLVED THAT** subject to the provisions of Sections 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and Companies (Audit and Auditors) Rules 2014, ( including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. RISHI SEKHRI AND ASSOCIATES (Firm Reg. No. 128216W) Chartered Accountants, Mumbai retiring statutory auditor be and are hereby re appointed as the Statutory Auditors of the Company to hold office from the conclusion this AGM until the conclusion of the AGM to be held in the year of 2022, for period of 3 years at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company on the recommendation of the Audit Committee.

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**RESOLVED FURTHER THAT**, pursuant to Section 13(2) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014, subject to approval of the Central Government (power delegated to Registrar of Companies) and any other Regulatory Authorities as may be necessary, consent of the Board Of Directors be and is hereby accorded to change the name of the Company from "**KABRA DRUGS LIMITED**" to "**MIGHTO LIMITED**"

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**RESOLVED FURTHER THAT**, to shift registered office of the Company from "Shop No. 270, Shastri Market, Indore, Madhya Pradesh, 452001" to "Kabra Drugs Ltd, No. 373, 3rd Floor, Sarakki Main Road, I G Circle, J P Nagar 1 st Phase, Bangalore 560078"

5. Pursuant to Regulation of the SEBI (LODR) Regulations, 2015 and other applicable rules thereto, following appointments were considered to be approved :
  - a) **Resolved that**, Mr. Bharat Dewda (Din No. 08137846) opted to resign as Independent Non Executive director of the company in 31<sup>st</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2020.
  - b) **Resolved that**, Mr. Arvind Hirve (Din No. 08156008) opted to resign as Independent Non Executive director of the company in 31<sup>st</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2020.
  - c) **Resolved that**, Mr. Bangalore Venkatakrishnappa Ananth Kumar (Din No. 08644948) is reappointed as Whole-time director of the company from designation of additional director in 31<sup>st</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2020 till the conclusion of the 32<sup>nd</sup> AGM held in year 2021.

- d) **Resolved that**, Mr. Ramachandran Muralidharan (Din No. 02418630) is appointed as Independent Non Executive director of the company from the designation of additional director of the company in 31<sup>st</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2020 till the conclusion of the 32<sup>nd</sup> AGM held in year 2021.
- e) **Resolved that**, Mr. Ananthkumar Shilpa (Din No. 08677992) is appointed as Director of the company from the designation additional director of the company in 31<sup>st</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2020 till the conclusion of the 32<sup>nd</sup> AGM held in year 2021.
- f) **Resolved that**, Mr. Bangalore Rajeevalochana Prasanna (Din No. 08680771) is appointed as Director of the company from the designation additional director of the company in 31<sup>st</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2020 till the conclusion of the 32<sup>nd</sup> AGM held in year 2021.
- g) **Resolved that**, Mr. Churchil Durai M Jebastine (Din No. 07018943) is appointed as the Independent Non Executive director of the company in 31<sup>st</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2020 till the conclusion of the 32<sup>nd</sup> AGM held in year 2021.

Place: Indore  
Date: 02.09.2020

By Order of the Board  
For, KABRA DRUGS LIMITED

Sd/-  
RAMACHANDRAN MURALIDHARAN  
Director  
DIN: 02418630

**NOTES:**

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the company not less than 48 hours before the commencement of this meeting. Members/ proxies should bring their attendance slip duly filled in order to attend the meeting. A person can act as proxy on behalf of members" not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company.
2. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereunder and forms part of the Notice.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Register of Members and Share Transfer Register of the Company will remain close from Wednesday, September 23, 2020 to Wednesday, September 30, 2020 (both days inclusive).
5. Shareholders desiring any information as regards the accounts are requested to write to the Company at least 10 Days before the Annual General Meeting to enable the Management to keep the information ready.
6. The shareholders are hereby informed that all the correspondence in connection with the shares is addressed to the Registrar & Share Transfer Agent M/S Skyline Financial Services Pvt. Ltd, A/505, Dattani Plaza, Andheri-Kurla Road, Safeed Pool, Andheri (East), Mumbai, Maharashtra, 400072.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Skyline Financial Services Pvt. Ltd.

8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Skyline Financial Services Pvt. Ltd, for consolidation into single folio.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the Concerned Depository Participant and holdings should be verified.
11. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
12. Electronic copy of the Notice of the 31<sup>st</sup> Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
13. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2019- 20 will also be available on the Company's website at [www.kabradrugs.com](http://www.kabradrugs.com) The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (11.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post. For any communication, the shareholders may also send requests to the Company's investor email id: [kabradrugs@gmail.com](mailto:kabradrugs@gmail.com).

#### SHAREHOLDER INSTRUCTIONS FOR E-VOTING

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to physical voting to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Members to cast their votes electronically. E-voting is optional for the Members.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 27.09.2020 AT 09.00 A.M. and ends on 29.09.2020 AT 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  Both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <**KABRA DRUGS LIMITED**> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [www.kabradrugs.com](http://www.kabradrugs.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 29.09.2020 up to 5:00 pm without which the vote shall not be treated as valid.

Investor who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 23th September, 2020 are requested to send the written / email communication to the Company at [www.kabradrugs.com](http://www.kabradrugs.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

The Company has appointed C.A. ANIL JAIN of M/s. Jain Anil & Associates, Practicing Chartered Accountant (Membership No.039803) as the Scrutinizer for purpose of E voting to count the votes casted in favour or against the resolution proposed for all the items of the Notice as mentioned in the Notice and to comply with the provisions of Section 108 of the Companies Act, 2013

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

**Place: Indore**  
**Date: 02.09.2020**

**By Order of the Board**  
**For, KABRA DRUGS LIMITED**

**Sd/-**  
**RAMACHANDRAN MURALIDHARAN**  
**Director**  
**DIN: 02418630**

**DIRECTORS' REPORT****Dear Shareholders,**

Your Directors here by present the 31st Annual Report together with the Audited statements of Accounts for the financial year ended on **31st March 2020**.

**OPERATIONS REVIEW:**

Particulars	F.Y. 2019-20	F.Y. 2018-19
Revenue from Operations	-	-
Other Income	2,25,645	95,342
Total Revenue	2,25,645	95,342
Total Expenses	8,21,562	17,42,759
Profit Before Tax	(5,95,916)	(1647417)
Tax	0	0
Profit after Tax	(5,95,916)	(1647417)
EPS	(0.14)	(0.38)

**DIVIDEND:**

Considering the loss incurred in the current financial year and accumulated losses, your Directors have not recommended any dividend for the financial year under review.

**TRANSFER TO RESERVES:**

The Company has not transferred any amount to Reserves for the period under review.

**SHARE CAPITAL:**

The issued, subscribed and paid up capital of the Company is Rs. 43886000/- divided into 4388600 equity shares of Rs 10/- each. There has been no change in the share capital of the Company during the year.

**SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, associate companies & joint ventures.

**MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

No material changes and commitments affecting the financial position of the company have occurred between the end of financial year to which the financial statements relate and the date of the Directors' Report.

**DEPOSIT:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**DISCLOSURE UNDER SECTION 67 (3) (c) OF THE COMPANIES ACT, 2013:**

No disclosure is required under section 67 (3) (c) of the Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said section are not applicable.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

**SIGNIFICANT ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS:**

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.



**HUMAN RESOURCES:**

The Company believes that human capital is its biggest asset and immensely values its human resources. The Company acknowledges that employee participation and involvement is the key to sustained growth and hence encourages various measures to promote the same. The Company is of the opinion that motivated employees are very crucial to the growth of the organization and hence puts in a lot of emphasis on promoting employee engagement at all levels.

**RISK MANAGEMENT:**

The Company has developed and implemented a Risk Management Policy. The policy identifies the threat of such events as "Risks", which if occurred will adversely affect value to shareholders, ability of Company to achieve objectives, ability to implement business strategies, the manner in which the Company operates and reputation. Such risks are categorized into Strategic Risks, Operating Risks and Regulatory Risks.

The framework defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Audit Committee reviews the identified Risks and its mitigation measures annually.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit department with adequate experience and expertise in internal controls, operating system and procedures. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year under review of the company at present Board comprise following directors:

Sr. no	Name Of Director	Designation
1	Mr. Bharat Dewda	Non-Executive Independent Director
2	Mr. Arvind Hirve	Non-Executive Independent Director
3	Mr. Bangalore Venkatakrishnappa Ananth Kumar	Whole-time Director
4	Mr. Ramachandran Muralidharan	Additional Director
5	Mr. Ananthkumar Shilpa	Additional Director
6	Mr. Bangalore Rajeevalochana Prasanna	Additional Director

During the year Mrs. SNEHLATA GADIYA resigned on 19.02.2020 as Director of the company. Ms. Radhika Dammani was appointed as Company Secretary as on 05.02.2020. Further following directors were appointed in the year of review of company:

Sr. no	Name Of Director	Designation	Date of Appointment
1	Mr. Bangalore Venkata krishnappa Ananth Kumar	Whole-time Director	29.01.2020
2	Mr. Ramachandran Muralidharan	Additional Director	29.01.2020
3	Mr. Ananthkumar Shilpa	Additional Director	19.02.2020
4	Mr. Bangalore Rajeevalochana Prasanna	Additional Director	19.02.2020

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

**NUMBER OF MEETINGS OF THE BOARD:**

The details of the number of meetings of the Board held during the Financial Year 2019-20 forms part of the Corporate Governance Report.

**COMMITTEES OF THE BOARD:**

The Board of Directors has the following Committees: -

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

**BOARD EVALUATION:**

Pursuant to the provisions of the Schedule IV, clause VIII of the Companies Act, 2013 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration Committees. The performance evaluations of Independent Directors were also carried out and the same was noted. Independent Directors in their meeting decided to bring more transparency in their performance and bring more responsibility while taking any policy decisions for the benefit of the shareholders in general.

**REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration.

**REMUNERATION OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)/ EMPLOYEES:**

No Directors/ Key Managerial Personnel are drawing any remuneration. Hence, the information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial year is not given.

**FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS**

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying it in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company has through presentations, at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Engineering Industry as a whole.

**AUDITORS AND AUDITORS' REPORT:**

M/s. RISHI SEKHRI AND ASSOCIATES (Firm Reg. No. 128216W) Chartered Accountants, Mumbai retiring statutory auditor be and are hereby re appointed as the Statutory Auditors of the Company to hold office from the conclusion this AGM until the conclusion of the AGM to be held in the year of 2022, for period of 3 years at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company on the recommendation of the Audit Committee.

The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**SECRETARIAL AUDIT AND SECRETARIAL AUDITORS' REPORT:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Mrs.Radhika Dammani, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report in the prescribed Form No MR-3 is annexed herewith.

**QUALIFICATION IN SECRETARIAL AUDIT REPORT AND EXPLANATIONS BY THE BOARD: -**

Sr. No.	Qualifications made by Secretarial Auditor	Explanations by the Board
a)	Acknowledgement for sending the notices of the Meeting of the Board and Committees are not maintained by the company.	The notice and agenda for the Board and committee meeting are sent by the email or hand delivery. The company will ensure to maintain to the acknowledgements for sending the notice of the meeting of the board and the committee.
b)	Updating of website with regard to various policies is pending	The company will take necessary steps to update website with regard to various policies which are pending.
c)	The company has not complied with certain regulation of SEBI (LODR), Regulation, 2015 as regards publication of Notice of Board Meeting, Notice of AGM, quarterly results.	The company will take necessary steps to comply with the same.
d)	As per section 203(1)(i),(ii) & (iii), the Company is required to appoint Company Secretary. The Company has not appointed Company Secretary & Chief Financial Officer.	Since the Company does not have any significant business activities, hence the Volume and Scope of work for the Company Secretary is less and it is not a full time work and the job of Company Secretary is not attractive commensurate with the scope of work and salary.
e)	As per section 138 of the Companies Act, 2013, the Company is required to appoint Internal Auditor. The Company has not appointed Internal Auditor.	The size of operation of the Company is very small, it is not viable to appoint Internal Auditor but the Company has established the internal control system.
f)	The company has not maintained the attendance register for Board and committee meeting	The company will take necessary steps to maintain the attendance register for board and committee meetings.
g)	Statutory Registrar as per companies Act 2013 is yet to be updated.	The company will take necessary steps to update Statutory Register as per companies Act 2013.
h)	Certain event based E Forms have not been filed by the company in time which were required to be filed with ROC during the audit period.	The company will ensure to file all relevant documents in time with ROC and other authorities as when required.

**EXTRACT OF ANNUAL RETURN:**

An extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in the prescribed Form No. MGT 9 forming part of this report is annexed herewith.

**REPORT ON CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION & ANALYSIS:**

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with, a separate section titled Report on Corporate Governance together with a Certificate from the Practicing Company Secretary forms part of this Report. A detailed Management Discussion & Analysis forms part of this Report.

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Company has not developed and implemented any Corporate Social Responsibility initiative under the provisions of Section 135 of the Companies Act, 2013, read with Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as the said provisions are not applicable.

**PARTICULARS OF EMPLOYEES:**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not required to be given as there were no employees coming within the purview of this section.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:** The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. The Company has not received any sexual harassment related complaints during the year 2019-20.

**TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details of conservation of energy, technology absorption etc. as required to be given under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, are not applicable to Company, as our Company has not carried out in the manufacturing activities. The foreign exchange earning on account of the operation of the Company during the year was Rs. Nil.

**DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment & Remuneration) Rules, 2014, every Listed Company mandates to disclose in the Board's Report the ratio of the remuneration of each director to the permanent employee's remuneration. However, since there is no permanent employee in the Company, no disclosure under the said provision has been furnished.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation by way of notes to accounts relating to material departures;
- b) 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 at the end of the financial year and of the profit or loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- e) Directors have prepared the accounts on a "going concern basis".
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and Shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made our Company successful in the business.

For and on Behalf of the Board

KABRA DRUGS LIMITED

Place: Indore

Date: 02.09.2020

Sd/-  
BHARAT DEWDA  
DIRECTOR  
DIN: 08137846

Sd/-  
RAMACHANDRAN MURALIDHARAN  
DIRECTOR  
DIN: 02418630

**Annexure to Director's Report**

**MANAGEMENT DISCUSSION ANALYSIS REPORT**

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**1. INDUSTRY STRUCTURE AND DEVELOPMENTS:**

As of now the Company is not engaged in any activity and the management is looking for a right opportunity to make the Company operational.

**2. OVERALL REVIEW:**

Due to scarcity of working capital funds, the Company is not able to perform any business activities. To make the Company operational, the board is making its best effort to implement the cost reduction measures to the extent feasible. Several cost cutting measures have already been undertaken by the Company.

**3. RISK AND CONCERNS:**

The Company's future development would depend upon the commencement of its operational activities

**4. INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY:**

The Company is following a proper and adequate system of internal controls in respect of all its activities. Further all transaction entered into by the Company are fully authorised, recorded and reported correctly

**5. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the year under review, the Company did not carry out any activity.

**6. CAUTIONARY STATEMENT:**

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**For and on Behalf of the Board  
For, KABRA DRUGS LIMITED**

**Place: Indore  
Date: 02.09.2020**

**Sd/-  
RAMACHANDRAN MURALIDHARAN  
DIRECTOR  
DIN: 02418630**

**Annexure to Director's Report**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
**KABRA DRUGS LIMITED**  
Indore

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. KABRA DRUGS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2020** according to the provisions of:

- i) The Companies Act, 2013 and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable as the Company has not issued any shares during the year under review;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable as the Company has not issued any shares/options to directors/employees under the said guidelines / regulations during the year under review;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any debt securities which were listed during the year under review;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – No applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review.
- vi) Based on representation made by the Company and its officers, the Company has adequate system and process in place for compliance under the other applicable Laws, Acts, Rules, Regulations, Circulars, Guidelines and Standards.
- vii) We have also examined compliance with the applicable clauses of the following:
  - (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreement entered into by the Company with Stock Exchange and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following qualifications:

- a) Acknowledgement for sending the notices of the Meeting of the Board and Committees are not maintained by the company.*
- b) Updating of website with regard to various policies is pending*
- c) The company has not complied with certain regulation of SEBI (LODR) Regulations, 2015 as regards publication of Notice of Board Meeting, Notice of AGM, quarterly results.*
- d) As per section 203(1)(i),(ii) & (iii), the Company is required to appoint Company Secretary. The Company has not appointed Company Secretary & Chief Financial Officer.*
- e) As per section 138 of the Companies Act, 2013, the Company is required to appoint Internal Auditor. The Company has not appointed Internal Auditor.*
- f) The company has not maintained the attendance register for Board and committee meeting*
- g) Statutory Registrar as per companies Act 2013 is yet to be updated.*
- h) Certain event based E Forms have not been filed by the company in time which were required to be filed with ROC during the audit period.*

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

As per the information received from the company Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. We cannot comment for the same as corresponding documents are not available for inspection.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

We further report that during the audit period the Company has not passed any Special / Ordinary Resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

We further report that during the audit period, there were no instances of Public/Rights/Preferential issue of Shares/debentures/sweat equity, Redemption/buy-back of securities, Merger/amalgamation/ reconstruction etc., Foreign technical collaborations.

**For, Mrs. Radhika Dammani  
Company Secretary**

**Place: Maharashtra  
Date: 02-09-2020**

Sd/-  
**Radhika Dammani  
ACS No: 30491**

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.



**Annexure to MAR 3**

**ANNEXURE-A**

To,  
The Members,  
**KABRA DRUGS LIMITED**  
Indore

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Maharashtra**  
**Date: 02.09.2020**

**For, Mrs. Radhika Dammani**  
**Company Secretaries**

**Sd/-**  
**Mrs. Radhika Dammani**  
**ACS No: 30491**

**Annexure to Director's Report****FORM NO. MGT 9**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014**

**EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2020**

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L02423MP1989PLC005438
Registration Date	22/08/1989
Name of the Company	KABRA DRUGS LIMITED
Category / Sub-Category of the Company	PUBLIC LIMITED COMPANY HAVING SHARE CAPITAL
Address Of The Registered Office And Contact Details	270 Shastri Market, Indore- 452007 Ph. 0731- 4247626 E Mail: <a href="mailto:kabradrugs@gmail.com">kabradrugs@gmail.com</a>
Whether listed company Yes / No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Skyline Financial Services Pvt.Ltd A/505, Dattani Plaza, Andheri-Kurla Road, Safeed Pool, Andheri (East), Mumbai, Maharashtra, 400072 Tel.: 022 - 28511022 / 022 49721245 Fax: 022 – 28511022

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Drugs	21	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
-----NA-----					

**IV SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):****i Category-wise Share Holding pattern:-**

Category of Shareholders	No. of Shares held at the beginning of the year as on 01.04.2019				No. of Shares held at the end of the year as on 31.03.2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoters									
1. Indian	1048200	0	1048200	23.88	0	0	0	0	(23.88)
2. Foreign	0	0	0	0.00	0	0	0	0	0.00
Total shareholding of Promoter (A) = 1+2	<b>1048200</b>	<b>0</b>	<b>1048200</b>	<b>23.88</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(23.88)</b>
B. Public Shareholding									
1. Institutions	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate	63376	90400	153776	3.50	54234	90400	144634	3.30	(0.20)
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 Lakh	1391306	1379900	2771206	63.15	1502043	1341200	2843243	64.79	1.64
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	352690	50000	402690	9.18	1239656	60000	1299656	29.61	20.43

-NRI	12728	0	12728	0.29	12450	0	12450	0.28	(0.01)
-HUF	0	0	0	0.00	0	0	0	0.00	0.00
-Clearing Member	0	0	0	0.00	88617	0	88617	2.02	2.02
B) = (B) (1) + (B) (2) + c	1820100	1520300	3340400	100.00	2897000	1491600	4388600	100.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	2868300	1520300	4388600	100.00	2897000	1491600	4388600	100.00	0.00

**ii Shareholding of Promoters:-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share holding during the year
		No. of Shares	% of total Shares of The Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	SHYAM KABRA	480700	10.95	0.00	0.00	0.00	0.00	(10.95)
2	KUSUM KABRA	345500	7.87	0.00	0.00	0.00	0.00	(7.87)
3	AYUSH KABRA	222000	5.06	0.00	0.00	0.00	0.00	(5.06)

**iii CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE):-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020		Type
		No. of Shares	% of total Shares of The Company	No. of Shares	% of total Shares of The Company	
1	SHYAM KABRA	480700	10.95	0.00	0.00	Transfer
2	KUSUM KABRA	345500	7.87	0.00	0.00	Transfer
3	AYUSH KABRA	222000	5.06	0.00	0.00	Transfer

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
		No. of Shares	% of total Shares of The Company	No. of Shares	% of total Shares of The Company
1.	RAHUL ANANTRAI MEHTA	0	0.00	185891	4.24
2.	VINOD FOJMALJI KOTHARI HUF	0	0.00	100450	2.29
3.	ARIHANT CAPITAL MARKETS LIMITED	0	0.00	88368	2.01
4.	DHEERAJ A KUMAR	0	0.00	86400	1.97
5.	TEJA SHREE A	0	0.00	85199	1.94
6.	B V CHANDAN YADAV	0	0.00	79000	1.80
7.	K SATISH	0	0.00	70750	1.61
8.	G B BHAT	70659	1.61	70659	1.61
9.	SANJAYKUMAR RAMABHAI PATEL	64030	1.46	64030	1.46
10.	VINAY KUMAR V	0	0	58000	1.32

**(v) Shareholding of Directors and Key Managerial Personnel:-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020		Type
		No. of Shares	% of total Shares of The Company	No. of Shares	% of total Shares of The Company	
1	Mr. Shyam Kabra Resigned as on 23.08.2018	480700	10.95	0	0.00	--
2	Mrs. Kusum Kabra Resigned as on 23.05.2018	345500	7.87	0	0.00	--

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment: -

Secured Loans excluding deposits	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	00	6685106	00	6685106
ii) Interest due but not paid	00	00	00	00
iii) Interest accrued but not due	00	00	00	00
<b>Total (i+ii+iii)</b>	00	6633228	00	6633228
<b>Change in Indebtedness during the financial year</b>				
Additions	00	51878	00	51878
Reduction	00	00	00	00
Net Change	00	51878	00	51878
<b>Indebtness at the end of the financial year</b>				
i) Principal Amount	00	6685106	00	6685106
ii) Interest due but not paid	00	00	00	00
iii) Interest accrued but not due	00	00	00	00
<b>Total (i+ii+iii)</b>	00	6685106	00	6685106

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

<b>A.</b>	REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER	<b>NIL</b>
<b>B.</b>	REMUNERATION TO OTHER DIRECTORS	<b>NIL</b>
<b>C.</b>	REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD	<b>NIL</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give details)
A. Company					
Penalty			NONE		
Punishment					
Compounding					
B. Directors					
Penalty			NONE		
Punishment					
Compounding					
C. Other officers in default					
Penalty			NONE		
Punishment					
Compounding					

For and on Behalf of the Board  
For, KABRA DRUGS LIMITED

Place: Indore  
Date: 02.09.2020

Sd/-  
RAMACHANDRAN MURALIDHARAN  
DIRECTOR  
DIN: 02418630

**Annexure to Director's Report****REPORT ON CORPORATE GOVERNANCE****COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

Your Company is committed to good Corporate Governance. The Company fully understands the rights of its shareholders to information on the performance of the company and considers itself a trustee of its shareholders. Corporate Governance strengthens investor's trust and ensures a long-term partnership that helps in fulfilling our quest for achieving significant growth and profits.

**BOARD OF DIRECTORS:**

The Company has an optimum mix of Non-Executive and Independent Directors including Woman Director. All the members of the Board are competent and are persons of repute with strength of character, professional eminence, having the expertise in their respective disciplines to deal with the management functions of the company.

The composition of the Board of Directors as on date of this report:

Sr. No.	Name of Director	Executive/ Non— Executive/ Independent	No. of Directorships Held in Public Limited Companies (Including the Company)	#Committee(s) position (Including the Company)	
				Member	Chairman
1	BHARAT DEWDA	Non-Executive Independent	1	1	1
2	ARVIND HIRVE	Non-Executive Independent	1	1	1
3	Bangalore Venkatakrishnappa Ananth Kumar	Executive	1	1	0
4	Mr. Ramachandran Muralidharan	Executive	3	3	0
5	Mr. Ananthkumar Shilpa	Executive	1	1	0
6	Mr. Bangalore Rajeevalochana Prasanna	Executive	1	1	0

# Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

**Name of other listed entities where Directors of the company are Directors and the category of Directorship as on date of this report:**

Sr. No.	Name of Director	Name of listed entities in which the concerned Director is a Director	Category of directorship
1	Bharat Dewda	--	--
2	Arvind Hirve	--	--
3	Bangalore Venkatakrishnappa Ananth Kumar	--	--
4	Mr. Ramachandran Muralidharan	--	--
5	Mr. Ananthkumar Shilpa	--	--
6	Mr. Bangalore Rajeevalochana Prasanna	--	--

None of the Directors hold Directorships in more than 20 companies. Further, any individual director's directorships in public companies do not exceed 10. None of the Directors is serving as a member of more than ten committees or as the Chairman of more than five committees across all the public companies of which he is a Director.

**NUMBERS OF BOARD MEETINGS HELD AND THE DATES ON WHICH SUCH MEETINGS WERE HELD:**

During the financial year 2019-20 the Board met 8 (Eight) times as per following dates: -

Meeting No.	1	2	3	4	5	6	7	8
Date	15.05.2019	02.08.2019	08.11.2019	29.01.2020	05.02.2020	08.02.2020	19.02.2020	02.03.2020

**Attendance record of Directors attending the Board meetings and Annual General Meetings: -**

Name of the Director	Category	No. of Board Meetings Attended	Last AGM attendance
Bharat Dewda (Appointed on 30.05.2018)	Non-Executive Independent Director	8	Yes
Arvind Hirve (Appointed on 10.07.2018)	Non-Executive Independent Director	8	Yes
Snehlata Gadiya (Resigned on 19.02.2020)	Non-Executive Independent Director	7	Yes
Mr. Bangalore Venkatakrishnappa Ananth Kumar (Appointed on 29.01.2020)	Additional Director	2	NA
Mr. Ramachandran Muralidharan (Appointed on 29.01.2020)	Additional Director	2	NA
Mr. Ananthkumar Shilpa (Appointed on 19.02.2020)	Additional Director	1	NA
Mr. Bangalore Rajeevalochana Prasanna (Appointed on 19.02.2020)	Additional Director	1	NA

**MEETING OF INDEPENDENT DIRECTORS:**

The Company's Independent Directors met on May 15, 2019 without the presence of the Executive Director and the Senior Management team. The meeting was attended by majority of Independent Directors and was conducted to enable the Independent Director to discuss matters prescribed under Schedule IV to the Act and Regulation 25(3) of the SEBI (LODR) Regulation, 2015.

**The Board has identified the following skills/expertise/competencies with reference to its business for the effective functioning of the Company and which are currently available with the Board:**

The following capabilities and expertise have been identified by the Board of Directors for it to function effectively, and are available among the board members collectively:

1. Project management – both for ensuring timely delivery of each equipment, as well as for expansion of facilities
2. B2B sales, marketing and account management
3. International business experience covering operations in new geographies
4. Manufacturing and supply chain management including running production facilities
5. Talent management – especially related to engineering skills

In addition, the team would require general management and financial management skills including commercial, legal and regulatory, risk management, industrial relations, and overall stakeholder management.

**Disclosure of relationships between the Directors inter-se:** There is no relationship between the Directors inter-se.

**Number of shares and convertible instruments held by Non-Executive Directors:** Nil. During the year under review, none of the Non-Executive Directors hold any convertible instruments of the Company.

**AUDIT COMMITTEE:**

The Audit Committee of the Company constituted comprises of Three Directors being Ms. SNEHLATA GADIYA, Mr. BHARAT DEWDA and Mr. ARVIND HIRVE.

**Terms of Reference:**

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has revised the terms of reference of the Committee. The revised terms of reference are:

- (1) oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013; 41
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion / Qualification in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence; performance, and effectiveness of audit process;
- (8) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (9) approval or any subsequent modification of transactions of the listed entity with related parties;
- (10) scrutiny of inter-corporate loans and investments;
- (11) valuation of undertakings or assets of the company, wherever it is necessary;
- (12) evaluation of internal financial controls and risk management systems;
- (13) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (14) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (15) discussion with internal auditors of any significant findings and follow up there on;
- (16) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (17) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (18) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (19) to review the functioning of the whistle blower mechanism;
- (20) approval of appointment of Chief Financial Officer (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (21) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- (22) to review the compliance with the provisions of Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;
- (23) to carry out any other function as is mentioned in the terms of reference of the Audit Committee.

**Audit Committee shall mandatorily review the following information:**

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;

- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee;
- (6) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Attendance at the Audit Committee Meetings:

During the year the Audit Committee met 4 times with attendance of the members as under: -

Name	No. of Meeting attended	
	Held	Attended
SNEHLATA GADIYA	4	4
BHARAT DEWDA	4	4
ARVIND HIRVE	4	4

#### NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee constituted comprises of Three Directors being Ms. SNEHLATA GADIYA, Mr. BHARAT DEWDA and Mr. ARVIND HIRVE. Committee met three times 23.05.2019, 10.07.2019 and 10.11.2019 during the years and respectively all members present during the meeting.

#### The terms of reference of the Committee:

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has revised the terms of reference of the Committee. The revised terms of reference are:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- (5) Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- (6) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (7) recommend to the board, all remuneration, in whatever form, payable to senior management;
- (8) to administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
- (9) Carrying out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee.

#### Nomination and Remuneration Policy:

The Committee is in process of formulating Nomination and Remuneration Policy which determines criteria inter-alia qualification, positive attributes and independence of Directors for their appointment on the Board of the Company and payment of remuneration to Directors, Key Managerial Personnel and other Employees. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- Qualification, expertise and experience of the Directors in their respective fields;
- Personal, Professional or business standing;



In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Board of Directors of the Company has set up 'Stakeholders Relationship Committee' in order to align it with the provisions of Section 178 of the Companies Act, 2013. The Committee has been constituted to strengthen the investor relations and to inter-alia, look into issues relating to shareholders grievances pertaining to transfer of shares, non-receipt of declared dividends, non-receipt of Annual Report, issues concerning de-materialization etc.

This committee reconstituted comprises of Three Directors being Ms. SNEHLATA GADIYA, Mr. BHARAT DEWDA and Mr. ARVIND HIRVE. Two committee meeting held on 14.08.2018 and 01.02.2019 respectively all committee members present at the meeting.

#### **Terms of reference of the Committee:**

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has revised the terms of reference of the Committee. The revised terms of reference are:

- (1) resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, nonreceipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, dematerialization / rematerialization of Shares and debentures, general meetings etc.
- (2) review of measures taken for effective exercise of voting rights by shareholders;
- (3) review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- (4) review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- (5) to look into the reasons for any defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividends) and Creditors;
- (6) carrying out any other function as is mentioned in the terms of reference of the Stakeholder's Relationship committee.

Details of Complaints / Queries received and redressed during 1st April, 2019 to 31st March, 2020:

Number of shareholders' complaints pending at the beginning of the year	Number of shareholders' complaints received during the year	Number of shareholders' complaints redressed during the year	Number of shareholders' complaints pending at the end of the year
Nil	Nil	NA	Nil

#### **GENERAL BODY MEETINGS: LOCATION AND TIME FOR LAST 3 YEARS ANNUAL GENERAL MEETINGS:**

Financial Year	Location	Date & Time	Particulars of the Special Resolution
2018-19	26, Sector "A" Sanwer Road, Industrial Area, Indore – 452 003	30.09.2019	No Special Resolution was Passed
2017-18	26, Sector "A" Sanwer Road, Industrial Area, Indore – 452 003	11.08.2018 11 AM	No Special Resolution was Passed
2016-17	26, Sector "A" Sanwer Road, Industrial Area, Indore – 452 003	29.09.2017 11 AM	Re-appointment of Mr. Shyam Kabra as Managing Director of the Company for a period of five years from 01st June, 2016 till 31st May, 2021
No Extra Ordinary General Meeting Held during the year. No special resolution was required to be carried out through postal ballot during the last year. No resolution is proposed by postal ballot at the ensuing Annual general meeting.			

#### **MEANS OF COMMUNICATION:**

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as

website of the company immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

**GENERAL SHAREHOLDERS INFORMATION:**

Financial Year	1st April to 31st March
Date and time of Annual General Meeting	Wednesday, 30th September, 2020 at 11:00 A.M.
Venue of Annual General Meeting	270 Shastri Market Indore Indore - 452007
Dates of Book Closure	23.09.2020 to 30.09.2020
Listing on Stock Exchange	BSE Limited, Mumbai
Stock Code and Scrip ID	524322 (BSE) and KABRADG (BSE)
Demat ISIN No.	INE323K01017
Financial Calendar (tentative schedule)	
Unaudited Results for the quarter ending 30.06.2019	Before 15th August, 2019
Unaudited Results for the quarter ending 30.09.2019	Before 15th November, 2019
Unaudited Results for the quarter ending 31.12.2019	Before 15th February, 2020
Unaudited Results for the quarter ending 31.03.2020; or	Before 15th May, 2020
In case company take Audited Results for the Whole Financial Year.	Before 30th May, 2020

**CATEGORIES OF SHAREOWNERS AS ON 31.03.2020:**

Category	No. of Shares Held	Voting Strength (%)
<b>Promoters</b>	0	0.00
<b>Individuals</b>		
Share Capital up to Rs. 2 Lakh	2843243	64.79
Share Capital in excess of Rs. 2 Lakh	1299656	29.61
<b>Bodies Corporate</b>	144634	3.30
<b>NRIs/ OCBs</b>	12450	0.28
<b>Clear Member</b>	88617	2.02
<b>Hindu Undivided Families</b>	0	0
<b>Total</b>	<b>4388600</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2020:**

Share Balance	Holders	% of Total	Total Shares	% of Total
<b>Up To-2000</b>	5444	72.94	6971420	15.88
<b>2501-5000</b>	1094	14.66	4371590	9.96
<b>5001-10000</b>	455	6.10	3805290	8.67
<b>10001-20000</b>	254	3.40	3880940	8.84
<b>20001-30000</b>	70	0.94	1774620	4.04
<b>30001-40000</b>	27	0.36	962180	2.19
<b>40001-50000</b>	27	0.36	1256460	2.86
<b>50001-100000</b>	51	0.68	3674970	8.37
<b>100001 And Above</b>	42	0.56	17188530	39.17
<b>Total</b>	<b>7464</b>	<b>100.00</b>	<b>43886000</b>	<b>100.00</b>

**STOCK MARKET DATA:**

The monthly movement of Equity Share prices on BSE during the year is summarized below: -

Month	Highest (Rs)	Lowest (Rs)
Apr-19	0.6	0.56
May-19	0.59	0.53
Jun-19	0.63	0.55
Jul-19	0.62	0.57
Aug-19	0.55	0.55
Sep-19	0.64	0.57
Oct-19	0.76	0.64
Nov-19	0.9	0.73
Dec-19	1.12	0.7
Jan-20	1.43	0.89
Feb-20	2.16	1.44
Mar-20	3.14	2.2

**REGISTRAR AND SHARE TRANSFER AGENT:**

Skyline Financial Services Pvt. Ltd, A/505, Dattani Plaza, Andheri-Kurla Road, Safeed Pool, Andheri (East), Mumbai, Maharashtra, 400072  
Telephone No.: 022 - 28511022 / 022 49721245 E-mail:

**SHARE TRANSFER SYSTEM:**

Transfer of Shares in Physical form are registered and dispatched within 3 weeks from the date of their receipts, subject to the documents being valid and complete in all respects. Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respect.

**ADDRESS FOR CORRESPONDENCE:**

26, Sector-A, Sanwer Road, Industrial Estate, Indore - 452003 (M.P.)

**INVESTORS CORRESPONDENCE/ COMPLAINTS TO BE ADDRESS TO:**

RAMACHANDRAN MURALIDHARAN-Director and E-mail: [kabradrugs@gmail.com](mailto:kabradrugs@gmail.com)

**DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Equity Shares of your company are traded in compulsory dematerialization form by all investors. The company has entered into agreements with both existing Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) enabling the investors to hold shares of the company in electronic form through the depository of their choice.

**DISCLOSURES:**

- There are no materially significant related party transactions i.e. transactions of the Company of material natures, with its promoters, the directors or the managements, their subsidiaries or relatives etc., that may have potential conflict with interest of the Company at large.
- No penalties or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markers, during the last three years.
- The Company has complied with various rules and regulations prescribed by the Stock Exchange and SEBI during the last three years. No penalties or strictures have been imposed by them on the Company.
- The Company is not exposed to commodity price risk since it generally executes projects through its contractors.
- There were no instances of raising of funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.
- A certificate obtains from Practicing Company Secretary that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs.
- In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its mandatory committees.
- Disclosure with respect to demat suspense account/ unclaimed suspense account: Not applicable.
- During the financial year 2019-2020, the total fees for all services paid by the Company, on consolidated basis, to statutory auditor and all entities in the network firm/network entity of statutory auditor was Rs. 15,000.

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the financial year 2019-20:	Nil
Number of complaints disposed off during the financial year 2019-20:	NA
Number of complaints pending as on end of the financial year:	NA

**CEO/CFO Certification:**

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affair. The said certificate is annexed and forms a part of the Annual Report.

**Certificate on Corporate Governance:**

A compliance certificate from Statutory Auditor pursuant to the requirements of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance of conditions of Corporate Governance is attached.

**Place: Indore**

**Date: 02.09.2020**

**For and on Behalf of the Board  
For, KABRA DRUGS LIMITED**

**Sd/-  
RAMACHANDRAN MURALIDHARAN  
DIRECTOR  
DIN: 02418630**

**CEO / CFO CERTIFICATE**  
**(Regulation 17(8) and Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements)**  
**Regulations, 2015**

To,  
The Board of Directors  
KABRA DRUGS LIMITED  
Indore

Dear Sir,

I, the undersigned, in my respective capacities as Director of the KABRA DRUGS LIMITED ("the Company") to the best of our knowledge and belief certify that:

- A. I have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March, 2019 and based on my knowledge and belief, I state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. I further state that to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity 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. I have indicated, based on my evaluation, wherever applicable, to the Auditors' and the Audit Committee:
- (1) significant changes in internal control over financial reporting during the year, if any;
  - (2) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For and on Behalf of the Board**  
**KABRA DRUGS LIMITED**

Sd/-

**Place: Indore**  
**Date: 02.09.2020**

**RAMACHANDRAN MURALIDHARAN**  
**Director**  
**DIN: 02418630**

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**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTORS**

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To,  
The Board of Directors  
KABRA DRUGS LIMITED  
Indore

All the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended March 31, 2020.

**For and on Behalf of the Board  
KABRA DRUGS LIMITED**

Sd/-

**Place: Indore  
Date: 02.09.2020**

**RAMACHANDRAN MURALIDHARAN  
Director  
DIN: 02418630**

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER  
THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To the members of KABRA DRUGS LIMITED

We have examined the compliance of conditions of Corporate Governance by M/s. KABRA DRUGS LIMITED (“the company”) for the year ended March 31, 2020, as per the provisions of regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated above. 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 the above mentioned Listing Regulations, as applicable.

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

Restrictions on Use

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For, RISHI SEKHRI AND ASSOCIATES**  
**Chartered Accountants**  
**FRN: 128216W**

Sd/-

**CA RISHISEKHRI**  
**PARTNER**  
**M.NO. 126656**

**Place: Mumbai**  
**Date: 02.09.2020**

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF KABRA DRUGS LIMITED****REPORT ON THE FINANCIAL STATEMENTS****OPINION**

We have audited the accompanying standalone financial statements of **KABRA DRUGS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in Equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31st March 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**BASIS OF OPINION**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. We draw attention to the matter that the company has disposed off its business and undertaking comprising of Plant and Machinery, Land, Equipment, Furniture, fixtures and other assets, however as informed to us management has planning to set up a new pharmaceuticals plant hence going concern assumption considered as hold good.
2. Fixed assets register was not available for our verification and depreciation on fixed assets provided on estimated basis by the management however same could not be verified by us in absence of details and its impact on profit and loss could not be ascertained.

**Principal Audit Procedures**

- Our audit consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:
- We evaluated the design of internal controls relating to fixed assets recognition.
- We selected transactions related to fixed assets and tested the operating effectiveness of the internal control relating to it.
- We carried out a combination of procedures involving enquiry and observation, re performance and inspection.



### **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Standalone financial statements and our Auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit or loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **AUDITOR'S RESPONSIBILITY**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

- a) We have sought and 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
- e) On the basis of written representations received from the directors as on 31 March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

**For, RISHI SEKHRI AND ASSOCIATES**  
**Chartered Accountants**  
**FRN: 128216W**

**Sd/-**

**CA RISHISEKHRI**  
**PARTNER**  
**M.NO. 126656**

**Place: Mumbai**  
**Date: 02.09.2020**

**ANNEXURE "A" TO THE AUDITORS' REPORT**

**The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Our Report of even date to the members of M/s KABRA DRUGS LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2020.**

1. In respect of the Company's fixed assets:
  - a. The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. As per information and explanation given to us, the fixed assets have not been physically verified by the management during the year.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has no immovable properties as at the end of the year.
2. The company does not have any inventory. Hence, clause (ii) (a) & (b) are not applicable to the Company.
3. As per information and explanation given to us, the company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act hence clause (iii) (a) to (c) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
6. As informed to us, Central government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, in respect of products of the company.
7. In respect of Statutory dues:
  - a) As per information & according to explanation given to us, the company is generally regular in depositing statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable
  - b) As per information & according to explanation given to us, there are no cases of non-deposit with the appropriate authorities of disputed dues of Income-tax, and any other statutory dues with the appropriate authorities during the year, except for the following:

S.No.	Name of the statute	Nature of dues	As At 31/3/2019 (Rs. In lakhs)	Forum where dispute is pending
1	The Central Excise Act	Excise Duty	47.50	High Court MP

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its Officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order is not applicable to the Company and hence not commented upon.

**For, RISHI SEKHRI AND ASSOCIATES**  
**Chartered Accountants**  
**FRN: 128216W**

Sd/-

**CA RISHISEKHRI**  
**PARTNER**  
**M.NO. 126656**

**Place: Mumbai**  
**Date: 02.09.2020**

**Annexure “B” to the Auditors’ Report****Report on the internal financial controls with reference to the aforesaid standalone financial statements under section 143(3)(i) of the Companies Act, 2013**

We have audited the internal financial controls with reference to financial statements of **KABRA DRUGS LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company’s business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors’ judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, RISHI SEKHRI AND ASSOCIATES**

**Chartered Accountants**

**FRN: 128216W**

**Sd/-**

**CA RISHISEKHRI**

**PARTNER**

**M.NO. 126656**

**Place: Mumbai**

**Date: 02.09.2020**

**KABRA DRUGS LTD.**  
**CIN:- L02423MP1989PLC005438**  
**BALANCE SHEET AS AT 31ST MARCH, 2020**

Particulars	Note Ref	As at March 31,2020	As at March 31,2019
ASSETS			
(1) Non-current Assets			
(a) Property, plant and equipment	1	4,12,357	8,04,923
(b) Other Intangible Assets		-	-
(c) Financial Assets			
(i) Other Financial Assets	2	-	3,24,346
(d) Deferred Tax Assets (Net)			
(e) Other non-current assets	3	2,31,668	2,38,245
		6,44,025	13,67,514
(2) Current Assets			
(a) Inventories			
(b) Financial Assets			
(i) Trade Receivables	4	125,47,173	125,47,173
(ii) Cash & Cash Equivalents	5	1,09,614	1,07,507
(iii) Bank Balance other than (ii) above		-	-
(iv) Loans	6	7,13,185	7,13,185
(iii) Others		-	-
(c) Other Current Assets	7	1,34,315	94,315
		135,04,287	134,62,180
<b>TOTAL ASSETS</b>		<b>141,48,312</b>	<b>148,29,694</b>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	8	438,86,000	438,86,000
(b) Other Equity	9	- 441,63,190	- 435,67,273
<b>TOTAL EQUITY</b>		<b>-2,77,190</b>	<b>3,18,727</b>
LIABILITIES			
(1) Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	-	1,60,306
		-	1,60,306
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	65,24,800	65,24,800
(ii) Trade Payables	12	18,73,013	19,33,675
(iii) Other financial liability	13	51,92,086	50,86,583
(b) Other Current Liabilities	14	8,35,603	8,05,603
		144,25,502	143,50,661
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>141,48,312</b>	<b>148,29,694</b>
Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.			
As per our Report of even date			
<b>For, RISHI SEKHRI AND ASSOCIATES</b>	<b>For and on Behalf of the Board</b>		
Chartered Accountants	<b>KABRA DRUGS LIMITED</b>		
FRN: 128216 W			
Sd/-	Sd/-	Sd/-	
<b>CA RISHI SEKHRI</b>	<b>RAMACHANDRAN MURALIDHARAN</b>	<b>BHARAT DEWDA</b>	
Partner	Director	Director	
M. No.: 126656	DIN: 08156008	DIN: 08137846	
Place: Mumbai	Place: Indore		
DATE: 02.09.2020	DATE: 02.09.2020		



<b>KABRA DRUGS LTD.</b> <b>CIN:- L02423MP1989PLC005438</b> <b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020</b>			
Particulars	Note No	F.Y. 2019-20	F.Y. 2018-19
I. Revenue from Operations		-	-
II. Other Income	15	2,25,645	95,342
<b>III. Total Revenue (I +II)</b>		<b>2,25,645</b>	<b>95,342</b>
<b>IV. Expenses:</b>			
Cost of Material Consumed		-	-
Purchase of Stock-in-Trade		-	-
Change in inventories of finished goods & work in progress		-	-
Employee Benefit Expense	16	-	3,40,950
Financial costs	17	10,374	57,921
Depreciation & Amortisation	18	3,12,566	3,12,566
Other Expenses	19	4,98,622	10,31,322
<b>IV. Total Expenses</b>		<b>8,21,562</b>	<b>17,42,759</b>
V. Profit/(loss) before exceptional items and tax (III-IV)	(III - IV)	- 5,95,916	16,47,417
VI. Exceptional Items		-	-
VII. Profit/(loss) before tax (V-VI)	(V-VI)	-	-
VIII. Tax Expense:			
(1) Current Tax			
- Income Tax		-	-
(2) Earlier Year Tax			
- Short/(Excess) Provision of Tax		-	-
(3) Deferred Tax		-	-
(4) MAT Credit entitlement		-	-
IX. Profit/(Loss) for the period from Continuing Operations	(VII - VIII)	-5,95,916	-16,47,417
<b>X. Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the year, net of tax</b>		-	-
<b>XI. Total Comprehensive Income for the period</b>		<b>-5,95,916</b>	<b>- 16,47,417</b>
<b>X. Earning per equity share (Basic and Diluted)</b>		<b>- 0.14</b>	<b>-0.38</b>
Significant Accounting Policies & Notes on Accounts 25 to 37 The schedule referred above to form an integral part of the Profit & Loss in our report of even date. <b>For, RISHI SEKHRI AND ASSOCIATES</b> Chartered Accountants FRN: 128216 W <b>Sd/-</b> <b>CA RISHI SEKHRI</b> (Partner) M. No.: 126656 Place: Mumbai DATE: 02.09.2020			
<b>For and on Behalf of the Board</b> <b>KABRA DRUGS LIMITED</b>  <b>Sd/-</b> <b>RAMACHANDRAN MURALIDHARAN</b> Director DIN: 02418630 Place: Indore DATE: 02.09.2020			
<b>Sd/-</b> <b>BHARAT DEWDA</b> Director DIN: 08137846			

<b>KABRA DRUGS LTD.</b> <b>CIN:- L02423MP1989PLC005438</b> <b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020</b>		
Particulars	31.03.2020 Rupees	31.03.2019 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax and extra ordinary items	- 5,95,916	- 16,47,417
Adjustment For :		
Depreciation/amortization on continuing operation	3,12,566	3,12,566
Interest expenses	10,374	57,921
Interest Income	-2,22,321	-94,579
Excess allowance for doubtful debts reversed	-	-
Loss on sale of Fixed assets	-	-
<b>Operating profit before working capital changes</b>	<b>-4,95,297</b>	<b>-13,71,509</b>
<b>Movement in Working Capital :</b>		
Increase/(decrease) in Inventory	-	-
Increase/(decrease) in Trade receivables	0	50,918
Increase/(decrease) in Short Term Loan & Advances	-	85,172
Increase/(decrease) in Current Liabilities	30,000	-9,14,756
Increase/(decrease) in Trade Payable	44,841	3,76,735
Increase/(decrease) in Other Current Assets	-40,000	3,500
Direct taxes paid (net of refunds)	-	-5,147
<b>Net Cash Flow from Operating Activities(A)</b>	<b>-4,60,456</b>	<b>-17,75,087</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments /withdrawal in Partnership Firm	-	-
Purchase / Sale of Fixed Assets	80,000	-
Interest Received	2,22,321	94,579
Change in Bank balances not considered as cash	-	1,18,994
Increase/(decrease) in Long Term Loan & Advances	3,24,346	5,22,999
Increase/(decrease) in other non-current Asset	6,577	-
<b>Net Cash Flow from Investing Activities(B)</b>	<b>6,33,244</b>	<b>7,36,572</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed (Repayment) from long term borrowing	-1,60,306	51,878
Proceed (Repayment) from short term borrowing	-	-
Finance Cost	-10,374	-57,921
<b>Net Cash Flow from Financing Activities(C)</b>	<b>-1,70,680</b>	<b>-6,043</b>
Net increase/(decrease) in cash & cash equivalents(A+B+C)	2,108	-10,44,558
Cash and Cash equivalents (Opening Balance)	1,07,507	11,52,065
<b>Cash and Cash equivalents (Closing Balance)</b>	<b>1,09,614</b>	<b>1,07,507</b>
Previous year figure have been regrouped/ reclassified wherever necessary		
As per our report of even date		
<b>For, RISHI SEKHRI AND ASSOCIATES</b>	<b>For and on Behalf of the Board</b>	
Chartered Accountants	<b>KABRA DRUGS</b>	
FRN: 128216 W	Sd/-	
Sd/-	Sd/-	
<b>CA RISHI SEKHRI</b>	<b>RAMACHANDRAN MURALIDHARAN</b>	<b>BHARAT DEWDA</b>
Partner	Director	Director
M. No.: 126656	DIN: 02418630	DIN: 08137846
Place: Mumbai	Place: Indore	
DATE: 02.09.2020	DATE: 02.09.2020	

## Notes to Accounts for year ended March 31, 2020

## 11(A) Equity Share Capital

Equity share capital of face value ` 10.00 each	No. of Shares	(Figures in Rs.)
Balance as at April 1, 2018	4388600	43886000
Changes in equity share capital during the year	0	0
Balance as at March 31, 2019	4388600	43886000
Changes in equity share capital during the year	0	0
Balance as at March 31, 2020	4388600	43886000

## 11(B)

	Other equity				Other Comprehensive Income	
	Reserves and Surplus					
	Capital Reserve	Special Reserve	General Reserve	Retained Earnings	Equity Instrument through OCI	Total
Balance at the beginning of the reporting period on 1st April 2018	0	0	0	-41919856	0	-41919856
Profit for the period	0	0	0	-1647417	0	-1647417
Other Comprehensive Income for the year	0	0	0	0		0
Balance as on 31st March 2019	0	0	0	-43567273	0	-43567273
Profit for the period	0	0	0	-595916	0	-595916
Other Comprehensive Income for the year	0	0	0	0	0	0
Balance as on 31st March 2020	0	0	0	-44163191	0	-44163190

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The Distribution will be in proportion to the number of equity shares held by the shareholders.

## As per our Report of even date

For, RISHI SEKHRI AND ASSOCIATES

Chartered Accountants

FRN: 128216 W

Sd/-  
CA RISHI SEKHRI  
Partner  
M. No.: 126656  
Place: Mumbai  
DATE: 02.09.2020

For and on Behalf of the Board

Sd/-  
RAMACHANDRAN MURALIDHARAN  
Director  
DIN: 02418630  
Place: Indore  
DATE: 02.09.2020

Sd/-  
BHARAT DEWDA  
Director  
DIN: 08137846

## Notes forming part of the financial statements

**General Information**

Kabra Drugs Limited is a private limited company incorporated under The Companies Act, 1956 on 22<sup>nd</sup> August 1989 having its registered office at 270 Shastri Market Indore, MP. Company is presently engaged in the business of merchant trading. The company is a public limited Company and its shares are listed on Bombay stock exchange (BSE).

**Basis of preparation**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known / materialized.

**Interest and Dividend**

Interest income is recognized on accrual basis using the effective interest method. No Dividend income is earned by the company.

**NON-CURRENT ASSETS****NOTE 1 : PROPERTY, PLANT & EQUIPMENTS**

(In `)							
Particulars	Land Free Hold	Building	Plant & Equipment	Furniture & Fixture	Office Equipment	Vehicle	Total
Gross Block							
As on 01/04/2018	-	-	-	-	-	17,42,621	17,42,621
Additions	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-
As on 31/03/2019	-	-	-	-	-	17,42,621	17,42,621
Additions	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	80,000	80,000
As on 31/03/2020	-	-	-	-	-	16,62,621	16,62,621
Accumulated Depreciation							
As on 01/04/2018	-	-	-	-	-	6,25,132	6,25,132
For the year 2018-19	-	-	-	-	-	3,12,566	3,12,566
Adjustments	-	-	-	-	-	-	-
As on 31/03/2019	-	-	-	-	-	9,37,698	9,37,698
For the year 2019-20	-	-	-	-	-	3,12,566	3,12,566
Adjustments	-	-	-	-	-	-	-
As on 31/03/2020	-	-	-	-	-	12,50,264	12,50,264
Net Block as on 31/03/2019	-	-	-	-	-	8,04,923	8,04,923
Net Block as on 31/03/2020	-	-	-	-	-	4,12,357	4,12,357
Previous Year	-	-	-	-	-	8,04,923	8,04,923

**NON-CURRENT ASSETS****NOTE 2 : OTHER FINANCIAL ASSETS-NON-CURRENT**

Particulars	As at March 31,2020	As at March 31,2019
Earmarked Balance with Banks in Deposit Accounts having maturity over 12 months	-	3,24,346
<b>Total</b>	<b>-</b>	<b>3,24,346</b>

**NOTE 3 : OTHER NON-CURRENT ASSETS**

Particulars	As at March 31,2020	As at March 31,2019
TDS Receivable	2,31,668	2,38,245
<b>Total</b>	<b>2,31,668</b>	<b>2,38,245</b>

**CURRENT ASSETS****NOTE 4 : FINANCIAL ASSETS- TRADE RECEIVABLES**

Particulars	As at March 31,2020	As at March 31,2019
<b>UNSECURED, CONSIDERED GOOD:</b>		
(a) Outstanding for a period exceeding six months from the date they are due for payment	125,47,173	125,47,173
	<b>125,47,173</b>	<b>125,47,173</b>
<b>UNSECURED, CONSIDERED DOUBTFUL:</b>		
(a) Outstanding for a period exceeding six months from the date they are due for payment	11,50,906	11,50,906
	<b>11,50,906</b>	<b>11,50,906</b>
Less: Provision for doubtful Debts	11,50,906	11,50,906
<b>Total</b>	<b>125,47,173</b>	<b>125,47,173</b>

**NOTE 5 : FINANCIAL ASSETS- CASH AND CASH EQUIVALENT**

Particulars	As at March 31,2020	As at March 31,2019
Balances with Bank		
- Current account	7,841	8,733
- FD account	-	-
Cash in hand	1,01,774	98,774
<b>Total</b>	<b>1,09,614</b>	<b>1,07,507</b>

**NOTE 6 : FINANCIAL ASSETS -LOANS CURRENT**

Particulars	As at March 31,2020	As at March 31,2019
Security Deposits	7,13,185	7,13,185
<b>Total</b>	<b>7,13,185</b>	<b>7,13,185</b>

**NOTE 7 : OTHER CURRENT ASSETS**

Particulars	As at March 31,2020	As at March 31,2019
Balance with Government Authority	68,004	68,004
Advance to supplier	66,311	26,311
<b>Total</b>	<b>1,34,315</b>	<b>94,315</b>

**NOTE 8 : EQUITY SHARE CAPITAL**

Particulars	As at March 31,2020		As at March 31,2019	
<b>A. Authorised:</b>				
50,00,000 eq. Shares of Rs.10 Each	-	500,00,000	-	500,00,000
<b>Total</b>	-	<b>500,00,000</b>	-	<b>500,00,000</b>
<b>B. Issued, Subscribed &amp; Fully Paid-up:</b>				
43,88,600 Eq. Shares of Rs.10 Each	-	438,86,000	-	438,86,000
<b>Total</b>	-	<b>438,86,000</b>	-	<b>438,86,000</b>

**Disclosures:****(i) Details of Shareholding in excess of 5%**

Name of Shareholder	As at March 31,2020		As at March 31,2019	
	Number of Shares held	%	Number of Shares held	%
Shyam Kabra	0	0	4,80,700	10.95
Kusum Kabra	0	0	3,45,500	7.87
Ayush Kabra	0	0	2,22,000	5.06

**NOTE 9 : OTHER EQUITY**

Particulars	As at March 31,2020	As at March 31,2019
(a) Capital reserve	-	-
(b) Security Premium	-	-
(c) Retained Earnings	- 441,63,191	-435,67,273
(d) General Reserve	-	-
<b>Total</b>	<b>-441,63,190</b>	<b>-435,67,273</b>

**NON CURRENT LIABILITIES****NOTE 10: Financial Liabilities - Borrowings – Non Current**

Particulars	As at March 31,2020	As at March 31,2019
<b>Secured</b>		
From Banks	-	1,60,306
Less: Current Maturity	-	-
<b>Total</b>	<b>-</b>	<b>1,60,306</b>

**CURRENT LIABILITIES****NOTE 11: Financial Liabilities - Borrowings - Non Current**

Particulars	As at March 31,2020	As at March 31,2019
<b>Unsecured</b>		
Inter corporate deposits	65,24,800	65,24,800
<b>Total</b>	<b>65,24,800</b>	<b>65,24,800</b>

**NOTE 12 : FINANCIAL LIABILITIES-TRADE PAYABLES**

Particulars	As at March 31,2020	As at March 31,2019
Trade payable: Others	18,73,013	19,33,675
<b>Total</b>	<b>18,73,013</b>	<b>19,33,675</b>

**NOTE 13 : OTHER FINANCIAL LIABILITIES - CURRENT**

Particulars	As at March 31,2020	As at March 31,2019
Current maturities of long-term debt	-	-
Other Liabilities	51,92,086	50,86,583
<b>Total</b>	<b>51,92,086</b>	<b>50,86,583</b>

**NOTE 14 : OTHER CURRENT LIABILITIES**

Particulars	As at March 31,2020	As at March 31,2019
Statutory Dues	-	-
Advance from Customers	8,35,603	8,05,603
<b>Total</b>	<b>8,35,603</b>	<b>8,05,603</b>

**Note : 15 Other Income**

Sr. No	Particulars	F.Y. 2019-20	F.Y. 2018-19
1	Profit /(Loss) from Partnership Firm	-	-
2	Interest Income	2,22,321	94,579
3	Dividend Received	-	-
4	Excess Allowance for doubtful trade receivable reversed	-	-
5	Profit on Sale of Land	-	-
6	Other Income	3,324	763
	<b>Total</b>	<b>2,25,645</b>	<b>95,342</b>

**Note: 16 Employment Benefit Expenses**

Sr. No	Particulars	F.Y. 2019-20	F.Y. 2018-19
1	Salary, Wages and Other Benefits	-	3,40,950
2	Contribution to Provident and Other Funds	-	-
3	Staff Welfare expenses	-	-
	<b>Total</b>	<b>-</b>	<b>3,40,950</b>

**Note: 17 Financial Cost**

Sr. No	Particulars	F.Y. 2019-20	F.Y. 2018-19
1	Interest Expense	10,374	57,921
2	Other borrowing costs	-	-
	<b>Total</b>	<b>10,374</b>	<b>57,921</b>

**Note: 18 Depreciation & Amortization**

Sr. No	Particulars	F.Y. 2019-20	F.Y. 2018-19
1	Depreciation on Tangible assets	3,12,566	3,12,566
2	Amortization of Expenses Amalgamation Expenses	-	-
	<b>Total</b>	<b>3,12,566</b>	<b>3,12,566</b>

**Note : 19 Other Expenses**

Sr. No	Particulars	F.Y. 2019-20	F.Y. 2018-19
1	Advertisement Expense	-	38,850
2	Annual Custody Fees	11,163	16,787
3	Audit Fees	15,000	15,000
4	Bad Debts	-	-
5	Bank Charges	1,192	15,022
6	Discount	-	-
7	Electricity Expense	-	36,555
8	e-Voting Expense	-	14,724
9	Foreign Investment Monitoring	11,800	11,800
10	Freight & forwarding (net of recoveries)	-	-
11	Incineration charges	-	-
12	Insurance	-	24,711
13	Legal & Professional Expenses	-	52,462
14	Listing Fees -BSE	3,98,840	2,95,000
15	Miscellaneous Expenses	-	-
16	Power and Fuel	-	-
17	PF Admin Charges	-	8,136
18	Rates and Taxes	-	-
19	Repairs and Maintenance	-	-
	Of Buildings	-	-
	Of Others	4,007	-
20	ROC Filing Fees	12,000	5,500
21	RTA Fees	-	50,740
22	Stores & Chemicals Consumed	-	-
23	Sales Tax Expense	40,020	4,46,035
24	Telephone & Internet Expenses	-	-
25	Travelling & conveyance	-	-
26	GST Fees	4,600	-
	<b>Total</b>	<b>4,98,622</b>	<b>10,31,322</b>



Note: 25 Significant Accounting Policies:

- a) **Valuation of Inventories:** There are no inventories available in the company during the year.
- b) **Fixed assets and depreciation:**
- i) Fixed Assets are stated at cost of acquisition less accumulated depreciation and is inclusive of freight taxes, and incidental expenses relating to such acquisition.
  - ii) Depreciation on property, plant and equipment is provided on Straight-line method (SLM) as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.
- c) **Investments:** There is no Investment made by the company.
- d) **Foreign currency Transactions:** There is no foreign currency transaction.
- e) **Retirement Benefits:** Provident fund and employees state insurance scheme contribution is not applicable to the company.
- f) **Taxes on Income:**
- Current Tax:** Provision for Income-Tax is determined in accordance with the provisions of Income-tax Act 1961.
- Deferred Tax Provision:** Company does not have policy of recognizing deferred tax

**Note: 26**      **Contingent liabilities and commitments (to the extent not provided for)**  
Hon'ble M.P. has given probable liability under sales tax and excise acts on purchase of denatured spirit relating to 1991-1992. High court has granted a stay for Rs. 47,50,000 i.e., estimated amount due.

**Note: 27**      Balances of Sundry Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation.

**Note: 28**      In the opinion of the Board of directors, the current assets, Loans & advances are approximately of the value stated if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

**Note: 29**      No remuneration has been paid to the directors during the year.

**Note: 30**      **RELATED PARTY DISCLOSURES**

i. Key Management Personal

Mr. Bharat Dewda	Non-Executive Independent Director
Mr. Arvind Hirve	Non-Executive Independent Director
Mr. Bangalore Venkatakrishnappa Ananth Kumar	Whole-time Director
Mr. Ramachandran Muralidharan	Additional Director
Mr. Ananthkumar Shilpa	Additional Director
Mr. Bangalore Rajeevalochana Prasanna	Additional Director

ii. No related party transaction were carried out during the year.

**Note: 31**      there is no reportable segment as per the contention of the management.

**Note: 32** Basic and Diluted Earnings per share (EPS) computed in accordance with Accounting Standard (AS) 20 "Earning per Share"

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
<b>Numerator</b> Profit / (Loss) after Tax	-595916	-1647417
<b>Denominator</b> Weighted average number of Nos. Equity shares	4388600	4388600
<b>EPS (Basic &amp; Diluted)</b> Numerator/Denominator	-0.14	-0.38

**Note: 33**

Payment to Auditor's	2019-20 Rs.	2018-19 Rs.
For Company Audit	15000	15000
For Tax Audit	00	00

**Note: 34** **Segment Reporting**

Company is mainly engaged in manufacturing and trading of pharma products and no other business is carried on by the company, all the business activity located in India, hence segment reporting as required by Ind AS 108 – Operating Segment is not required.

**Note: 35** In the opinion of the Board of Directors the current Assets, Loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated and that the provision for known liabilities is adequate and not in excess of the amount reasonably necessary.

**Note: 36** previous year figures have been regrouped and re casted wherever necessary.

**Signature to Notes '1' to '36'**

**As per our report on even date**

**For, RISHI SEKHRI AND ASSOCIATES**

Chartered Accountants

FRN: 128216 W

**For and on Behalf of the Board**

Sd/-  
**CA RISHI SEKHRI**

Partner  
M. No.: 126656  
Place: Mumbai  
DATE: 02.09.2020

Sd/-  
**RAMACHANDRAN  
MURALIDHARAN**  
Director  
DIN: 02418630  
Place: Indore  
DATE: 02.09.2020

Sd/-  
**BHARAT DEWDA**  
Director  
DIN: 08137846  
Place: Indore  
DATE: 02.09.2020

**KABRA DRUGS LIMITED**  
**CIN: L02423MP1989PLC005438**  
**Reg. Office: 270, Shastri Market, Indore, MP - 452007 IN**

ANNUAL GENERAL MEETING On 30.09.2020 at 10.00 A.M. at registered office of the company

DP. Id*		Name & address of the registered shareholder
Client Id*		
Regd. Folio No.		

\* Applicable for shareholding in electronic form.

I/We certify that I/We am/are a registered shareholder / proxy for the registered shareholder of the Company. I/We hereby record my/our presence at the Annual General Meeting of the Company

**Signature of Member/s/ Proxy**

**NOTE:** A member or his duly appointed Proxy willing to attend the meeting must fill-up this Admission Slip and hand over at the entrance.

**PROXY FORM**

**Form No MGT-11**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the companies (Management and Administration) Rules, 2014)

CIN	L02423MP1989PLC005438
Name of Company	KABRA DRUGS LIMITED
Reg. Office Address	270, Shastri Market, Indore, MP - 452007 IN
Name of the Member	
Registered Address	
E Mail Id	
Folio No./Client ID	

I/We, being the member (s) of **KABRA DRUGS LIMITED** hereby appoint

Name			
Address			
E mail Id		Signature	

OR FAILING HIM

Name			
Address			
E mail Id		Signature	

OR FAILING HIM

Name			
Address			
E mail Id		Signature	

As my/ our Proxy to attend and vote for me/us on my/ our behalf at the Annual General Meeting of the Company to be held on 30.09.2020 at 10.00 A.M. at registered office of the company and at any adjournment thereof and respect of such resolution mentioned below:

Resolution No.	Resolution	*Optional	
Ordinary Business		For	Against
01	Adoption of financial statement for the year ended 31st March, 2020, together with Auditors' Report and Directors' Report		
02	Re-Appoint M/s Rishi Sekhri and Associates as Statutory Auditor of the Company		
03	Change in name of the Company from "KABRA DRUGS LIMITED" to "MIGHTO LIMITED"		
04	Shift of registered office of the Company from “Shop No. 270, Shastri Market, Indore, Madhya Pradesh, 452001” to “Kabra Drugs Ltd, No. 373, 3rd Floor, Sarakki Main Road, I G Circle, J P Nagar 1 st Phase, Bangalore 560078”		
05	Appointment/Resignation of Directors of the company.		
a)	Resignation of Mr. Bharat Dewda (Din No. 08137846) from designation of Non Executive director.		
b)	Resignation of Mr. Arvind Hirve (Din No. 08156008) from designation of Non Executive director.		
c)	Re-appointment of Mr. Bangalore Venkatakrishnappa Ananth Kumar (Din No. 08644948) as Whole-time director of the company from designation of additional director.		
d)	Re-appointment of Mr. Ramachandran Muralidharan (Din No. 02418630) as Non Executive director of the company from designation of additional director.		
e)	Re-appointment of Mrs. Ananthkumar Shilpa (Din No. 08677992) as Director of the company from designation of additional director.		
f)	Re-appointment of Mr. Bangalore Rajeevalochana Prasanna (Din No. 08680771) as Director of the company from designation of additional director.		
g)	Appointment of Mr. Churchil Durai M Jebastine (Din No. 07018943) as the Independent Non Executive director of the company.		

Signed on this ..... day of .....2020.

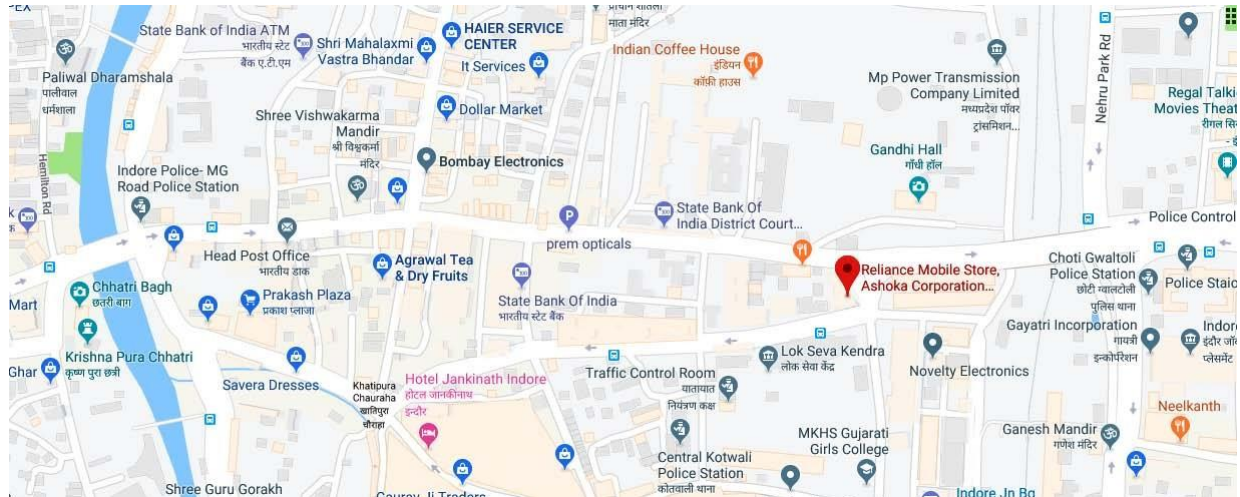
Signature of shareholder ...../ Signature of Proxy .....

Affix  
Revenue  
Stamp

**NOTE:**

- 1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2 For the Resolution, Explanatory Statement and Notes, please refer to Notice of the Annual General Meeting forming part of the Annual report
- 3 \*It is Optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

## Route Map to the venue of the AGM



## BOOK-POST

To,

**If undelivered, please return to:**  
**KABRA DRUGS LIMITED**  
**Reg. Office: 270, Shastri Market, Indore, MP - 452007 IN**