

KOBO BIOTECH LIMITED

(Formerly known as Avon Lifesciences Limited)

E-mail: info@avonlifesciences.com • Website : www.avonlifesciences.com

(CIN : L24110TG1993PLC016112)

8th November, 2021

Corporate Service Department
BSE Limited
25 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
corp.relations@bseindia.com
Scrip: 531541

Ref: Kobo Biotech Ltd

Sub.: Annual Report for the Financial Year 2020-21

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith Annual Report of the Company for the Financial Year 2020-21.

This is in compliance with the provision of above mentioned regulations and for your information.

Thanking you,

Yours faithfully,

For **Kobo Biotech Limited**

(Formerly Avon Lifesciences Limited)

J. M. Patel
Jignesh Patel
Company Secretary



Filed on online



Kobo Biotech Limited

(Formerly Known as Avon Lifesciences Limited)

28th ANNUAL REPORT 2020-21

Kobo Biotech Limited

(Formerly Known as Avon Lifesciences Limited)

CIN: L24110TG1993PLC01611

Regd. Off: 505, Plot No.193&193/1, Chandi Nilayam, Samatha Nagar, Bhagyanagar 3rd Phase, Kukatpally, Hyderabad- 500085

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Board of Directors

Mr. Ajit Kamath, Non Executive Chairman & Director
Mr. Rajendrakumar Kaimal, Non-Executive Director
Dr. Sunil Pitroda, Independent Director
Mr. Abhishek Buddhadev, Independent Director
Ms. Urja Shah, Independent Director
Mr. Jignesh Patel, Company Secretary & Compliance Officer

Registered Office

Regd. Office: 505, Plot No.193&193/1, Chandi Nilayam, Samatha Nagar, Bhagyanagar 3rd Phase, Kukatpally, Hyderabad- 500085

Auditors

M/s. N. G. Jain & Co.,
Chartered Accountants, Mumbai
FRN No. 103941W

Manufacturing Facilities

1.Plot No. E-2, Chincholi Industrial Area Solapur, Maharastra ;
Phone: 0217 – 2357738
Fax-0217-2357339

2.Survey No. 18, Yawapur, Sadasivpet (M), Medak Dist.,
Telangana; (Non-Operational)

Bankers & Financial Institutions

Indian Overseas Bank
JM Financial Asset Reconstruction Company Ltd.

Registrars & Share Transfer Agents

XL Softech Limited, 3, Sagar Society,
Road No. 2, Banjara Hills, Hyderabad-500 034.
Phone no. (040) 23545913/ 14/ 15

NOTICE

NOTICE IS HEREBY GIVEN THAT the 28th Annual General Meeting of the members of KOBIO Biotech Limited (Formerly Avon Lifesciences Limited) will be held on Tuesday, the 30th day of November, 2021 at 10.00 A.M. (IST), through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility to transact following business:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
- 2 To appoint a Director in place of Mr. Rajendrakumar Kaimal (DIN: 00032839), who retires by rotation and offers himself for reappointment.

Special Business

Item No. 3: Ratification of remuneration of Cost Auditor

To ratify remuneration of cost auditor and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), payment of remuneration of Rs. 10,000/- to M/s. Santiram Chattopadhyay & Associates, Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022, be and is hereby approved.

RESOLVED FURTHER THAT Mr. Ajit Kamath and/or Mr. Rajendrakumar Kaimal Directors of the Company and/or Mr. Jignesh Patel Company Secretary of the Company be and are hereby authorized severally to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

For KOBIO Biotech Limited

30th June, 2021
Mumbai

Sd/
Jignesh Patel
Company Secretary

NOTES

1. The statement pursuant to section 102 of the Companies Act, 2013 relating the Notice is annexed herewith.
2. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and Ministry of Corporate Affairs ("MCA") has vide its General Circulars dated 8th April 2020, 13th April 2020, 5th May 2020, 28th September 2020, 31st December 2020 and 13th January 2021 issued by the Ministry of Corporate Affairs ("MCA") (collectively referred to as 'MCA Circulars') and SEBI Circular dated 12th May 2020 and 15th January 2021 ('SEBI Circulars') permitted the holding of the Annual General Meeting (AGM or the Meeting) through VC/ OAVM, without the physical presence of the Shareholders at the venue.

Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 read with the said Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has decided to convene its ensuing 28th AGM through VC/ OAVM, and the Shareholders can attend and participate in the ensuing AGM through VC/ OAVM. The attendance of the shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act 2013.

3. Members desirous of any information or queries on accounts or relevant reports are requested to send their queries at least ten days in advance to the Company at its email info@kobobiotech.com to enable the Company to collect the relevant information and answer them in the meeting.
4. Body Corporate members intending to appoint their authorized representative are requested to send a duly certified copy of the Resolution authorizing their representative to participate and vote at the Meeting.
5. Relevant documents referred to in the accompanying notice and explanatory statements are open for inspection by the members at the corporate office of the Company on all working days between 11.00 a.m. and 2.00 p.m. or through electronic means on request.
6. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/Depositories.
7. Members who have not registered their e-mail addresses, so far are requested to register their e-mail addresses with the Depository. Members who hold shares in physical form are requested to register their email addresses with the Registrar & Share Transfer Agent (RTA), M/s. XL Softech Systems Limited, 3, Sagar Society, Rd No.2, Banjara Hills, Hyderabad- 500034, Telangana.
8. Pursuant to SEBI Notification dated 08/06/2018, SEBI(LODR) (4th Amendment) Reg, 2018 and BSE Circular dated 05/07/2018, LIST/COMP/15/2018-19, Members who are holding shares in physical form are requested to get their shares dematerialized with any depository participants in their own interest.
9. **Provide PAN, Bank details etc:** Shareholders mandatorily need to provide to the Company or Share Transfer Agent (STA) their PAN and Bank Account details. If you have not furnished so far, please provide self-attested copy of PAN card, cancelled cheque with bank detail. To update your current address, provide self-signed copy of latest address proof (aadhar card, passport, driving license, election voter card or utility bill in the name of sole or first holder. You may visit our website or contact secretarial department of the Company for further guidance.
10. **Nomination:** Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to section 72 of the Companies Act 2013 read with relevant rules. Members desiring to avail of this facility may send their nomination in the prescribed form no. SH13 duly filled in and signed to the Company or RTA.

Member may contact secretarial department on 022 4287 1210 for guidance to avail facilities or matters as mentioned in this Notice.
11. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA** at info@kobobiotech.com ; xlfield@gmail.com.
12. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA** at info@kobobiotech.com ; xlfield@gmail.com.
13. In compliance with the provisions of Sections 108 and 110 of the Act read with the Rules and the MCA Circulars, the Company is sending this Notice in electronic form only and has extended only the remote e-voting facility for its Members, to enable them to cast their votes electronically instead of submitting the Ballot form. The hard copy of this Annual Report and pre-paid business envelope will not be sent to the Members for this Annual General Meeting. The instructions for remote e-voting are appended to this Notice.
14. Pursuant to Rule 22(5) of the Rules, the Board of Directors of the Company have appointed Mr. Mehul Pitroda, Company Secretary (Membership No.ACS-43364) of M/s. M. S. Pitroda & Co., Practising Company Secretaries as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.
15. For the purpose of dispatch of this Notice, shareholders of the Company holding shares in demat / physical form as on 29th October, 2021 has been considered. Any person, who acquire shares of the Company and

becomes member of the Company after 29th October, 2021 may obtain the login details by sending a request to CDSL at helpdesk.evoting@cdslindia.com or to the Registrar and share transfer agents of the company.

16. The Members whose name appears in the Register of Members/list of Beneficial Owners as received from Depositories as on 23rd November, 2021 ("cut-off date") are entitled to vote on the resolutions set forth in this notice. Person who is not a member as on the said date should treat this notice for information purpose only.
17. The scrutinizer will submit his report to the Chairman and/or to the Company Secretary duly authorized by Chairman, after completion of the scrutiny of the votes received through e-voting in a fair and transparent manner. The results of the e-voting shall be declared by the Chairman or the Company Secretary duly authorised on or around 2nd December, 2021.
18. For e-voting, please read carefully the "Procedure/ instructions for e-voting" enumerated herein:

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on **Saturday, 27th November, 2021 (09:00 AM)** and ends on **Monday, 29th November, 2021 (05:00 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 (record date) of 23rd November, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.

Type of shareholders	Login Method
	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p>

Type of shareholders	Login Method
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.

- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Kobo Biotech Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address info@kobobiotech.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who have any question may sent their question to the Company Secreatary at info@kobobiotech.com in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number. These queries will be replied to by the company suitably by email.
8. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@kobobiotech.com ; xlfield@gmail.com.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3: - Ratification of remuneration of Cost Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. Santiram Chattopadhyay & Associates, Cost Accountants as Cost Auditor of the Company for the financial year ending on 31st March 2022, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act 2013 and Rules made thereunder, at a remuneration of Rs.10,000/- and applicable taxes and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in the Notice for ratification of the remuneration payable to the Cost Auditors. The Board recommends the Ordinary Resolution for the above matter as set out in the Notice for approval by the members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Board's Report

To,
The Members of Kobo Biotech Limited,
 (Formerly Avon Lifesciences Limited)

Your Directors are pleased to present their 28th Annual Report on your Company's operations along with the Audited financial statements for the financial year ended on 31st March, 2021.

SUMMARY OF STANDALONE FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
TOTAL INCOME	3.59	3.44
EBITDA/ (IBITDA)	(275.36)	(65.33)
Profit/ (Loss) before Tax	(1923.13)	(2100.62)
Profit/ (Loss) after Tax	(1923.13)	(2100.62)
Earnings/ (loss) Per Share (EPS)(in Rs.)	(8.07)	(8.82)

DIVIDEND

In view of the losses incurred during the year under review, your Directors do not recommend any Dividend on the Equity Shares.

OPERATIONS REVIEW

The Management of the company could not resume the Operational activities at the plant during the year under review owing to certain regulatory clearances required to resume operations. The Management is following up with authorities, in order to enable the restart of operations. Due to no operational activities at the Company for the past few years, the Employee benefit expenses from the March quarter onwards has been considered only for the Employees who are reporting to work. Similarly, the interest cost from the March quarter is not being provided for, as majority of the loans have been assigned to the JM Financial Asset Reconstruction Company Ltd and for the remainder of the secured loans, the company has entered into settlement plan with one such lender and is under discussion with the other lender for settlement.

The Company continues to operate only in one segment i.e. pharmaceuticals and there is no change in the nature of business of the Company.

The COVID-19 pandemic has disrupted the global economy creating unprecedented challenges; economic activity in India too was almost at a standstill due to the nationwide lockdown from end-March 2020. However, as stated above there were no operational activity during the year hence there is no major impact on the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, of the state of affairs of your company is provided in a separate section of this Annual Report and form a part of the Board's Report.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

Details regarding subsidiary/ associate Company or joint venture as given in Form MGT – 9

DIRECTORS

Board of Directors as of 31.03.2021

Mr. Ajit Kamath	: Non-Executive Chairman
Mr. Rajendra Kaimal	: Non-Executive Director
Dr. Sunil Pitroda	: Non-Executive Independent Director
Mr. Abhishek Buddhadev	: Non-Executive Independent Director
Ms. Urja Shah	: Non-Executive Independent Director & Women Director

In accordance with the provisions of section 152(6) of the Companies Act, 2013 ("the Act") and Articles of Association of the Company, Mr. Rajendra Kaimal (DIN: 00032839), is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and offers himself for re-appointment. The Board recommends his re-appointment.

Brief profiles of the abovementioned Director is included in a separate **"Annexure B"**.

a. Board meetings

The Board met 4 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

b. Evaluation of Board, Committees and Directors

The Board has carried out the annual evaluation of its own performance, and of each of the directors individually. The manner in which the evaluation has been carried out has been explained in detail in the Corporate Governance Report, which forms part of this Annual Report.

c. Policy on appointment and remuneration of Directors

The Company has formulated criteria for determining Qualifications, Abilities, Experience and Independence of a Director as also a Policy for remuneration of Directors, Key managerial Personnel and senior management.

FAMILIARIZATION PROGRAMMES

The Company's policy on programmes and measures to familiarize Independent Directors about the Company, its business, updates and development includes various measures viz. issue of appointment letters containing terms, duties etc.

AUDITORS

a. Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. N G Jain & Co, Chartered Accountants (Registration No. 103941W), were appointed as statutory auditors of the Company from the conclusion of the twenty-fourth annual general meeting (AGM) of the Company held on 31st March, 2018, till the conclusion of the twenty-ninth AGM to be held in the year 2022.

c. Cost Auditors

Pursuant to the provision of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 the Company has appointed M/s. Santiram Chattopadhyay & Associates, the Cost Auditors to conduct the cost audit for the Financial year 2021-22.

c. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Mehul Pitroda of M. S. Pitroda & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure C" comments of the Secretarial Auditor in their report are self-explanatory.

INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK

The Company has a proper and adequate Internal Financial Control System, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated a whistle blower policy with a view to provide a vigil mechanism for the directors and employees of the company to report instances of unethical behavior, fraud or mismanagement.

RISK MANAGEMENT POLICY

In accordance with Section 134(3) (n) of the Act, the Company has framed a Risk Management Policy to identify and assess the key risk areas. Your Board has identified any element of risk which may threaten the existence of the Company.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company, which may have a potential conflict with the interest of the Company at large, and thus disclosure in Form AOC-2 is not required.

None of the Non-Executive Independent Directors has any pecuniary relationship or transactions with the Company other than sitting fees payable (if any) to them.

INFORMATION ON EMPLOYEES

Information on particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is reported to be nil as there are no employees who are in receipt of remuneration above the prescribed limit.

The ratio of remuneration of each director to the median employee's remuneration and other details in terms of Sub - Section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable as the Directors did not draw and remuneration from the Company for the Financial Year 2020-21.

LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments covered under applicable provisions of section 186 of the Act are given in the notes to the financial statements.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of section 135 of the Act, read with CSR Rules, the Company has formed a CSR committee. However due to the no operational activity and losses incurred by the Company during the year under review and the previous financial year, the Company did not undertake any CSR activity.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and there are no outstanding deposits from the public as on 31st March, 2021.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in form MGT - 9 is uploaded on the website of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- b) that such accounting policies as mentioned in the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken 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;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to Conservation of energy, technology absorption, foreign exchange earnings and outgo, pursuant to Section 134 of the Act, read with the Companies (Accounts) Rules, 2014 is given as "Annexure A" and forms part of this report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT AND DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are few ongoing legal matters/ litigations, which have been filed against the company and its Directors during last few years. The Company, through their Counsels/lawyers have represented for defending its position.

OTHER INFORMATION / DISCLOSURES

The Company has in place a policy against sexual harassment at work place in line with the requirements of the concern statute. There was no complaint received during the year, nor there are any pending complaints which need to be redressed.

Further, in terms of the provisions of the Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by SEBI, the Company has obtained the Annual Secretarial Compliance Report, thereby confirming compliance of the applicable SEBI Regulations and circulars /guidelines issued thereunder, on behalf of the Company.

A Certificate has been obtained from Mr. Mehul Pitroda of M. S. Pitroda & Co., Practising Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority.

CORPORATE GOVERNANCE

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, is annexed with the report.

GRATITUDE & ACKNOWLEDGMENTS

Your directors wish to place on record their sincere thanks and appreciation to all the banks/ financial institutions, regulatory authorities, Govt. institutions and the employees for their co-operation and support at all times..

For and on behalf of the Board of Directors
KOBO BIOTECH LIMITED

Mumbai
30th June, 2021

Ajit Kamath
Chairman & Non Executive Director
DIN: 00032799

ANNEXURE – A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2021 is given here below and forms part of the Board's Report.

A. CONSERVATION OF ENERGY

(a) Steps taken or impact on conservation of energy:

The Company is engaged in continuous process of energy conservation through improved operational and maintenance practices. The company could not carry out any operational activity during the year under review.

(b) The steps taken by the company for utilizing alternate sources of energy: NIL

(c) The capital investment on energy conservation equipment: NIL

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

NIL

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

NIL

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – NIL

(iv) Details of expenditure on Research and Development during the year under review is as under:

(Rs. In lakhs)

a)	Capital	-
b)	Recurring	-
c)	Total expenditure	-
d)	Total expenditure as a % of Net Sales	-

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. In lakhs)

Particular	Year 2020-21	Year 2019-20
Foreign Exchange earned	-	-
Foreign Exchange used / outgo	-	-

ANNEXURE – B

Details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting:

Name	Mr. Rajendra Kaimal
Date of Birth	23.06.1973
Date of Appointment	30.05.2013
Nationality	Indian
Category	Promoter
Designation	Non Executive Director
Qualification / Expertise in Specific Functional Areas	Mr. Rajendra Kaimal, aged 48 years, holds a Bachelors Degree in Commerce from the University of Mumbai. He has completed his Masters in Management Studies from Narsee Monjee Institute of Management Studies, Mumbai and is a Cost Accountant from the Institute of Cost and Works Accountants of India. He has over 20 years of experience in the pharmaceutical industry.
Occupation	Service
Other Directorships/ Directorships held in other companies	<ol style="list-style-type: none"> 1. Arch Agro Industries Private Limited 2. Amra Renal Care Limited 3. Arch Finechemicals Limited 4. Arch Pharmalabs Limited 5. Arch Pharmachem Ltd 6. Arch Herbals Private Limited 7. Arch Life Sciences Limited 8. Arch Impex Private Limited 9. Archplus Sales Private Limited 10. Amra Remedies Limited 11. A M R Investments Private Limited 12. Arch Pharmalabs Fz-LLC (UAE) 13. Vitalife Pharma Limited
Shareholding in the Company	NIL
Relationship between directors inter-se	None

ANNEXURE – C

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
KOBO BIOTECH LIMITED
(Formerly known as Avon Lifescience Limited)
505, Plot No.193 & 193/1, Chandi Nilayam,
Samatha Nagar, Bhagyanagar 3rd Phase,
Kukatpally Hyderabad 500085

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kobo Biotech 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 my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 (‘Audit Period’) 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Kobo Biotech Limited (the “Company”) for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. (Foreign Direct Investment and External Commercial Borrowing are not applicable to the Company during the audit period).
- (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.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the audit period)

- (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
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the audit period)
- (vi) As identified, Following are the specific law applicable to the Company.
- (i) The Drugs and Cosmetics Act, 1940;
 - (ii) The Narcotic Drugs and Psychotropic Substances Act, 1985;

As confirmed by the management, there were no operational Activities carried on by the Company during the period under review, hence the aforesaid laws have no significance on the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with stock exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as follows:

1. During the audit period under review, the Company is not regular in depositing the undisputed statutory dues including provident fund, ESIC, Income Tax, Service Tax and any other Statutory dues with appropriate authorities as per the Auditor's report.
2. The Company has not appointed Key Managerial Person i.e. Managing Director or CEO or Whole time Director as required under Section 203 of the Companies Act, 2013.
3. The Company has not appointed an Internal Auditor in terms of the requirement of section 138 of the Companies Act, 2013.

I 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.

As confirmed by the Management adequate notice is given to all directors to schedule the Board Meetings and agenda items 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.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

For M S Pitroda & Co.,
Practising Company Secretary

Mehul Pitroda

Proprietor

ACS No. 43364

CP No. 20308

UDIN: A043364C000557779

Mumbai
30th June, 2021

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 A’

To,
The Members,
KOBO BIOTECH LIMITED
(Formerly known as Avon Lifescience Limited)
505, Plot No.193 & 193/1, Chandi Nilayam,
Samatha Nagar, Bhagyanagar 3rd Phase,
Kukatpally Hyderabad 500085.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I 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, regulations, standards is the responsibility of management. My 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.

For M S Pitroda & Co.,
Practising Company Secretary

Mehul Pitroda

Proprietor

ACS No. 43364

CP No. 20308

UDIN: A043364C000557779

Mumbai
30th June, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL PHARMACEUTICAL MARKET

The COVID-19 outbreak forced the whole world into months of lockdown starting from mid of March 2020, which significantly had adverse impact on the economic activity. This had grave bearings across markets, even as several countries observed a second and third wave of the infections that disrupted normal living and working conditions.

Following support from governments and central banks in many countries, which undertook far-reaching policy measures from supporting households, to equity injections, handing out loans and guarantees, there has been steady economic recovery in many countries. However, this recovery is varied across geographies depending on the inherent strength of each economy, but also the success of individual countries in containing the spread of the virus. China, for example, which implemented stringent control measures, has seen a faster economic recovery than most economies. The United States is projected to surpass its pre-COVID levels this year, well ahead of the Outlook According to the International Monetary Fund (IMF), the global economy is projected to grow at 6% in 2021 and 4.4% in 2022. However, a resurgence of the virus across the world and new mutations have worsened the outlook for the very near term as measures to contain the spread of the virus dampen activity. Access to medical supplies, effectiveness of monetary policy support, and exposure to cross-country spillovers will become crucial in driving the recovery.

INDIA: OVERVIEW, TRENDS AND PROSPECTS

FY2020 was an exceptional year for the Indian economy as well. The nationwide lockdown that started in late March 2020 led to a sharp contraction of 23.9% in the GDP in the first quarter, which moderated to 7.5% in the second quarter. Following the phased unlocking from June, the economy saw a gradual recovery. India's GDP reverted to pre-COVID levels in Q3 2020-21, and the pace of growth is expected to rise moderately in Q4 2020-21. Signs of uptick were visible in the second half of the year due to consumption growth. The government has made significant efforts towards safeguarding citizens and energising the economy.

Numerous policy initiatives were undertaken by the government and the Reserve Bank of India, including a stimulus package that amounted to 10% of the GDP, aggressive policy rate cuts, loan moratorium, and measures to boost liquidity among other initiatives help set the pace. The budget reinforced these measures by way of production-linked incentives, 'Vocal for Local' schemes, investment in infrastructure, tax reforms, labour and land reforms, and amendment of the insolvency and bankruptcy code to promote entrepreneurship and availability of credit. Healthy collections of the Goods and Services Tax (GST), and other indicators such as the Index for Industrial Production (IIP), Purchasing Manager's Index (PMI), steel and energy demand and auto sales suggest that India's economic activity is on the rebound.

The Indian economy grew by 1.6% in the fourth quarter for 2020-21 recording a minor pickup in growth amidst the COVID-19 second wave hitting the economy hard. For the full fiscal year, the economy shrunk by -7.3% as the COVID-19 pandemic disrupted the economy.

OUTLOOK

The Economic Survey has pegged India's economic growth at 11% in 2021-22, provided the normalisation of economic activities continues and the vaccine rollout gathers force. The accelerating global recovery continued infrastructural investments, supply-side push from reforms, low-interest credit disbursement, and easing of regulation are expected to aid upturn. However, the second wave of COVID-19 currently sweeping the country, rising input prices, stress in the Micro, Small and Medium-sized Enterprises sector, and a weak labour market are some of the headwinds facing the India's economic revival. Monetary and fiscal support will remain crucial. The RBI is committed to keeping rates well anchored and the government is inclined to keep up spending. However, a quick progress on the vaccination front is paramount.

GLOBAL PHARMA INDUSTRY

Active Pharmaceutical Ingredients (API) industry The global Active Pharmaceutical Ingredient market is expected to grow at a high single digit CAGR from 2020 to 2027 to reach US\$ 364.17 billion by 2027. Increased healthcare

expenditure by the urban population and an increase in the geriatric population are influencing the market growth of APIs. The captive API segment, which holds the dominant market share, is anticipated to grow at a significant rate in the coming years owing to the easy availability of raw materials and greater investments by major players to develop manufacturing facilities. Major companies are also looking to expand their production capabilities. NCE APIs saw a huge growth in 2020 on the back of R&D initiatives for novel drug development and favourable government regulations. The API market is undergoing immense changes due to supply chain disruption by COVID-19. There is increasing preference to reduce dependence on China for API products.

COMPANY OVERVIEW

Currently there are no operational activates being carried out by the Company at its Solapur site. India, courtesy recent developments, is now at the cusp of reviving the Fermentation industry for the Pharmaceuticals. Our company is amongst the first companies in India to have the fermentation facilities. The company, with a clear focus on fermentation, wants to reinvent the entire product portfolio and introduce various products based on fermentation.

The requirement of the low-cost and high-quality APIs is the need of the time and India fits well in the whole setup. Some of the key factors that are driving the market include the increasing prevalence of infectious diseases, cardiovascular conditions, and other chronic disorders.

FINANCE

Currently there are no operational activates being carried out by the Company and hence no analysis is made under this head.

RISKS AND CONCERNS

All businesses are subject to certain element of risks, internal as well as external. The internal risks are controllable risks and our Company attempts to identify such risks and formulate actions to mitigate the effect of such risks. The external risks like change in government policies etc are not within the control of the Company. Particularly the global as well as the Indian Pharmaceutical industry continues to be regulated by various regulatory agencies. Stringent regulatory norms, delay in obtaining regulatory approvals for key products, patent litigations, currency fluctuations, pricing guidelines in the domestic market are certain risks that can affect the Company's business.

Emerging markets are increasingly pivotal in the growth of the pharmaceutical industry. Pharmaceutical companies operating in these markets, whether global or domestic players, are exposed to market-specific social risks that affect public health and may also pose material financial risks.

INTERNAL AUDIT AND CONTROL

Our Company believes that sound internal control systems are necessary prerequisite to good governance. The management is committed to ensuring an effective internal control environment, commensurate with the size and complexity of the business, which provides assurance on the efficiency of the Company's operations and the security of its assets.

Kobo's internal control systems and procedures are designed to enable the reliable reporting of financial statements, reporting timely feedback on the achievement of operational or strategic goals and ensure compliance with laws and regulations.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

Kobo's HR function is aligned with the overall growth vision of the Company and continuously works on areas such as recruitment and selection policies, disciplinary procedures, reward/recognition policies, learning and development policies and all round employee development. Kobo provides a safe and rewarding environment that attracts and retains a talented team and where employees are engaged in delivering exceptional results to the customers and investors.

Harmonious relations continued to prevail throughout the year. The focus is on maintaining a high level of motivation and on leadership development and the number of employees are maintained according to business development.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimate, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

For and on behalf of the Board of Directors
KOBO BIOTECH LIMITED

Mumbai
30th June, 2021

Ajit Kamath
Chairman & Non Executive Director

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance pertains to system, by which companies are directed and controlled ethically, keeping in mind enhancement of long-term sustainable interests of stakeholders. It refers to blend of law, regulations, ethical and voluntary practices, which enable the Company to attract financial and human capital, perform efficiently and thereby perpetuate it into generating long-term economic value for its shareholders, while respecting and balancing the interests of other stakeholders and the society at large.

The Board of Directors fully supports and endorses Corporate Governance practices as enunciated in SEBI (Listing Obligations and Disclosure Requirements) 2015 as applicable from time to time.

Code of Conduct:

The Board has laid down a Code of Conduct for all Board members and Senior Managerial personnel of the Company. The Code of Conduct is available on the web site of the Company at www.kobobiotech.com.

All the Board Members and Key Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to that effect signed by the Chairman has been obtained.

Profile of members of the Board of Directors being appointed/re-appointed:

Details of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting as required under LODR are annexed to the Directors Report.

2. BOARD OF DIRECTORS:

The Board as on 31st March, 2021 consists of 2 Non-Executive Promoter Directors and 3 Independent Directors.

Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships and Committee Memberships as on 31st March, 2021 are given below:

SR. No	Name, Designation and DIN of Directors	Category	No. of Board Meetings Attended	No. of Directorships held in other Companies#	Attendance at last AGM	No. of Committee positions held in other Companies including this company.	
						Chairman of Committee	Member of Committee
1	Mr. Ajit Kamath	Non-Executive (Promoter)	4	13	YES	0	3
2	Mr. Rajendra Kaimal	Non-Executive (Promoter)	4	12	YES	1	1
3	Dr. Sunil Pitroda	Independent Director	4	1	YES	2	4
4	Mr. Abhishek Buddhadev	Independent Director	4	1	YES	1	0
5	Ms. Urja Shah	Independent Director	4	2	YES	0	1

Note: Since none of the Directors are appointed as Directors in any of the listed company apart from this Company, no separate disclosure has been provided.

Number of Board Meetings:

During the year, Four (4) Board Meetings were held, the details of which are given below:

Sr No.	Date of the Board Meeting	Board Strength	No. of Directors Present
1	30-06-2020	5	5
2	15-09-2020	5	5
3	13-11-2020	5	5
4	12-02-2021	5	5

3. COMMITTEES OF THE BOARD:

As per the requirement of the Companies Act, 2013 read with Rules and SEBI (Listing Obligations and Disclosure Requirements) 2015. The Board of Directors has constituted three Committees i.e. Audit Committee, Stake Holder Relationship Committee, Remuneration and Nomination Committee. The roles and responsibilities assigned to these Committees are covered under the terms of reference approved by the Board and are subject to review by the Board from time to time. The minutes of the meetings of Audit Committee, Stake Holder Relationship Committee, Remuneration and Nomination Committee are placed before the Board for their information and noting. The details as to the composition, terms of reference, number of meetings and related attendance etc. of these Committees are given below:

a) Audit Committee**Composition, meetings and the attendance during the year**

Four (4) meetings of the Audit Committee were held on 30-06-2020, 15-09-2020, 13-11-2020 and 12-02-2021. The details of composition of the Committee and their attendance at the meetings are given below:

As on 31st March, 2021 the Composition of the committee was in compliance with as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 177 of the Companies Act, 2013.

Members of the Audit Committee have requisite financial and Management expertise.

Name	Designation	Category	No. of Meetings Attended
Mr. Abhishek Buddhadev	Chairman	Non-Executive Independent	4
Mr. Ajit Kamath	Member	Non-Executive (Promoter)	4
Dr. Sunil Pitroda	Member	Non-Executive Independent	4

Terms of Reference

The terms of reference to this committee, inter alia covers all the matters specified under SEBI (Listing Obligations and Disclosure Requirements) 2015 as well as in Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors, from time to time. The Audit Committee has also powers inter alia to investigate any activity within its terms of reference and the Committee lays emphasis on adequate disclosures and compliance with all relevant statutes.

b) Nomination & Remuneration Committee:**Composition, meetings and the attendance during the year**

The Company did not hold any meeting of the Nomination & Remuneration Committee during the year under review. The details of composition of the Committee and their attendance at the meeting are given below:

As on 31st March 2021, the Composition of the committee is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 178 of the Companies Act, 2013.

Name	Designation	Category	No. of Meetings Attended
Dr. Sunil Mansukhlal Pitroda	Chairman	Non-Executive Independent	N.a
Mr. Rajendra Kaimal	Member	Non-Executive (Promoter)	N.a
Ms. Urja Shah	Member	Non-Executive Independent	N.a

Terms of Reference

The Committee was constituted to:

- To guide the Board in relation to appointment and removal of Directors, KMP and senior Management.
- To review and recommend managerial remuneration, based on their performance and defined assessment criteria.
- To evaluate the performance of the Board members and provide necessary report to the Board for further evaluation of the Board.
- To retain, motivate and promote talent and to ensure long-term sustainability of talented managerial persons and create competitive advantage.
- To devise policy on Board diversity
- To develop succession plan for the Board and review the plan regularly.

During the financial year under review Independent Directors are paid sitting fees for attending Board Meetings, Non- Executive Directors are not eligible for any remuneration.

The brief terms of Policy of Remuneration to Directors and senior Managerial Personnel.

- **Remuneration to Managing Director/Wholetime Directors**
 - a) The Remuneration/Commission etc. to be paid to Managing Director/Wholetime Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - b) The Remuneration and Nomination Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Wholetime Directors
- **Remuneration to Non-Executive/Independent Directors:**
 - a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Remuneration and Nomination Committee and approved by the Board of Directors.
 - b) All the remuneration of the Non-Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Remuneration and Nomination Committee and approved by the Board of Directors or shareholders, as the case may be.
 - c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company, if any.

- d) Any remuneration paid to Non-Executive/ Independent Directors for services rendered which are of professional nature shall not be considered as part of the remuneration for the purposes of above clause if the following conditions are satisfied:

- i. The Services are rendered by such Director in his capacity as the professional; and
- ii. In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

• **Remuneration to Key Managerial Personnel:**

- a) The remuneration to Key Managerial Personnel shall consist of fixed pay only, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time in accordance with the Company's Policy.

The details of remuneration of KMP and Directors are given in form MGT-9 which forms part of the Directors Report.

c) **Stake Holder Relationship Committee:**

Composition, meetings and the attendance during the year

Four (4) meetings of the Stake Holder Relationship Committee were held on 30-06-2020, 15-09-2020, 13-11-2020 and 12-02-2021. The details of composition of the Committee and their attendance at the meetings are given below:

As on 31st March, 2021, the Composition of the committee is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 178 of the Companies Act, 2013.

Name	Designation	Category	No. of Meetings Attended
Mr. Rajendra Kaimal	Chairman	Non-Executive (Promoter)	4
Ms. Urja Shah	Member	Non-Executive - Independent Director	4
Dr. Sunil Mansukhlal Pitroda	Member	Non-Executive - Independent Director	4

No complaints have been received during the year. No investor grievance remained unattended/pending for more than 30 days.

d) **Corporate Social Responsibility Committee (CSR):**

During the financial year 2020-21, no meeting of the committee was held, since the occasion for it did not arise.

Terms of reference –

To Decide, Formulate and recommend the CSR policy to the board which shall indicate the activities to be undertaken by the Company, recommend the amount of expenditure to be incurred on the activity and monitor the CSR policy of the Company from time to time.

e) **INDEPENDENT DIRECTORS MEETING:**

During the year under review, the meeting of Independent Directors was held on 12-02-2021.

4. GENERAL BODY MEETINGS:

- a) Details of the Annual General Meetings held during the preceding 3 years and Special Resolutions passed thereat are given below:

Year	Day, Date and Time of the Meeting	Venue	Details of Special Resolutions passed
2020	Wednesday, 16th September, 2020	Postal Ballot	Change in the of name of the Company to "Kobo Biotech Limited
2020	Wednesday, 30th December, 2020	Video Conferencing/ Other Audio Visual Means ("VC/ OAVM")	No Special Resolution was passed.
2019	Monday, 30th day of September, 2019	Hotel Daspalla, Road no. 37, Jubilee Hills, Hyderabad – 500033	No Special Resolution was passed.
2018	Friday, 28th day of September, 2018	Hotel Daspalla, Road no. 37, Jubilee Hills, Hyderabad – 500033	No Special Resolution was passed.

5. DISCLOSURES:

- a) There were no transactions of material nature with its related parties that may have the potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note to the Financial Statements.
- b) There were no non-compliance and no penalties/strictures were imposed by Stock Exchanges or SEBI or any other statutory authority in last 3 years.
- c) The Board of Directors of the Company has adopted and put in place a Whistle Blower Policy the said policy is uploaded on website of the Company and further no personnel have been denied access to the audit committee.

d) **Compliance with Accounting Standards:**

In preparation of the Financial Statements, the Company has followed the Accounting Standards applicable to the Company in terms of the provision of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

e) **CEO/CFO Certification/ Director Certification**

Pursuant to the regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Chairman and Non - Executive Director has issued a certificate to the Board, for the year ended 31st March, 2021, the said certificate forms part of this Annual report.

f) **Internal control system and their adequacy:**

The Company has adequate internal control procedures commensurate with its size and nature of business. The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls and risk management.

6. A CHART / MATRIX SETTING OUT THE SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS:

The list of core skills / expertise / competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board are as follows:

Director	Qualification	Skills / expertise / competencies / experience
Mr. Ajit Kamath	B.com (University of Mumbai)	<ol style="list-style-type: none"> 1. He has more than 22 years of experience in the pharmaceutical industry 2. He has been involved and instrumental in planning and formulating the overall business strategy and developing business relations for our Company
Mr. Rajendra Kaimal	B.com (University of Mumbai), MMS, CMA	<ol style="list-style-type: none"> 1. He has over 20 years of experience in the pharmaceutical industry. 2. He is over-all in-charge of overseeing the commercial operations
Dr. Sunil Pitroda	MBBS (Practicing Doctor)	He has over 36 years of experience in the Medicine, Medical and surgical field. He is a full time practicing Doctor
Mr. Abhishek Buddhadev	M.Com, CS	He has over 8 years of experience in the field of Secretarial Compliance, Corporate Laws and allied laws
Ms. Urja Shah	LLB, CS	<ol style="list-style-type: none"> 1. She has experience and interests ranging from Audit, Consultancy, Advisory, Farming and Astronomy 2. She has over 7 years of experience in finance and regulatory field, FEMA, RERA, FSSAI

7. MEANS OF COMMUNICATION

Financial Results: The quarterly, half-yearly and annual results of the Company are submitted to the Stock Exchanges on which the company's shares are listed in accordance with the Listing Regulations.

Annual Report: Annual Report of the Company containing, inter-alia, Audited Financial Statements, Boards' Report, Report on Corporate Governance, Auditors Report and other important information is circulated to the members and others entitled thereto for each financial year. The Management Discussion and Analysis Report forms part of the Annual Report.

8. GENERAL SHAREHOLDERS' INFORMATION

- 1. Date, Time and Venue of AGM:** Tuesday, 30th November, 2021 at 10:00 A.M through Video Conferencing/ Other Audio Visual Means ("VC/OAVM")
- 2. Financial Calendar** 1st April to 31st March
- 3. Board Meetings for Quarterly Results: (tentative and subject to change)**
 - Quarter ending June 30, 2020 - On or before 14th August, 2021
 - Quarter ending September 30, 2020 - On or before 14th November, 2021
 - Quarter ending December 31, 2020 - On or before 14th February, 2022
 - Quarter ending March 31, 2021 - On or before 30th May, 2022
 - Annual General Meeting for the Financial Year March 31, 2022 - On or before 30th September, 2022

4. Book Closure dates	N.A.
5. Dividend Payment Date	No dividend has been recommended by the Board for the financial year 2020-21.
6. Listing on the stock exchanges	Bombay Stock Exchange (BSE) Limited
7. Payment of Listing fees	Annual listing fees have been paid as per the requirements of the Listing Agreement.
8. International Securities Identification Number.	INE881A01015
9. Corporate Identification Number	L24110AP1993PLC016112
10. Stock Code:	
BSE	531541
11. Registered Office	505, Plot No.193 & 193/1, Chandi Nilayam, Samatha Nagar, Bhagyanagar 3rd Phase, Kukatpally, Hyderabad - 500085 Tel : 022-4287 1210; Fax: 022-4287 1285
12. Corporate Office	H Wing, 4th Floor, Tex Centre, Off Saki Vihar Road, Chandivali, Andheri (East) Mumbai – 400 072.
Exclusive e-mail Id for investors	info@kobobiotech.com
13. Registrars and Share Transfer Agents	XL Softech Systems Limited, 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad- 500 034. Phone no. (040)23545913, 14, 15.
14. Manufacturing Locations	Plot No. E-2, Chincholi Industrial Area, Solapur, Maharashtra. Survey No.18, Yawapur Village, Sadasivpeth Mandal, Medak Dist, Telangana. (non-operational)
15. Address for Correspondence	Shareholder correspondence should be addressed to the Company's R & T Agent or to the secretarial department of the Company.
16. Dematerialisation of shares And liquidity:	Trading in equity shares of the company became mandatory from July, 2001. As on 31st March, 2021, 23687184 Equity shares equivalent to 99.42 % of the paid up share capital of the company are held in dematerialized form. The company's shares are currently traded in Z group on the BSE, Mumbai.
17. Outstanding GDR/ADR/Warrants or any	As on 31.03.2021, the Company has not issued any of these types of securities, convertible instruments, conversion date and likely impact of Equity.

18. Share Transfer System

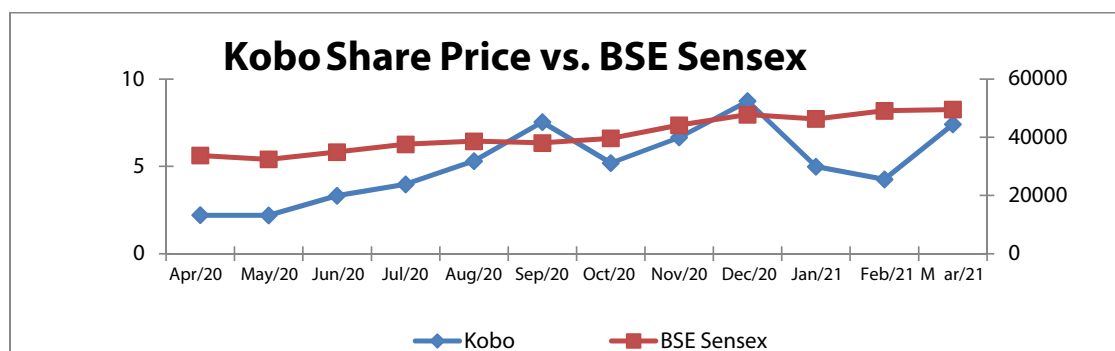
Shares sent for physical transfer or dematerialization requests are generally registered and returned within a period of 15 days from the date of receipt of completed and validly executed documents.

Bad deliveries are promptly returned to Depository Participants (DPs) under advice to the shareholders.

19. Stock Market data relating to shares listed

Month	Bombay Stock Exchange (Amt. In Rs)	
	High Price	Low Price
Apr-20	2.84	2.20
May-20	2.19	2.09
Jun-20	3.32	1.85
Jul-20	4.08	3.32
Aug-20	5.30	3.00
Sep-20	8.30	5.56
Oct-20	7.38	5.11
Nov-20	6.65	5.05
Dec-20	10.41	6.65
Jan-21	9.16	4.98
Feb-21	4.91	3.34
Mar-21	8.14	4.23

Chart showing comparison of Kobo Biotech Limited Share Price (closing – monthly) with BSE Sensex (closing – monthly):



20. Distribution of Shareholding as on 31st March, 2021.

No. of Equity shares	Shareholders		No. of Shares	
	Number	% of Holders	Number	% of shares
Upto 5,000	3860	68.52	7331260	3.08
5,001 - 10,000	709	12.59	6072150	2.55
10,001 - 20,000	377	6.69	6010360	2.52
20,001 - 30,000	158	2.80	4111440	1.73
30,001 - 40,000	80	1.42	2875210	1.21
40,001 - 50,000	90	1.60	4285380	1.80
50,001 - 1,00,000	146	2.59	11133230	4.67
1,00,001 & above	213	3.78	196430970	82.45
Total	5633	100.00	238250000	100.00

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

To

The Shareholders,

I hereby declare that all the Board Members and the senior management personnels have affirmed compliance with the code of conduct adopted by the company and have submitted declarations in this behalf for the year ended 31st March, 2021.

Mumbai
30th June, 2021

Ajit Kamath
Chairman & Non Executive Director

CERTIFICATE FROM CHAIRMAN

I, Ajit Kamath, Director of the Company, to the best of my knowledge and belief, certify that:

- a. I have reviewed the financial statements and the cash flow statement for the year under review and certify that:
 - i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of my knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violate of the company's code of conduct.
- c. I am responsible for establishing and maintaining internal controls for financing reporting and have evaluated the effectiveness and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.
- d. I have indicated to the auditors and audit committee that -
 - i. there are no significant changes in internal control over financial reporting during the year.
 - ii. there are no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
 - iii. there are no frauds of which i was aware, that involves management or other employees who have a significant role in the company's internal control system.

Mumbai
30th June, 2021

Ajit Kamath
Chairman & Non Executive Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Kobo Biotech Limited
(Formerly Avon Lifesciences Limited)

We have examined the compliance of conditions of Corporate Governance by **Kobo Biotech Limited** ('the Company'), for the year ended 31st March, 2021 as stipulated in Regulations 17 to 27 and 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 & Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company is in compliance with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For N G Jain & Co
Chartered Accountants
Firm's registration Number: 103941W

Mumbai
30th June, 2021

Sd/-
Prince Kothari
Partner
Membership number 155819

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KOBO BIOTECH LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **KOBO BIOTECH LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

During the year State Bank of India had approved one time settlement of its outstanding dues vide its approval letter dated 27th November 2020. In terms of the settlement OTS amount was to be paid by the company on or before 26th July 2021.

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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's 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 during the course of our 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 controls 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements does not comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) 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. There are Pending litigation on the Company however there is no material effect in the Balance Sheet;
- ii. The company did not have any long term contracts including derivative contracts for which there were any material losses.
- iii. There has been no such requirement for transferring amounts, required to be transferred the Investor Education and Protection Fund transfer by the company.

for N G JAIN & CO
Chartered Accountants
FRN: 103941W

Mumbai
30th June, 2021
UDIN No :21155819AAAACB2444

Prince Kothari
Partner
Membership number: 155819

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **KOBO BIOTECH LIMITED** of even date)

i. In respect of the Company's fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) On the basis of written representation received from the management of the company, the title deeds of immovable properties, as disclosed on Fixed Assets to the financial statements, are held in the name of the company are mortgaged with the banks for securing the long term borrowings and credit limits raised by the company.

ii. In respect of its inventories:

On the basis of written representation received from the management of the company Physical verification of inventory has been conducted at reasonable intervals by the management and as per their information submitted to us no material discrepancies were noticed. However there are no materials movement in the inventory during the year under consideration as there was no business transaction in the company. The Inventories comprises of Raw Material, Work in Progress, Finished Goods and Consumables and are all stated at cost only since last five years.

- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability Partnerships or other parties covered in the register under section 189 of the Companies Act, 2013 ('the Act').
- iv. In our opinion and according the information and explanations given to us and on the basis of our examination of the records of the company, the company has not given loans, made investments or given guarantees which are covered by the provisions of Section 185 and 186 of the Act.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under section 148(1) of the Act in respect of its products. We have reviewed the same, however we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is irregular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There are arrears of outstanding such undisputed statutory dues at the last day of the financial year concerned for a period of more than six months from the date they became payable.

Sr No	Nature of Dues	Amount	Nature of Statue
1	ESIC	31,418	ESIC Act
2	Provident Fund	1,49,08,171	EPF Act
3	Professional Tax	15,16,165	VAT
4	TDS	22,18,678	Income Tax Act 1961

Sr No	Nature of Dues	Amount	Nature of Statute
5	Income Tax AY 09-10	6,07,325	Income Tax Act 1961
6	Income Tax AY 11-12	1,31,090	Income Tax Act 1961
7	Income Tax AY 12-13	1,83,18,040	Income Tax Act 1961
8	Income Tax AY 12-13	21,80,903	ITAT (Appeal) Disputed
9	Income Tax AY 13-14	2,46,27,820	CIT (Appeal) Disputed
10	Income Tax AY 13-14	36,00,000	CIT (Appeal) Disputed
11	Income Tax AY 14-15	8,51,00,000	CIT (Appeal) Disputed

- viii. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has delay & defaulted in repayment of statutory dues along with the interest thereon.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not Paid managerial remuneration thus requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act is not applicable to the company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for N G JAIN & CO
Chartered Accountants
FRN: 103941W

Mumbai
30th June, 2021
UDIN No :21155819AAAACB2444

Prince Kothari
Partner
Membership number: 155819

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT (Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of KOBO BIOTECH LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **KOBO BIOTECH LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 issued by the Institute of Chartered Accountants of India. 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 its business, including adherence to respective 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor’s judgment, including the assessment of the risks of material misstatement of the 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 internal financial controls system over financial reporting of the Company.

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 authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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, to the best of our information and according to the explanations given to us, 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, 2021, 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 N G JAIN & CO
Chartered Accountants
FRN: 103941W

Mumbai
30th June, 2021
UDIN No :21155819AAAACB2444

Prince Kothari
Partner
Membership number: 155819

Balance Sheet as at 31 March 2021

(Amount in ₹)			
	Note	As at 31 March, 2021	As at 31 March, 2020
Assets			
Non-current assets			
(a) Property, plant and equipment	2	56,90,68,952	62,54,39,205
(b) Capital work-in-progress	2	2,25,06,617	2,25,06,617
(c) Intangible assets	3	0	0
(d) Intangible assets under development	3	0	0
(e) Financial assets			
(i) Investments	4	12,19,30,256	12,19,30,256
(ii) Loans	5	51,015	51,015
(iii) Others	6	0	0
(f) Non-current tax assets (net)	7	0	0
(g) Other non-current assets	8	0	0
Total non-current assets		71,35,56,840	76,99,27,093
Current assets			
(a) Inventories	9	53,27,85,986	53,27,85,986
(b) Financial assets			
(i) Trade receivables	10	92,47,16,188	93,28,58,171
(ii) Cash and cash equivalents	11	1,51,69,808	8,49,445
(iii) Bank balances other than (ii) above	12	4,28,821	4,28,821
(iv) Loans	13	79,26,298	79,00,298
(v) Others	14	0	0
(c) Current tax assets (net)	15	5,71,47,225	5,71,11,373
(d) Other current assets	16	5,41,49,214	6,14,85,666
Total current assets		1,59,23,23,540	1,59,34,19,760
Total assets		2,30,58,80,381	2,36,33,46,853
Equity and liabilities			
Equity			
a) Equity share capital	17	23,82,50,000	23,82,50,000
b) Other equity	18	(1,31,02,72,002)	(1,11,79,59,338)
Total equity		(1,07,20,22,002)	(87,97,09,338)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	33,53,40,564	34,93,28,246
(b) Provisions	20	2,10,84,268	2,10,84,268
(c) Deferred tax liabilities (net)	21	2,99,00,649	2,99,00,649
Total non-current liabilities		38,63,25,481	40,03,13,163
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	1,74,72,87,114	1,63,92,87,114
(ii) Trade payables	23	60,45,09,913	57,07,93,959
(iii) Others	24	63,60,43,966	62,92,81,499
(b) Other current liabilities	25	37,35,908	33,80,455
(c) Provisions	26	0	0
(d) Current tax liabilities (net)	27	0	0
Total Current liabilities		2,99,15,76,901	2,84,27,43,027
Total equity and liabilities		2,30,58,80,381	2,36,33,46,853
Notes forming part of the financial statements	1		

As per our report of even date
For **N G JAIN & CO**
Chartered Accountants

Prince Kothari
Partner
Mem. No. 155819
Firm Reg No. 103941W
Mumbai
30th June, 2021

For and on behalf of the board

Ajit Kamath
Chairman

Rajendra Kaimal
Director

Neelam Kumar Murdia
Chief Financial Officer

Jignesh Patel
Company Secretary

Statement of Profit and Loss for the year ended 31 March 2021

(Amount in ₹)

		Note	Period ended 31 March, 2021	Year ended 31 March, 2020
I	Income			
	Revenue from operations	28	0	0
	Other income	29	0	0
	Interest income	30	3,58,515	3,44,246
	Total Income		3,58,515	3,44,246
II	Expenses			
	Cost of materials consumed	31	0	0
	Changes in inventories of finished goods and goods-in-process	32	0	0
	Excise duty on sale of goods		0	0
	Employee benefits expense	33	1,39,27,020	1,79,63,393
	Finance costs	34	10,84,06,794	14,47,46,824
	Depreciation and amortization expense	35	5,63,70,253	5,87,81,641
	Exchange (Gain) / Loss		58,33,971	(1,91,99,630)
	Other expenses	36	81,33,141	81,13,802
	Total expenses		19,26,71,179	21,04,06,031
III	Profit / (Loss) before exceptional items and tax		(19,23,12,664)	(21,00,61,785)
IV	Exceptional items		0	0
V	Profit / (Loss) before tax		(19,23,12,664)	(21,00,61,785)
VI	Tax expense			
	Current tax		0	0
	Total tax expense		0	0
VII	Profit / (Loss) for the year		(19,23,12,664)	(21,00,61,785)
VIII	Other comprehensive income		0	0
	Other comprehensive income for the year		0	0
IX	Total comprehensive income for the year		0	0
X	Earnings per equity share of ₹ 10 each fully paid up			
	Basic & Diluted (in ₹)		(8.07)	(8.82)
XI	Notes forming part of the financial statements	1 - 36		

As per our report of even date
For **N G JAIN & CO**
Chartered Accountants

Prince Kothari
Partner
Mem. No. 155819
Firm Reg No. 103941W
Mumbai
30th June, 2021

For and on behalf of the board

Ajit Kamath
Chairman

Rajendra Kaimal
Director

Neelam Kumar Murdia
Chief Financial Officer

Jignesh Patel
Company Secretary

Notes to financial statements for the year ended 31/03/2021

Note 1 Significant accounting policies for the year ended 31/03/2021

1 Basis of Preparation of Financial Statements

The Ind AS financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provision of the Companies Act, 2013 (to the extent notified) and guideline issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with rule 3 of the companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment rules, 2016.

The accounting policies adopted in the preparation of Ind AS financial statement are consistent with those of previous year.

2 Use of Estimates

The preparation of the financial statements in conformity with Ind As requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions effect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditure during the period . Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding these estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3 Revenue Recognition

1. Domestic sales are accounted for on dispatch of goods to customers.
2. Export sales are accounted for on the basis of dates of Bill of Lading.

4 Property, plant and equipment

Fixed assets (excluding Freehold Land) are stated at cost of acquisition less accumulated depreciation/ amortization and accumulated impairment losses if any. Freehold Land is carried at historical cost. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use.

Capital Work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Capital Work-in-Progress is carried at cost, comprising direct cost, related incidental expenses and interest on borrowing to the extent attributed to them.

5 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value An impairment loss is charged to the profit & loss account as and when an asset is identified as impaired.

6 Investments

Investments are stated at cost.

7 Foreign Currency

Functional Currency

The Functional currency of the company is the Indian Rupee. The financial statements are presented in Indian Rupees.

- 1 Transactions denominated in foreign currencies are recorded at spot rates / average rates.

- 2 Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- 3 Non monetary foreign currency items are carried at cost.

8 Employee Benefits

Due to no operational activities at the company for the past 5 years, the employee benefit expenses for the last quarter January'2021 to March'2021 is considered only for the employees who are reporting to work.

9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks.

10 Inventories

Raw materials, Stores, Consumables and Packing Materials, Goods- in-Process and finished goods

1. Raw Materials, Stores, Consumables, Packing materials and other materials: at cost on Moving average basis.
2. Work in process is carried at cost of input RM and estimated cost of manufacturing upto the stage of completion.
3. Finished Goods: At realizable value or cost whichever is lower.

11 Interest Income

Interest income on term deposits is recognised on the time proportion basis using effective interest rate method.

12 Provisions and contingent liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes to the accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

13 R & D Expenditure

Expenditure for capital items are debited to respective fixed assets and depreciation at applicable rates. Revenue expenditure is charged to Profit and Loss account.

14 Earnings Per Share

The basic and diluted earnings per share is calculated by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding.

15 Interest Expenses

The interest cost for the last quarter January'2021 to March'2021 is not being provided for, as majority of the loans have been assigned to a leading ARC and for the remainder of the secured loans, the company has entered into settlement plan with one such lender and is under discussion with the other lender for settlement.

16 Other Notes

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 2 Property, Plant and equipment

Details of the property, plant and equipment and their carrying amounts are as follows:

Description of assets	Gross carrying amount			Depreciation			Net carrying amount	
	As at 01.04.2020	Additions	Disposals	As at 31.03.2021	As at 01.04.2020	For the Year	As at 31.03.2021	As at 31.03.2020
Freehold Land	2,36,44,792	0	0	2,36,44,792	0	0	0	2,36,44,792
Leasehold Land	76,84,137	0	0	76,84,137	0	0	0	76,84,137
Building								
Non Factory	1,80,47,842	0	0	1,80,47,842	48,13,625	3,10,910	51,24,535	1,29,23,307
Factory	17,05,42,107	0	0	17,05,42,107	9,52,75,864	43,05,642	9,95,81,506	7,09,60,601
Plant & Machinery	1,62,22,09,167	0	0	1,62,22,09,167	1,12,19,14,567	5,09,98,331	1,17,29,12,898	44,92,96,269
Lab Equipment	46,98,137	0	0	46,98,137	34,74,436	4,88,619	39,63,055	12,23,702
Electrical Installations	4,95,88,046	0	0	4,95,88,046	4,69,45,774	1,61,317	4,71,07,091	24,80,955
Furniture	92,46,021	0	0	92,46,021	86,98,328	85,387	87,83,715	4,62,306
Office Equipment	55,58,530	0	0	55,58,530	52,92,100	0	52,92,100	2,66,430
Computers	85,80,117	0	0	85,80,117	81,55,520	20,047	81,75,567	4,24,596
Vehicles	43,93,141	0	0	43,93,141	41,82,618	0	41,82,618	2,10,523
TOTAL	1,92,41,92,037	0	0	1,92,41,92,037	1,29,87,52,832	5,63,70,253	1,35,51,23,085	56,90,68,952
Previous Year	1,92,41,64,918	27,119	0	1,92,41,92,037	1,23,99,71,191	5,87,81,641	1,29,87,52,832	62,54,39,205
Capital Work in Progress							2,25,06,617	2,25,06,617

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
4	Non-current investments			
	Investments in equity instruments of Regal Pharma Pte. Ltd. - Unquoted			
	31,20,100 Shares of SGD 1 Each in Regal Pharma Pte. Ltd.		12,19,30,256	12,19,30,256
		Total	12,19,30,256	12,19,30,256
5	Non-current financial assets - Loans			
	Unsecured, considered good			
	Advances		51,015	51,015
		Total	51,015	51,015
6	Other non-current financial assets	Total		
7	Non-current tax assets	Total		
8	Other non-current assets	Total		
9	Inventories			
	Raw materials		23,74,64,944	23,74,64,944
	Goods-in-process		26,56,00,559	26,56,00,559
	Finished goods		89,80,585	89,80,585
	Stores, Consumables and Packing Material		2,07,39,898	2,07,39,898
		Total	53,27,85,986	53,27,85,986
10	Trade receivables (Unsecured)			
	Considered good			
	- Others		92,47,16,188	93,28,58,171
		Total	92,47,16,188	93,28,58,171

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
11	Cash and cash equivalents			
	Balance with banks in			
	Current accounts		1,51,33,512	8,13,149
	Cash on hand		36,296	36,296
	Total		1,51,69,808	8,49,445
12	Bank balances other than 11 above			
	Deposits with bank having original maturity period of upto twelve months		4,28,821	4,28,821
	Deposits with bank having original maturity period of more than twelve months		0	0
	Total		4,28,821	4,28,821
13	Current financial assets - Loans			
	Unsecured, considered good			
	Security deposits - Others		77,72,348	77,46,348
	Loans and advances to employees		1,53,950	1,53,950
	Total		79,26,298	79,00,298
14	Other current financial assets			
	Other receivables from			
	- Others			
	Total			
15	Current tax assets			
	Balances with government authorities			
	- Direct tax (net of provisions)		5,71,47,225	5,71,11,373
	Total		5,71,47,225	5,71,11,373
16	Other current assets			
	Advances against goods and services		2,31,65,039	2,31,65,039
	Prepaid expenses		2,61,192	2,04,665
	Balances with government authorities			
	- Indirect tax		2,97,38,406	3,71,31,385
	Export benefits receivable		9,84,577	9,84,577
	Total		5,41,49,214	6,14,85,666

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
17	Equity share capital			
	Authorised			
	4,00,00,000 equity shares of ₹ 10 each		40,00,00,000	40,00,00,000
	Issued			
	2,38,25,000 equity shares of ₹ 10 each		23,82,50,000	23,82,50,000
	Subscribed and paid up			
	2,38,25,000 equity shares of ₹ 10 each		23,82,50,000	23,82,50,000
		Total	23,82,50,000	23,82,50,000

Details of shareholder holding more than 5% equity shares in the company

Name of Shareholder	As at 31 March, 2021		As at 31 March, 2020	
	Number of equity shares	Percentage of holding	Number of equity shares	Percentage of holding
Arch Pharmalabs Limited	1,07,09,100	44.95%	1,07,09,100	44.95%

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
18	Other equity			
	State Investment Subsidy			
	As per last balance sheet		2,000,000	2,000,000
	Capital reserve			
	As per last balance sheet		7,000,000	7,000,000
	Securities premium reserve			
	As per last balance sheet		317,051,400	317,051,400
	General reserve			
	As per last balance sheet		130,000,000	130,000,000
	Retained earnings			
	As per last balance sheet		(1,363,948,953)	(1,119,354,008)
	Add : Profit / (Loss) for the Year		(210,061,785)	(244,594,945)
		Total	(1,31,02,72,002)	(1,11,79,59,338)

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
19	Non-current borrowings			
	Secured			
	Term loans from banks		39,52,11,140	39,52,11,140
	Deferred Sales Tax Loan from State Govts.		14,56,67,539	15,60,32,788
			54,08,78,679	55,12,43,928
	Unsecured			
	From Body Corporate		31,71,40,209	31,71,40,209
			31,71,40,209	31,71,40,209
		Total	85,80,18,888	86,83,84,137
	Less: Current maturities disclosed under Other current financial liabilities (Refer note 24)		52,26,78,324	51,90,55,891
		Total	33,53,40,564	34,93,28,246

Nature of security and terms of repayments for long-term borrowings**Term Loans**

- a) The Term loans from banks of ₹ 3467.57 lacs (Previous year ₹ 3467.57 lacs) are secured by way of first pari passu charge on fixed assets, second pari passu charge on current assets, personal / corporate guarantees of promotor directors / company.
- b) The Term loans from bank of ₹ 484.54 lacs (Previous year ₹ 484.54 lacs) are secured by way of first pari passu charge on current assets, second pari passu charge on fixed assets, personal / corporate guarantees of promotor directors / company.

Deferred Sales Tax Loan

- c) The Company has been availing interest free Sales Tax deferement loan from States Government Authorities and the balance Outstanding as on 31st March' 2021 was ₹ 1456.68 lacs (previous year ₹ 1560.33 lacs).

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
20	Non-current provisions			
	Leave encashment		33,10,172	33,10,172
	Provision for Tax (Net of Payment)		1,73,14,553	1,73,14,553
	Provision for Excise Duty		4,59,543	4,59,543
		Total	2,10,84,268	2,10,84,268
21	Deferred tax liabilities (net)			
			2,99,00,649	2,99,00,649
		Total	2,99,00,649	2,99,00,649
22	Current financial liabilities - Borrowings			
	Secured			
	Working capital loan from banks		1,74,72,87,114	1,63,92,87,114
		Total	1,74,72,87,114	1,63,92,87,114

Working Capital

The working capital loans from the banks ₹ 17472.87 Lakhs (Previous year ₹ 16392.87 lacs) are secured by first pari-pasu charge on the current assets, second pari-pasu charge on fixed assets and personal guarantee of promotor directors / company.

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
23	Trade payables			
	Acceptances			
	a) Total Outstanding dues of micro enterprises and small enterprises		1,02,727	1,02,727
	b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		60,44,07,186	57,06,91,232
	Total		60,45,09,913	57,07,93,959
24	Other current financial liabilities			
	Current maturities of long-term borrowings (Refer note 19)		52,26,78,324	51,90,55,891
	Employee benefits payable		11,27,33,242	10,97,77,208
	Other payables		6,32,400	4,48,400
	Total		63,60,43,966	62,92,81,499
25	Other current liabilities			
	Statutory dues		37,35,908	33,80,455
	Total		37,35,908	33,80,455
26	Current provisions			
	Current provisions		0	0
	Total		0	0
27	Current tax liabilities			
	Current tax liabilities		0	0
	Total		0	0

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
28	Revenue from operations			
	Sales of products (including excise duty)		0	0
	Total		0	0
29	Other Income			
	Miscellaneous income		0	0
	Total		0	0
30	Interest income			
	- Others		3,58,515	3,44,246
	Total		3,58,515	3,44,246
31	Cost of materials consumed			
		Total	0	0
			0	0
	Details of materials consumed			
	Chemicals and Solvents		0	0
32	Changes in inventories of finished goods and goods-in-process			
	Inventory at the end of the year			
	Finished goods		89,80,585	89,80,585
	Goods-in-process		26,56,00,559	26,56,00,559
			27,45,81,143	27,45,81,143
	Inventory at the beginning of the year			
	Finished goods		89,80,585	89,80,585
	Goods-in-process		26,56,00,559	26,56,00,559
			27,45,81,143	27,45,81,143
	Total		0	0
33	Employee benefits expense			
	Salaries, wages and bonus		1,30,17,215	1,66,51,217
	Contribution to provident and other funds		8,75,905	11,58,826
	Staff welfare expenses		33,900	1,53,350
	Total		1,39,27,020	1,79,63,393

(Amount in ₹)

			As at 31 March, 2021	As at 31 March, 2020
34	Finance Costs			
	Interest Expenses		10,80,00,000	14,40,00,000
	Other Financial Charges		4,06,794	7,46,824
		Total	10,84,06,794	14,47,46,824
35	Depreciation and amortisation expense			
	Depreciation on property, plant and equipment		5,63,70,253	5,87,81,641
		Total	5,63,70,253	5,87,81,641
36	Other Expenses			
	Packing Materials, Stores, Spares and Consumables		0	0
	Power and Fuel		28,48,217	42,12,986
	Repairs and Maintenance		0	100
	Insurance		80,842	17,734
	Legal and Professional Charges		7,78,400	3,72,064
	Rent, Rates & Taxes		26,000	0
	Travelling and Conveyance Expenses		4,89,181	8,84,872
	Printing and Stationery		74,868	77,232
	Communication Expenses		0	22,575
	Miscellaneous Expenses		37,60,633	24,51,240
	Payment to Auditors (Refer details below)		75,000	75,000
		Total	81,33,141	81,13,802
	Payment to auditors for:			
	Audit Fees		75,000	75,000
		Total	75,000	75,000

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2021

(Amount in ₹)

	As at 31 March, 2021	As at 31 March, 2020
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	(19,23,12,664)	(21,00,61,785)
Adjustments for		
Depreciation	5,63,70,253	5,87,81,641
Interest & Financial Charges	10,84,06,794	14,47,46,824
Operating Profits before Working Capital Changes	(2,75,35,617)	(65,33,319)
(Increase) / Decrease in Inventories	0	0
(Increase) / Decrease in Debtors	81,41,983	(2,67,95,307)
(Increase) / Decrease in Loans & Advances	72,74,600	(8,71,435)
Increase / (Decrease) in Current Liabilities	4,08,33,874	3,49,56,551
Increase / (Decrease) in Cash Credit Loan	10,80,00,000	14,40,00,000
Cash Generated from Operations	13,67,14,840	14,47,56,490
Income Tax		
Net Cash flow from operating Activities (A)	13,67,14,840	14,47,56,490
B. Cash Flow from Investing Activities		
Fixed Assets	0	(27,119)
Net Cash Used in Investing Activities (B)	0	(27,119)
C. Cash Flow from Financing Activities		
Change in Share capital	0	0
Change in Security Premium	0	0
Change in Money received against Share warrants	0	0
Change in long term borrowings	(1,39,87,682)	0
Interest & Financial Charges	(10,84,06,794)	(14,47,46,824)
Net Cash inflow from Financing Activities (C)	(12,23,94,476)	(14,47,46,824)
Net Increase/(Decrease) in Cash Flow (A+B+C)	1,43,20,364	(17,454)
Opening Balance of Cash and Cash Equivalent	12,78,266	12,95,719
Closing Balance of Cash and Cash Equivalent	1,55,98,630	12,78,266

As per our report of even date
For **N G JAIN & CO**
Chartered Accountants

Prince Kothari
Partner
Mem. No. 155819
Firm Reg No. 103941W
Mumbai
30th June, 2021

For and on behalf of the board

Ajit Kamath
Chairman

Rajendra Kaimal
Director

Neelam Kumar Murdia
Chief Financial Officer

Jignesh Patel
Company Secretary

[illegible]

[illegible]

Kobo Biotech Limited

If undelivered, please return to:

Kobo Biotech Limited

(Formerly Known as Avon Lifesciences Limited)

H Wing, 4th Floor, Tex Centre, Off Saki Vihar Road,
Chandivali, Andheri (East), Mumbai -400072