

**29<sup>th</sup> ANNUAL REPORT**  
**2014 - 2015**



**COMBAT DRUGS LIMITED**

*Formulating a Bright Future...*

## **29<sup>th</sup> ANNUAL GENERAL MEETING**

Date : 30-09-2015

Day : Wednesday

Time : 11.30 AM

Venue : Plot No. 112, Gayatri Nagar,  
Road No.14, Boduppall,  
R.R.District - 500039. Telengana, INDIA

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*No Gifts will be distributed at the meeting.*

**COMBAT DRUGS LIMITED CIN NO: CL23230TG1986PLC006781**

**BOARD OF DIRECTORS**

**Sri SUCHIT MOHAN LAL**

Managing Director

**Shri SUSHANT MOHAN LAL**

Director

**Shri B.N. GNANA PRAKASH**

Chairman & Independent Director

**Smt VEMURI SHILPA**

Independent Woman Director

**Auditors:**

**Anandam & Company**

Chartered Accountants  
Secunderabad.

TELANGANA, India

**Registered Office:**

1-1-490, Plot No.63  
Road No.4, Mohan Nagar,  
R.R.District-500 035  
TELANGANA, India

**Bankers**

**Karnataka Bank Limited**

RaJ Bhavan Road.

HYDERABAD

TELANGANA, India

**Corporate Office:**

201,Moghal Emami Mansion,  
Khairtabad,  
Hyderabad-500 004  
TELANGANA, India

**AP Mahesh Co-operative Bank Ltd**

M.G.Road

Secunderabad.

TELANGANA, India

**Legal Advisors:**

**N. Rajeshekar Reddy**

Advocates

Flat No. 204, 2<sup>nd</sup> Floor

HilinePratap Apartments

Kachiguda 'X' Road, Hyderabad

**REGISTRARS & TRANSFER AGENTS**

M/s VENTURE CAPITAL & CORPORATE SERVICES PRIVATE LIMITED

12-10-167, BHARAT NAGAR, HYDERABAD-500 018, TELANGANA

Phone: (+91)-4023818475/476 FAX: +91 40 23868024

Email id: info@vccipl.com

## NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of Combat Drugs Limited will be held on Wednesday, **the 30<sup>th</sup> day of September, 2015 at 11:30 A.M.** at Plot No. 112, Gayatri Nagar, Road No.14, Boduppal, R.R.District - 500039. Telangana, India to transact the following items of business:

### ORDINARY BUSINESS:

#### 1. ADOPTION OF AUDITED ACCOUNTS AND REPORTS

To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2015, the Profit and Loss Account for the year ended as on that date, Directors' Report and Auditors' Report thereon.

#### 2. RE-APPOINTMENT OF DIRECTOR

To appoint a Director in place of Sri Sushant Mohan Lal who retires by rotation and being eligible offers himself for reappointment.

#### 3. APPOINTMENT OF AUDITORS

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

"RESOLVED THAT M/s Anandam & Company, Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting of the Company until the conclusion of next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors in consultation with the Auditors."

### SPECIAL BUSINESS

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

" **RESOLVED THAT** Ms. Vemuri Shilpa, **who** was appointed as an Women Independent Director of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from a member of the Company in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation."

**5. To consider and if thought fit to pass the following resolution with or without modification (s) as Ordinary Resolution:**

“RESOLVED THAT pursuant to Sections 197, 198, and Schedule V and other applicable provisions of the Companies Act, 2013 Sri Suchit Mohan Lal be and is hereby reappointed as the Managing Director of the Company for a Period of FIVE years with effect from 1<sup>st</sup> October 2014 on the following terms and conditions :

**REMUNERATION**

- i) Salary of Rs. 75,000/- p.m.
- ii) Annual leave travel concessions for self and family.
- iii) Benefits of contribution to Provident Fund, Gratuity, encashment of earned leave at the end of the tenure as per the rules of the Company.
- iv) Sri Suchit Mohan Lal will not be entitled to any sitting fees for attending meetings of the Board or of any committee thereof.

“RESOLVED FURTHER that the above remuneration be paid to Sri Suchit Mohan Lal, Managing Director, in the event of absence or inadequacy of profits of the company.”

**6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :**

“RESOLVED THAT the consent of the company pursuant to provisions of Section 179 and 180 of the Companies Act, 2013, be and is hereby accorded to the Board of Directors to sell, transfer and assign Plant And Machinery to any party identified by the Board of Directors of the company on the terms and conditions and stipulations as may be agreed between the Board of Directors of the company.

“RESOLVED FURTHER that the Board of Directors be and is hereby authorized and empowered to enter into sign, seal, execute and deliver such agreements, assignments, conveyances, contracts, deeds, writings and other instruments and to do all such acts, deeds, and things in the name and on behalf of the company as the Board may consider expedient, usual, necessary or proper for the said sale and effectuating the transfer of the said land, buildings and structures of the Company. “

7. To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**: To approve Related Party Transactions

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 (including any amendment, modification or reenactment thereof), consent of the members of the Company be and is hereby accorded for entering into any Related Party Transactions with the Directors, Key Managerial Persons and Senior Management upto an amount of Rs. 5,00,00,000/- (Rupees Five Crores Only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By the Order of the Board  
For **COMBAT DRUGS LIMITED**

Place: Hyderabad  
Date: 29.08.2015

Sd/-  
**SUCHIT MOHAN LAL**  
**MANAGING DIRECTOR**

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of members and share transfer books of the company will remain closed from 24/09/2015 to 30/09/2015 (both days inclusive).
3. Members/Proxies should bring the attendance slips duly filled in and signed for attending the meeting.
4. Members, who are holding shares in the identical order of names in more than one folio, are requested to write to the Company to enable it to consolidate their holding in one folio.
5. As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members of the Company in respect of shares held by them. The members, who wish to nominate a person, ***may furnish the required details to the Company in prescribed form.***
6. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses. In respect of electronic holdings, with the Depository through their concerned Depository Participants and members who hold shares in physical form are requested to register the same with our RTA, M/S Venture Capital & Corporate Services Private Limited, 12-10-167, Bharat Nagar, Hyderabad-500 018, Telangana .
7. Electronic copy of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members

whose email Ids are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their Email address, physical copies of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website [www.combatdrugs.in](http://www.combatdrugs.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection between 2:00 p.m. to 4:00 p.m. on all working days from Monday to Friday. Even after registering for E-communication, Members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication, the Members may also send requests to the Company or to its Registrar and Share Transfer Agent, at the following Email ID : [info@vccipl.com](mailto:info@vccipl.com) / [investorinfo@combatdrugs.in](mailto:investorinfo@combatdrugs.in)

8. **VOTING THROUGH ELECTRONIC MEANS**

In compliance with the provisions of the Clause – 35B of the Listing Agreement read with Section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 29<sup>th</sup> Annual Report of the company and the business may be transacted through e-voting. The company has engaged the services of National Depository Services Limited (NDSL) as the authorized agency to provide the e-voting facility. The detailed instructions for E-voting are given as a separate attachment to this Notice.

9. Members are requested to quote their Registered Folio No. on all correspondence(s) with the Company.

Mr. S. S. Marthi (Membership No.FCS 1989), Practicing Company Secretary, is appointed as scrutinizer to conduct E-voting.



## STEPS FOR E-VOTING

### E-Voting Process:

I. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, read with Clause 35 B of the Listing Agreement, the Company is pleased to offer E-voting facility to the Members to cast their votes electronically on all resolutions set forth in the Notice convening the 29th Annual General Meeting to be held on Wednesday, the 30th September, 2015 at 11.30 p.m. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the E-voting facility. The E-voting facility is available at the link <https://www.evoting.nsdl.com>

The E-voting Event Number and period of E-voting are set out below / at the bottom of the Attendance Slip for the AGM:

EVEN (E-VOTING-EVENT NUMBER)	COMMENCEMENT OF E-VOTING	END OF E-VOTING
<b>102759</b>	<b>26/09/2015</b>	<b>29/09/2015</b>

### The instructions for E-voting are as under:

- A. In case a Member receives an Email from NSDL [for members whose email IDs are registered with the company/Depository Participant(s)]:
  - i. Open email and open PDF file viz; Combat Drugs e-Voting.pdf with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for E-voting. Please note that the password is an initial password.
  - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - iii. Click on Shareholder - Login
  - iv. Type user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vi. Home page of E-voting opens. Click on e-voting: Active Voting Cycles.
  - vii. Select 'EVEN' of The Combat Drugs Limited.
  - viii. Now you are ready for E-voting as Cast Vote page opens.
  - ix. Cast your vote by selecting appropriate option and click on 'submit' and also 'confirm' when prompted.
  - x. Upon confirmation, the message 'Vote cast successfully' will be displayed.
  - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - xii. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution/authority letter etc. Together with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the Scrutinizer through Email to spcspl@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose Email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
- i. Initial password is provided below / at the bottom of the Attendance Slip for the AGM:
  - ii. Please follow all steps [from Sl.No.(ii) to (xii)] as mentioned above, to cast your vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads Section of <https://www.evoting.nsdl.com> or contact NSDL at the following telephone number: +91 22 2499 4600.
- III. If you are already registered with NSDL for E-voting, then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and Email ID in the user profile details of the folio which may be used for sending future communication(s).
- V. The E-voting period commences on September 26, 2015 (9.00 a.m.) and ends on September 29, 2015 (5:00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialised

form, as on the cut-off date (record date) of September 23, 2015, may cast their vote electronically. The E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- VI. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of September 23, 2014.
- VII. Mr. S.S. Marti, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinise the evoting process in a fair and transparent manner.
- VIII. The Scrutiniser shall within a period not exceeding three working days from the conclusion of the E-voting period unblock the votes in the presence of at least two witnesses not in the employement of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. The result shall be declared on or after the Annual General Meeting of the Company. The results declared along with Scrutinizer's Report shall be placed on the Company's website [www.combatdrugs.in](http://www.combatdrugs.in) and the website of NSDL within two days of passing the resolution at the Annual General Meeting of the Company and communicated to the stock exchanges.

Information required to be furnished under clause 49 of the listing agreement for directors seeking appointment/reappointment in forthcoming annual general meeting:

<b>Name of Director</b>	<b>Mr. SUSHANT MOHAN LAL</b>
Date of Birth	07/05/1980
Date of Appointment	19/05/2006
Qualification	MBA
Expertise	Marketing & Finance
Other directorship	<b>NIL</b>
Chairman/Members of the Committee in other Companies	NIL
No of shares held in the Company	20,60,491

iii. Name of Director	Mrs.VEMURI SHILPA
Date of Birth	28/12/1978
Date of Appointment	30/03/2015
Qualification	MBA
Expertise	H.R
Other directorship	<b>NIL</b>
Chairman/Members of the Committee in other Companies	NIL
No of shares held in the Company	NIL

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

**ITEM NO. 4**

Ms. Vemuri Shilpa was appointed as a Women Independent Director of the Company pursuant to the Section 161 of the Companies Act, 2013, effective from 30<sup>th</sup> March,2015 and holds office as director only upto the date of ensuing AGM. The Company has received a notice from a member in terms of Section 160 of the Companies Act, 2013 proposing the candidature of Mrs. Vemuri Shilpa as a Independent Director of the Company liable to retire by rotation along with prescribed deposit of Rs.1,00,000/-.

Save and except Ms Vemuri Shilpa none of the other Directors and their relatives are in any way, are concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 Ms Vemuri shilpa is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act and has given her consent to be appointed as a Director.

The Board recommends the appointment of Ms Vemuri Shilpa as Independent Director liable to retire by rotation and propose to pass the resolution set out in Item No. 4 of the notice as an Ordinary Resolution.

**ITEM NO. 5**

The Board of Directors in their meeting held on 14<sup>th</sup> November 2014 reappointed Sri Suchit Mohan Lal as Managing Director of the company for a period of 5 years w.e.f. from 1<sup>st</sup> October 2014 on the terms and conditions as set out in the resolution. Since his term expired, the Board has considered the reappointment of Suchit Mohan Lal as the Managing Director of the company for a period of 5 years subject to the approval of the members in the Annual General Meeting. The terms and conditions of his appointment are laid down in the resolution proposed at Item No. 5 which may be treated as an

abstract of the terms and conditions of appointment under Section 190 of the Companies Act, 2013.

Sri Suchit Mohan Lal is interested in the above said resolution to the extent of his appointment and remuneration payable to him.

**ITEM NO.6**

As you are aware, the Plant and Machinery held by the company has become obsolete and unusable. Hence, it is proposed to dispose of the Plant and Machinery.

Your Directors commend this resolution.

None of the Directors are interested or concerned in the said resolution.

**ITEM NO. 7**

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The revised Clause 49 of the Listing Agreement which has come into operation with effect from October 1, 2014 has also prescribed seeking of shareholders' approval for material related party transactions.

The Company solicits a general approval for the transactions entered by the Company with its directors, key managerial persons and senior management upto Rs. 5,00,00,000/- (Rupees Five Crores only) and at arm's length basis.

As per Clause 49(VII) (E) of the Listing Agreement, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought from the shareholders. Accordingly, all related parties of the Company, including, among others, the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

The Directors commend the Resolutions at Item No. 7 of the accompanying Notice for the approval of the Members of the Company.

Memorandum of Interest: None of the Directors' and Key Managerial Personnel's of the Company and their relatives is in any way concerned or interested in the above resolution.

By the Order of the Board  
For **COMBAT DRUGS LIMITED**

Sd/-

Place: Hyderabad  
Date: 29.08.2015

**SUCHIT MOHAN LAL**  
MANAGING DIRECTOR

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in submitting their **Twenty Ninth Annual Report** of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

### **1. FINANCIAL RESULTS**

The Company's financials for the year under review along with the corresponding figures of the previous year's figures are as under:-.

	(Amount in Lakhs)	
	For the year ended 31-03-2015	For the year ended 31-03-2014
Net Sales /Income from		
Business Operations	9.63	4.60
Other Income	8.77	2.84
Total Income	18.40	7.44
Less Interest	0.00	0.00
Profit before Depreciation	(345.18)	(79.86)
Less Depreciation	23.21	20.80
Profit after depreciation and Interest	(368.39)	(59.06)
Less Current Income Tax	0.00	0.00
Less Previous year adjustment of Income Tax,	0.00	0.00
Less Deferred Tax	0.00	0.00
Net Profit after Tax	(368.39)	(79.86)
Dividend (including Interim if any and final )	0.00	0.00
Net Profit after dividend and Tax	(368.39)	(79.86)
Amount transferred to General Reserve	0.00	0.00
Balance carried to Balance Sheet	(368.39)	(79.86)
Earning per share (Basic)	(4.60)	(1.00)
Earning per Share(Diluted)		

### **2. DIVIDEND**

As the company did not earn distributable profits, the board of directors did not recommend any dividend for the financial year under review. Since the company has not declared any dividend for more than 10 years. the provisions of Section 125 (2) of the Companies Act, 2013 do not apply.

### **3. RESERVES**

The Board did not propose to transfer any amount to reserves

### **4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS**

During the year under review, your company achieved a turnover of Rs.9.63 Lakhs in the year 2014-15 as compared to Rs.4.60 Lakhs during 13-14.

The Company approached companies manufacturing quality medicines, to get their products manufactured on Third Party & Loan Licence basis as the Company handed over the Leased Land, Buildings, Machinery & Lab Equipments to the owners while reflecting the same in the Balance Sheet. This was necceciated as the Owners, being co-promoters of your company exited from the Company & its Board and refused to extend the Lease expiring on 31<sup>st</sup> March, 2015 for further period. The residual Machineries of the company are kept temporarily in rented Godowns. The residual Machineries are mostly Obsolete and outdated ones and have now become redundant with no immediate usage and installing the same in other premises is neither viable nor profitable.

Your Directors take pleasure in informing you that they have finalized a Company with two decades of experience to manufacture the Products of WHO GMP standards. Some of the Products are in advanced stage of Production with the new Packing Materials like Foils/Cartons/Boxes etc being already ordered and getting them in to place. The company is very confident of building a very decent business volumes in due course of time.

### **5. CHANGE IN THE BUSINESS OF THE COMPANY:**

During the year under review, the company did not change its line of activity.

### **6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement, forms part of this Report and is annexed hereto as "Annexure A".

### **7. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION**

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. A report on Corporate Governance is included as part of this Annual Report as "Annexure - B". Certificate from the Statutory Auditors of the company M/s. Anandam & Co, Chartered Accountants confirming the compliance with the conditions of Corporate Governance as Stipulated under Clause 49 of the Listing Agreement is included as part of this report as "Annexure C".

### **8. LISTING & TRADING ON STOCK EXCHANGES**

The Equity Shares of the Company are listed at The Bombay Stock Exchange Limited, Mumbai. The Market price of the Share as on 31st March , 2015 was

Rs.9.61 per share. The Company confirms that it has paid the Annual Listing Fee for the year 2015-16 to BSE where the Company' Shares are listed. As of 26th Aug. The shares of the company are suspended from trading due to penal reasons. The company is making efforts to get the suspension revoked at the earliest.

## **9. DEMATERIALISATION OF SHARES**

82.63% of the company's paid up Equity Share Capital is in dematerialized form as on 31<sup>st</sup> March, 2015 and balance 17.37% is in physical form. The Company's Registrars are M/s Venture Capital & Corporate Services Private Limited, 12-10-167, Bharat Nagar, Hyderabad-500 018, Telangana. Phone: (+91)-4023818475/476 FAX: +91 40 23868024 Email id: info@vccipl.com.

## **10. BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause49 of the Listing Agreements ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.



**11. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

**12. 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 is no order passed by any Court or Tribunal or forum which impacted or is likely to impact the "Going concern status" of the company.

**13. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The company has adequate internal financial controls and has a separate Audit committee to assess the internal controls and guide the company accordingly.

**14. DETAILS OF SUBSIDIARIES, JOINT VENTURES, ASSOCIATE COMPANIES & THEIR PERFORMANCE**

The Company does not have any subsidiary or joint venture or associate company.

**15. DEPOSITS**

The Company has neither given nor accepted any Public Deposits during the year under review.

**16. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

**17. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility does not apply to the company.

## **18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

## **19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

## **20. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **21. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by either the Auditors or by the Practicing Company Secretary in their respective reports except the following Disclaimers:

1. Auditors Report
  - a) Appointment of CFO
2. Secretarial Audit Report
  - a) Appointment of CFO & CS
  - b) Company's Manufacturing Licence Under Renewal
  - c) Inter-se Transfer of Shares Between Promoters

The company could not appoint the Chief Financial Officer (CFO) and full Time Company Secretary due to the present Financial Status of the Company. The company is making efforts to appoint the CFO & CS at the earliest.

The company has a valid Drug Manufacturing and Wholesale Licence and has applied for the Renewal of the Drug Manufacturing Licence which is a continuous process.

There was an Inte-se transfer of Shares between the Promoters under due intimation to BSE & SEBI. However, there is no Change in Total Promoter Holding.

## **22. SHARE CAPITAL**

The Company has not bought back any of its securities nor has it issued any Equity or Sweat Equity or bonus Shares or has not provided any Stock Option Scheme to the employees during the year under review.

## **23. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Nomination & Remuneration Committee is vested with the powers to recommend the Appointment of a Director and fix, recommend the Remuneration accordingly.

### **Managerial Remuneration:**

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under :

Name	Designation	Yearly Remuneration (Rs).
1. Mr.Suchit Mohan Lal	Managing Director	2,40,000.00.
2. Mr.Sushant Mohan Lal	Executive Director	2,40,000.00

B) Details of every employee of the Company as required pursuant to 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under :

1. The Ratio as such is not applicable.

C) Any director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report — NIL

## **24. ANNUAL RETURN**

The extracts of the Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration ) Rules, 2014 in Form MGT 9 is attached to this Report at Annexure 'F'.

## **25. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Board of Directors duly met 6 times during the financial year from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015. The dates on which the meetings were held are as follows:

30<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014, 22<sup>nd</sup> December, 2014, 14<sup>th</sup> February, 2015 and 30<sup>st</sup> March, 2015 & the details are given as Annexure 'B' in the Corporate Governance Report.

The Company constituted 3 Committees as under:

- (I) Audit Committee;
- (II) Nomination & Remuneration Committee ;
- (III) Share holders Grievance Relationship/Share Transfer Committee  
The details are given as Annexure 'B' in the Corporate Governance Report.

## **26. DIRECTORS**

In accordance with the provisions of the Companies Act, 2013, Smt Vemuri Shilpa was appointed as an Independent Woman Director on 30-03-2015.

Shri Anjani Kumar Agarwal and Shri Sanjay Kumar Agarwal, Executive Directors resigned from the Company as Directors with effect from 22-12-2014 due to their pre-occupation and their resignations were accepted by the Board.

Shri S.S.Marathi resigned from the Company as Director with effect from 22-12-2014 due to his pre-occupation and his resignation was accepted by the Board.

Shri Sushant Mohan Lal Director of the Company and Vemuri Shilpa, Director of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

## **27. DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted declarations disclosing to the Board that they fulfil the criteria stipulated under Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules made there under.

## **28. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Audit Committee consists of the following members:

A. Shri B.N. GNANA PRAKASH B. Smt VEMURI SHILPA C. Shri. SUSHANT MOHAN LAL

The above composition of the Audit Committee consists of independent Directors viz., Mr B.N. GNANA PRAKASH and Mrs. Smt VEMURI SHILPA who form the majority. The Audit committee was reconstituted on 22<sup>nd</sup> December 2014 after the resignation of Mr. S.S.Marathi & Mr.S.K.Agarwal & was again reconstituted on 30<sup>th</sup> March 2015 on co-option of Mrs. Vemuri Shilpa, as Independent Director of the Company.

The Audit Committee reports to the Board.

The Company has a vigil mechanism in place.

## **29. CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of the Companies Act, 2013 and rules made there under ("the Act"), forming of a Corporate Social Responsibility (CSR) Committee is Not Applicable to the Company.

## **30. PARTICULARS OF EMPLOYEES:**

Information as required under the provisions of Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014, is given elsewhere in the report. As per the proviso to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of employees posted and working outside India is - NIL.

**31. Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outflow [Clause (m) of sub-section (3) of section 134 of the Act, r/w Rule 8 of the Companies (Accounts) Rules, 2014]**

(A) Conservation of energy

The Company is very careful in using the power to reduce the cost of maintenance and conserve the resources. The energy consumed during the year was minimal at Rs.0.77 Lakhs & hence, No Additional Investments or proposals were implemented for reduction of consumption of energy.

(B) Technology absorption : The company did not carry out any R & D during the year under review.

(C) Foreign exchange earnings and Outgo: NIL

**32. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board  
For **COMBAT DRUGS LIMITED**

Place: Hyderabad  
Date: 29.08.2015

Sd/-  
SUCHIT MOHANLAL  
MANAGING DIRECTOR

Sd/-  
SUSHANT MOHANLAL  
DIRECTOR

**MANAGEMENT DISCUSSION & ANALYSIS****A. INDUSTRY STRUCTURE & DEVELOPMENT :**

The Indian pharmaceutical market (IPM) was valued at INR 75,000 crores approximately as at March 2014. The Pharma industry is showing a slow growth rate of 5.2% recorded over the previous five years. Demographic trends will act as a significant driver of global demand for pharmaceuticals in the next five years: increase in diagnosis and treatment of chronic conditions and an aging population could drive growth in the developed markets, while population growth coupled with improved access to healthcare could drive emerging market growth. Most countries could experience increased pharmaceutical spending per capita by 2018. Global spending growth is expected to stabilize between 4-7% through 2018. Higher spending is expected on specialty medicines over the next five years, particularly in developed markets – about 40% of total global growth will come from these medicines.

There are more than 32000 pharmaceutical companies presently operating in the Indian market, either as sole manufacturer or as marketers or both, and the number is growing day by day because of the ever growing demand, for medicines to cater to the extreme rural areas of our country.

**B. OPPORTUNITIES, THREATS, RISKS & CONCERNS :**

India is emerging as a key player in the pharmaceutical industry. The growth of middle class in the country has resulted in fast changing lifestyles in urban and lately in the rural areas. There is now a huge market for lifestyle drugs, which has a very low contribution in the Indian markets. Indian manufacturers are one of the low cost producers of drugs in the world and can produce quality drugs at 40% to 50% of the cost to the rest of the world.

There is opportunity to tap rural market where buying capacity has increased in view of health consciousness. In fact, the company's focus is on rural and semi urban markets as, the multinationals and big Indian brands have occupied maximum space in the urban and metro markets

where the volumes are high. Working capital has become a major issue as the Pharmaceutical Industry is working capital intensive and in order to streamline our working, we are in the process of negotiating with Banks for Working Capital Requirements as the Company as of today does not enjoy any Working Capital limits from any financial institution or Banks.

**C. PRODUCT WISE PERFORMANCE:**

The Company's main product is Formulation Marketing. The Company has drawn up different strategies for Marketing the Products locally and Anti Inflammatory Analgesic & Cold formulations were selected for executing its plans.

The Company has drawn up a strategy to get its products manufactured in various locations & will position itself as a low-cost manufacturer of various high class Finished dosage forms and therapeutic products.

**D. COMPANY'S OUTLOOK & CONCERNS:**

In line with our stated philosophy and strategy, we will continue to pursue various options to achieve growth. With increase in the cost of raw material, adverse government policies and pricing guidelines, lack of modernized infrastructure and equipment, working capital constraints, inadequate cash flows and above all, huge competition from multinationals and big brands on one side and unorganized Pharma sector on the other side, the company's growth chart is not satisfactory and the management is trying to reduce the cost and focus more on rural market.

**E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company believes that Internal auditing is a catalyst for improving an organization's governance, risk management and management controls by providing insight and recommendations based on analyses and assessments of data and business processes.

Your Company has adequate internal control systems commensurate with the size of its operations for the purpose of exercising adequate controls on day to day operations of the Company. and internal audit is conducted at regular intervals.



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

The Manufacturing Licence of the Company has attained the maturity period and your company had applied for Renewal of its Manufacturing facilities which is pending with the Govt authorities and Stop Production Orders is issued by the concerned authorities hence Product wise income from operations for the financial year 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015 is also negligible at Rs.9.63 Lakhs.

The details of the financial performance of the Company are comprised in the Balance Sheet, Profit and Loss Account and other financial statements which are annexed hereto along with the Directors and the Auditors Report for the financial year 2014-15.

**G. HUMAN RESOURCES:**

By virtue of reduction in the operations, the man power requirement has come down There is a conscious effort by the Company to build diversity in the workforce..

**Disclaimer**

*Some of the statements in this Management Discussion & Analysis, describing the Company's objectives, projections, estimates and expectations may be "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operation including changes in the industry structure, significant changes in political and economic environment in India, tax laws, import duties, litigation and labour relations.*

**CORPORATE GOVERNANCE REPORT**

The following are the details furnished in the form as required under the Clause 49 of the Listing Agreement:

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

It is the Company's endeavour to attain highest level of governance In the conduct of your Company's business and its dealings, it abides by the principles of honesty, openness and doing what is right and fair. Your Company is committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation. These principles guide our behavior at all times. This is the road to responsible, sustainable and profitable growth and creating long term value for your Company's stakeholders,

The Company's philosophy on Corporate Governance is thus connected with the ethics, values and morals of the Company and its Directors, who are expected to act in the best interests of the Company and remain accountable to Shareholders and other beneficiaries for their action.

**2. BOARD OF DIRECTORS:**

Your Company had a balanced mix of Executive and Non-Executive Directors during the year. The composition of the Board is being broadened to represent a blend of professionals from various backgrounds which will further enable the Board to discharge its responsibilities more efficiently and provide effective leadership by taking the Company's business to achieve the goals in future.

The Chairman of the Board for the financial year 2014-15 was Mr. Batula.N. Gnana Prakash, Independent Director and at least half of the Board were Independent Directors and therefore the composition of the Board is in compliance with Clause 49 of the Listing Agreement.

**(a) Composition and Category of Directors**

The Board of Directors had an optimum combination of Executive and Non-Executive Directors and had one lady Director and not less than fifty percent of the Board members are Non-Executive and Independent Directors. At this year end the Board composition consisted of 4 Directors comprising Two Executive Directors and Two Independent Directors,

<b>Executive Directors</b>	<b>Age</b>	<b>Designation</b>	<b>Date of Appointment</b>
Mr. Suchit Mohan Lal	59	Managing Director	5 <sup>th</sup> Aug, 1999
Mr. Suchit Mohan Lal	35	Director	19 <sup>th</sup> May, 2006

**Non-Executive/or Independent Directors**

Mr.B.N.Gnana Prakash	70	Independent Director	17 <sup>th</sup> Jan, 2008
Mrs.Vemuri Shilpa	27	Independent Director	30 <sup>th</sup> Mar, 2015

1. Mr.A.K.Agarwal Resigned as an Executive Director w.e.f. December 22, 2014
2. Mr.S.K.Agarwal Resigned as an Executive Director w.e.f. December 22, 2014
3. Mr.S.S Marthi Resigned as an Independant Director w.e.f. December 22, 20144

**NOTES:**

- (1) None of the Directors are related to each other except for Promoter Directors;
- (2) Number of Directorship held in other companies includes all companies, whether listed or unlisted and excludes foreign companies, other bodies corporate and professional bodies. The limits on directorship of Independent Directors and Executive Directors are within the permissible limits.
- (3) The necessary disclosures regarding change in Committee positions, if any, have been made by all the Directors, during the year under review. None of the Director is a Member of more than 10 Committees or Chairman of more than 5 Committees across all Indian companies.
- (4) Independent Director means a Non-Executive Director, who fulfils the criteria as laid down in Clause 49(II)(B)(1) of the Listing Agreement.

- (5) The Company has issued formal letter of appointment to its Independent Directors. The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013.
- (6) The Independent Directors of the Company met every time a Board Meeting is held. These meetings are held the same day as that of the Board Meetings. In the said meetings the Independent Directors review the matters stated in Clause 49 (II) (B) (6) (b) and action items, if any, are communicated and tracked to closure to the satisfaction of Independent Directors. The purpose of these meetings is to promote open and candid discussion among the Independent Directors.  
Break-up of other Directorships : NIL

The calendar of Board meetings is decided in consultation with the Board and the schedule of such meetings is communicated to all Directors well in advance. Generally, the Board Meetings are held in Hyderabad/ Secunderabad, where the Corporate office of your Company is situated. The agenda for the Board Meeting includes applicable matters and agenda matters as per Annexure X to the Listing Agreement and is generally circulated few days prior to the date of the Meeting and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions.

Members of the Board and key executives, disclosed to the Board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company. The Board and key executives also conducted themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture for good decision-making.

Your Board met six times during the financial year 2014-15. 30<sup>th</sup> May 2014, 14<sup>th</sup> August 2014, 14-November 2014, 22<sup>nd</sup> December 2014, 14<sup>th</sup> February 2015 & 30<sup>th</sup> March 2015.

The necessary quorum was present for all the Board Meetings and the Twenty Eighth Annual General Meeting. The maximum interval between any two Board Meetings was well within the maximum allowed gap of one hundred and twenty days.

After each Board Meeting, your Company has a well-articulated system of follow up, review and reporting on actions taken by the Management on the decisions of the Board and Committees of the Board.

(b) Attendance of the Directors at the Board Meetings and the Twenty Eighth AGM

Sl. No.	Name	Category	Designation	No. of Board Meetings attended	Attendance at previous AGM	No. of Memberships in other Companies(Excl. Pvt Ltd Co's)	
						Board	Committee
1.	Shri Suchit Mohan Lal	Promoter & Executive	Managing Director	6	Yes	Nil	Nil
2.	Shri Sushant Mohan Lal	Promoter & Executive	Director	6	Yes	Nil	Nil
3	Shri Battula Narasimha Gnana Prakash	Independent & Non – Executive	Director	6	Yes	Nil	Nil
4.	Smt. Vemuri Shipla	Independent & Non-Executive	Director	1	No	Nil	Nil
5*	Shri S. S. Marthi	Independent & Non-Executive	Director	3	Yes	2	3
6*	Shri Anjani Kumar Agarwal	Promoter & Non-Executive	Director	3	Yes	Nil	Nil
7*	Shri Sanjay Kumar Agarwal	Promoter & Non-Executive	Director	3	Yes	Nil	Nil

\* Note : No. 5,6,7 resigned during the year

**Directors' Shareholding Details in the Company as on March 31, 2015**

Sl.No.	Name	No. of Shares	Shares as % of Equity
1.	Shri Suchit Mohan Lal	24,64,289	30.80%
2.	Shri Sushant Mohan Lal	20,60,491	25.76%
3.	Shri Battula Narasimha Gnana Prakash	Nil	Nil
4.	Smt. Vemuri Shipla	Nil	Nil

All changes being additions and deletions are communicated by the Board Members and recorded in the statutory registers and applicable disclosures also made to the Stock Exchanges.

The Board has constituted the following Committees and each Committee has their terms of reference as a Charter. The Chairman of each Committee along with the other Members of the Committee and if required other Members of the Board, decide the agenda, frequency and the duration of each meeting of that Committee. Currently, the Board has at the end of the year THREE Committees:

(I) Audit Committee;

(II) Nomination & Remuneration Committee

(III) Share holders Grievance /Relationship/Share Transfer Committee

## **I. THE AUDIT COMMITTEE**

The Audit Committee was constituted in accordance with the requirements of the Listing Agreement and reports to the Board and is primarily responsible for:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment, the replacement or removal of the Auditor (financial) and fixing of audit fees & Approval of payment to Auditors (financial) for any other services rendered by them.
3. Reviewing, with the management, the annual financial statements and auditor's and director's report thereon before submission to the Board for approval.
4. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
5. Valuation of undertakings or assets of the Company, wherever it is necessary.
6. Evaluation of internal financial controls and risk management systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the

official heading the department, reporting structure coverage and frequency of internal audit.

8. Discussion with internal auditors on any significant findings and follow up there on.
9. Discussion with Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
10. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee consists of Three Directors, as per the details given below. All Members are financially literate and have the required accounting and financial management expertise.

Two Directors, One Independent Director, Mr. S.S.Marathi & Executive Director Mr. S.K.Agarwal, who were the members of the Audit committee resigned on 22<sup>nd</sup> December 2014 from the Audit Committee. Mr. B.N.Gnana Prakash, Independent Director, is the Chairman of the Audit Committee and was present at the Twenty eighth Annual General Meeting to answer the Shareholders' queries.

The Audit Committee met six times during the financial year 2014-15. They met on 30<sup>th</sup> May 2014, 14<sup>th</sup> August 2014, 14-November 2014, 22<sup>nd</sup> December 2014, 14<sup>th</sup> February 2015 & 30<sup>th</sup> March 2015 and not more than four months had elapsed between two Audit Committee meetings. The necessary quorum was present for all the said Audit Committee Meetings.

Name of the Director Category Position Number of Audit Committee Meetings Held Attended by the Director

<b>Directors Name &amp; Committee Position</b>	<b>Meetings attended</b>
Shri Battula Narsimha Gnana Prakash (Chairman)	6
Shri Anjani Kumar Agarwal	3
Shri S. S. Marthi	3
Shri Sushant Mohan Lal	3
Smt. Vemuri Shilpa	1
Shri Suchit Mohan Lal	3

\*The Audit committee was reconstituted on 22<sup>nd</sup> December 2014 after the resignation of Mr. S.S.Marathi & Mr. S.K.Agarwal & was again reconstituted on 30<sup>th</sup> March 2015 on co-option of Mrs. Vemuri Shilpa, as Independent Director of the Company.

No sitting fees was paid to them for attending any meeting of the Board and or its Committees.

## **II. THE NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is primarily responsible to Identify potential candidates to become Board Members.

1. Recommending nominees to various Committees of the Board.
2. Ensuring that appropriate procedures are in place to assess Board's effectiveness.
3. Developing an annual evaluation process of the Board and its Committees.
4. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
5. Formulation of criteria for evaluation of Independent Directors and the Board;
6. Devising a policy on Board diversity;
7. Assist the Board in ensuring that affordable, fair and effective compensation philosophy and policies are implemented;
8. Approve and make recommendations to the Board in respect of salary structure and actual compensation (inclusive of performance based incentives and benefits) of the Executive Directors, including the Chief Executive Officer;
9. Review and approve the overall budgetary increment proposals for annual increase of compensation and benefits for the employees;
10. Review and approve any disclosures in the annual report or elsewhere in respect of compensation policies or Directors' compensation;



12. Any other matter referred to the Remuneration Committee by the Board of Directors of the Company.

The Nomination and Remuneration Committee is responsible for reviewing the overall goals and objectives of compensation programs, as well as the compensation plans, and making changes to such goals, objectives and plans.

(b) Nomination and Remuneration Committee - salary, benefits, perquisites and allowances (fixed component) and performance incentives, commission (variable component) to its Chairman, Managing Director and other Executive Directors.

The Nomination and Remuneration Committee met Three times during the financial year 2014-15. They met on 14<sup>th</sup> November 2014, 22<sup>nd</sup> December 2014, & 30<sup>th</sup> March 2015. The necessary quorum was present for all the said Remuneration Committee Meetings.

Name of the Director, Category Position, Number of Remuneration Committee Meetings Held/ Attended by the Director and the Details of Remuneration Paid.

Directors Name	Committee Position	Meetings attended	Sitting Fees	Salary & Perk
Shri S.S.Marathi	Chairman	3	Nil	Nil
Shri Batula N. Gnana Prakash	Chairman	3	Nil	Nil
Smt Vemuri Shilpa	Nil		Nil	Nil
Shri A.K.Agarwal	Member	3	Nil	Nil
Shri S.K.Agarwal	Nil		Nil	Nil
Shri Sushant Mohan Lal	Member	2	Nil	2,40,000/-
Shri Suchit Mohan Lal	Member	2	Nil	2,40,000/-

\* The Remuneration committee was reconstituted on 22<sup>nd</sup> December 2014 after the resignation from the committee of Mr. S.S.Marathi & Mr.A.K.Agarwal.

**Details of the Remuneration:**

The Remuneration of Mr.Suchit Mohan Lal on his reappointment as Managing Director for a period of 5 years was enhanced to Rs. 75,000/- per month with

effect from 1<sup>st</sup> October 2015. However, a Resolution was passed on the request of Mr.Suchit Mohan Lal that he will accept only Rs.20,000/- per month as Remuneration in this financial year upto 31<sup>st</sup> March 2015 and upto the ensuing Annual General Meeting to be held in September, 2015, in view of the financial constraints of the company due to various negative factors and will accept the full Remuneration of Rs. 75,000/- with perks from 1<sup>st</sup> October 2015.

No sitting fee or out of pocket expenses was paid to any of the Directors during the year in view of the financial constraints and performance of the company. The Comparative Ratios are– Not applicable

### **III. SHAREHOLDERS' RELATIONSHIP / INVESTOR GRIEVANCE/ SHARE TRANSFER COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/ Investors' Grievance Committee" as the "**Shareholders' Relationship / Investor Grievance/ Share Transfer Committee** "

The Committee reviews the following: Expeditious redressal of investor's grievances, Transfer of shares, Dematerialisation/ Re-materialisation, Non receipt of Annual Reports and declared dividend, all other matters related to shareholders Grievance & to ensure quicker investor services and expeditious disposal of the share transfer approvals. The Committee meets as and when the memorandum of transfers date is intimated by the Share Transfer Agents; VENTURE CAPITAL & CORPORATE SERVICES PRIVATE LIMITED (Registrars and Transfer Agents) and accords its approvals accordingly. The **Committee** consists of following Directors.

<b>Directors Name</b>	<b>Committee Position</b>	<b>Meetings attended</b>
Shri Suchit Mohan Lal	Chairman	18
Shri Sushant Mohan Lal	Member	10
Shri S.S.Marathi (Chairman)	Member	8
Shri A.K.Agarwal	Member	8

The Share Transfer Committee Met eighteen times during the financial year 2014-15. They met on 14<sup>th</sup> April 2014, 5<sup>th</sup> May 2014, 21<sup>st</sup> May 2014, 31<sup>st</sup> May 2014, 11<sup>th</sup> July 2014, 12<sup>th</sup> August 2014, 8<sup>TH</sup> September 2014, 24<sup>TH</sup> September 2014, 10<sup>th</sup> October 2014, 27<sup>th</sup> October 2014, 11<sup>th</sup> November 2014, 23<sup>rd</sup> December 2014, 30<sup>th</sup> December 2014, 9<sup>th</sup> January 2015, 31<sup>st</sup> January 2015, 14<sup>th</sup> February 2015, 17<sup>th</sup> March 2015 & 30<sup>th</sup> March 2015.

All the Share Transfers were effected on time and There is no share transfer pending for more than 15 days and there are No pending Share Transfers as on 31<sup>st</sup> March 2015.

During the year 2014-2015, 1 complaint was received pertaining to the dividends, annual reports, change of bank/ address details and split shares etc. from shareholders and the complaints have been resolved to the satisfaction of the Complainants. As on 31/03/2015 there were no complaints pending to be resolved.

No sitting fees was paid to them for attending any meeting of the Board and or its Committee's.

Your Company has a designated e-mail ID, investorinfo@combatdrugs.in for the redressal of any Stakeholders' related grievances exclusively for the purpose of registering complaints by Members/ stakeholders. Your Company has also displayed the said email ID under the investors section at its website, and other relevant details prominently for creating investor/ stakeholder awareness. Your Company maintains a functional website containing necessary information about the Company, contact information of the designated officials of the Company and the contents of the said website are updated at any given point of time as per Clause 54 of the Listing Agreement, and as per the requirements of the Companies Act, 2013.

**The Compliance Officer**, Mr. K Kiran Kumar monitors the share transfer process and reports to the Company's Board in each meeting and the said Officer also directly liaises with the authorities such as SEBI, Stock Exchanges, ROC etc., and investors with respect to implementation of various clause, rules, regulations and other directives of such authorities and investor service & complaints related matter. Investors may address their Communications / Suggestions / Grievance to Mr. K Kiran Kumar at 201, Moghal's Emami Mansion, Chintal Basti Road, Khairatabad, Hyderabad. Or send a mail to investorinfo@combatdrugs.in / cs@combatdrugs.in

### 3. GENERAL BODY MEETINGS :

Date, Time and Location of the last 3 Annual General Meetings are:

AGM	Date	Location	Time
28 <sup>th</sup>	30.09.2014 Monday	185, 186, Yellampet, Medchal Mandal, R.R. District, (AP)	11.30 A.M
27 <sup>th</sup>	30.09.2013 Monday	185, 186, Yellampet, Medchal Mandal, R.R. District, (AP)	11.30 A. M.
26 <sup>th</sup>	29.09.2012 Saturday	185, 186, Yellampet, Medchal Mandal, R.R. District, (AP)	11.30 A. M.

No Special Resolution was passed in the previous 3 AGMS.

#### Postal Ballot:

No Special Resolution was passed during the previous year, through Postal Ballot process.

#### Details of Non Compliance

(i) During the year 2014-15, no materially significant related party transactions have been entered into by the Company with the Promoters, Directors or Management or their relatives, that may have a potential conflict with the interest of the Company. None of the Non-Executive Directors/ Independent Directors have any pecuniary material relationship or transactions with the Company for the year ended March 31, 2015, and have given undertakings to that effect.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

No penalty, or stricture was imposed by the Stock Exchanges or SEBI or any other authority, during the last 3 (three) years, since all applicable requirements were fully complied with.

(iii) Accounting treatment in preparation of Financial Statements

The guidelines/ accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in preparation of the financial statements of the Company in all material respects.

(iv) Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013 and Listing Agreement:

- For employees to report concerns about unethical behavior;
- To establish a mechanism to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Integrity Policy; and
- To ensure that adequate safeguards shall be provided to the whistle blowers against any victimization or vindictive practices like retaliation, threat or any adverse (direct or indirect) action on their employment. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.
- No personnel/ person has been denied access to the Audit Committee.
- A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and Board. The Audit Committee on a quarterly basis looks into matters reported and track matters to closure as per law.

(v) Code of Conduct

Your Company has laid down a Code of Conduct (“Code”) for all the Board Members and Senior Management Personnel of the Company. The Code is available on the website of the Company i.e., [www.combatdrugs.in](http://www.combatdrugs.in). All Directors and Personnel of the Company have affirmed compliance with the Company’s Code of Conduct for the financial year ended March 31, 2015. A declaration signed by the Chief Executive Officer (CEO)/ Managing Director to this effect is attached as Annexure A to the Corporate Governance Report in the Annual Report.

(vi) The Company has disclosed and complied with all the mandatory requirements under Clause 49 of the Listing Agreement except the appointment of full time company secretary and Chief Financial Officer. The details of these compliances have been given in the relevant sections of this report.

Among the non-mandatory requirements of Clause 49 of the Listing Agreement, the Company has complied with the following:

- Separate posts of Chairman and CEO - The Chairman and Managing Director/ CEO are two separate persons -The position of Chairman and CEO is bifurcated in the Company.
- Reporting of Internal Auditor - The Internal Auditor reports directly to the Audit Committee.
- Compliance of Prohibition of Insider Trading Regulations
- Your Company has comprehensive guidelines on prohibiting insider trading and the Company has adopted the code of internal procedures and conduct for listed companies notified by the SEBI

#### **4. APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS**

##### **A. Appointments**

Mrs.Vemuri Shilpa was inducted in the Board as an Independent Woman Director from March 30, 2015, is liable to retire by rotation & being eligible offers her candidature for Re-appointment.

Mr.Sushant Mohan Lal, Executive Director is liable to retire by rotation & being eligible offers his candidature for Re-appointment.

##### **B. Resignations**

1. Mr.A.K.Agarwal Resigned as an Executive Director w.e.f. December 22, 2014
2. Mr.S.K.Agarwal Resigned as an Executive Director w.e.f. December 22, 2014
3. Mr.S.S Marthi Resigned as an Independent Director w.e.f. December 22, 2014

#### **5. RECONCILIATION OF SHARE CAPITAL AUDIT**

The 'Reconciliation of Share Capital Audit' was undertaken on a quarterly basis and the audit covers the reconciliation of the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit has also confirmed that the aggregate of the total issued/ paid-up-capital is in agreement with the total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.

## **6. SECRETARIAL AUDIT**

The Auditors' Report and Secretarial Auditors' Report are given as annexure which forms part of this report.

## **7. MANAGEMENT DISCUSSION AND ANALYSIS**

As required by Clause 49 of the Listing Agreement, the Management Discussion and Analysis is provided separately in the Annual Report.

## **8. CEO AND CFO'S CERTIFICATION**

As required by Clause 49 of the Listing Agreement, the CEO and CFO's Certification is provided as Annexure to the Corporate Governance Report in the Annual Report. As required under Clause 49(IX) of the Listing Agreement, the CEO and CFO's Certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for the financial year ended March 31, 2015, was placed before the Board of Directors at all their meetings held.

## **9. MEANS OF COMMUNICATION**

- Company has regularly furnished Financial Results by email and also by way of filing through the electronic filing within the time lines to the Mumbai Stock Exchange.
- Quarterly and annual financial results are also published in English, and other regional (Telugu) newspapers.

Website Pursuant to Clause 54 of the Listing Agreement, the Company's website [www.combatdrugs.in](http://www.combatdrugs.in) contains all the information as may be required by the Shareholders including press releases, financial results, fact sheet reports, additional disclosures, earnings conference, shareholding pattern, Shareholders' reports, investor presentation, Annual Reports, etc.,

Quarterly results are put on the Company's web-site.

The Company submitted a quarterly compliance report to the stock exchanges within 45 days from the close of quarter.

**10. The Twenty Ninth Annual General Meeting (AGM)** of the Company for the financial year 2014-15 is scheduled on Wednesday, the 30<sup>th</sup> September, 2015 at 11.30 AM at Plot No.112, Gayatri Nagar, Road No.14, Boduppal, R.R.Dist - 500039. TELANGANA. India.

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Mumbai Stock Exchange ( BSE), the Company has also extended e-voting facility, for its Members to enable them to cast their votes electronically and also physically on the proposed resolutions in the Notice of the Twenty Ninth Annual AGM. Instructions for e-voting are listed under the segment “Notes” in the Notice to Twenty Ninth Annual AGM.

Those of the Shareholders/ Members, who cannot attend the AGM in person, can appoint a proxy to represent them in the AGM, for which the Shareholder/ Member needs to fill in a proxy form and send it to the Company, to its Registered Office address, on or before 10.30 AM on 24-09-2015.

#### **11. GENERAL SHAREHOLDER INFORMATION:**

Annual General Meeting	:	30 <sup>th</sup> September, 2015 at 11.30 A.M. at Plot No.112, Gayatri Nagar, Road No.14, Boduppal, R.R.Dist - 500039. TELANGANA. India
Financial Year	:	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March, 2015
Dates of Book Closure	:	24.09.2015 (Thursday) to 30.09.2015 (Wednesday)
Listing	:	The Bombay Stock Exchange Ltd.
Stock Code	:	524752
Registrar & Transfer Agents	:	Venture Capital & Corporate Investments Pvt Ltd, 12-10-167, Bharat Nagar, Hyderabad - 500 018 Ph: +91-40+23818475 / 23818476 Fax:+91-40-23868024 E-mail:info@vccilindia.com Contact: Mr. E.S.K.Prasad / Mr. P. Srinivas Reddy



- Share Transfer System : The share transfers are affected within fifteen days from the date of the lodgment for transfer, transmission, sub-division, etc. and the Share Certificates are delivered to the Shareholders immediately.
- Dematerialization of shares : The company was allotted ISIN INE643N01012 by CDSL and NSDL and trading is being done in Dematerialized form in BSE.
- Nomination Facility : Shareholders, holding shares in physical form and desirous of making/ changing a nomination in respect of their shareholding in the Company as permitted under Section 109A of the Companies Act 1956 are requested to submit to the Compliance Officer in the prescribed form 2B for this purpose, which can be furnished by the Company on request.
- Outstanding GDR's/ ADR's/ Warrant or any convertible instruments, conversion date and likely impact on equity : Nil

**Address for Correspondence:**

- Registered Office : 1-1-490, Plot No.63, Mohan Nagar, R.R. District, Telengana 500035
- Corporate Office : 201, Moghal's Emami Mansion, Chintal Basti Road, Khairtabad, Hyderabad.500004

**12. MARKET PRICE DATA**

The closing market price of equity share on 31st March, 2015 (last trading day of the financial year) was 9.31ps as compared to the price on 31<sup>st</sup> March 2014 of Rs.6.35ps on BSE.

### 13. DISTRIBUTION OF SHAREHOLDING :

Distribution of Shareholding as on 31st March, 2015

Share Holder or Debenture Holding of nominal Value of		Share Holder or Debenture Holding of nominal Value of		Share / Debenture Amount	
Rs.	Rs.	Number	% of Total	Number	% of Total
(1)		(2)	(3)	(4)	(5)
Upto	- 5000	11,911	97.91	2892840	3.62
5001	- 10000	105	0.86	836600	1.05
10001	- 20000	45	0.37	677090	0.85
20001	- 30000	22	0.18	565780	0.71
30001	- 40000	13	0.11	444800	0.56
40001	- 50000	17	0.14	832520	1.04
50001	- 100000	20	0.16	1463230	1.83
100001	and above	32	0.26	72287140	90.36
<b>TOTAL</b>		<b>12,165</b>	<b>100</b>	<b>80000000</b>	<b>100</b>

**14. SHAREHOLDING PATTERN FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH, 2015**

No.	Category	No. of Shares held	% of Shareholding
<b>A</b>	<b>Promoter's Holding</b>		
1	Indian Promoters: Individuals/ HUF's/Bodies Corporate	5295117	66.19%
2	Foreign Promoters	NIL	NIL
	Sub-Total	5295117	66.19%
<b>B</b>	<b>Non-promoters Holding</b>		
3	Institutional investors		
a	Mutual Funds and UTI (Govt. Financial Institutions)	NIL	NIL
b	Banking, Financial Institutions/ Insurance Companies (Central/State Government Institutions/Non- Government Institutions)	300	0.00%
c	FIs	NIL	NIL
	Sub-Total	300	0.00%
4	Others		
a.	Private corporate Bodies	566495	7.08%
b.	Indian Public	2137488	26.72%
c.	NRIs/OCBs	600	0.01
d.	Any other (Please Specify) Directors & Relatives	NIL	NIL
	Sub-Total	2704583	33.81%
	Grand Total	8000000	100.00%

By the Order of the Board  
For **COMBAT DRUGS LIMITED**  
Sd/-

Place: Hyderabad  
Date: 29.08.2015

SUCHIT MOHANLAL  
MANAGING DIRECTOR

**Annexure-A**  
**TO CORPORATE GOVERNANCE**

**Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding compliance with Code of Conduct**

In accordance with Clause 49 (II) (E) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2015.

For **COMBAT DRUGS LIMITED**

Sd/-

Place: Hyderabad

SUCHIT MOHANLAL

Date: 29.08.2015

MANAGING DIRECTOR

## **Annexure-C**

### **AUDITORS' REPORT ON CORPORATE GOVERNANCE**

To  
The Members  
Combat Drugs Limited

We have examined the compliance of conditions of Corporate Governance by Combat Drugs Limited for the year ended 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement. Except the Company did not have Chief Financial Officer in terms of Clause 49 (ix)

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2015, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company. We further 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 M. Anandam & Co.,  
Chartered Accountants  
(Firm Regn. No. 000125S)

Sd/-

Place: Secunderabad  
Date: 30<sup>th</sup> May, 2015

A.V. SADASIVA  
Partner  
M.No. 18404

## **Annexure-D**

### **CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

I Mr. Suchit Mohan Lal, CEO & Managing Director of Combat Drugs Limited to the best of my knowledge, information and belief, certify that:

- 1) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2015:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements together present, in all material respects, a true and fair view of the Company's affairs, the financial condition and results of operations and are in compliance with applicable accounting standards, laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or which violate the Company's code of conduct.
- 3) We are responsible for establishing and maintaining internal controls over financial reporting by the Company and we have:
  - a) Designed such controls to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others;
  - b) Designed or caused to be designed, such internal control systems over financial reporting, so as to provide reasonable assurance regarding the preparation of financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India; and
  - c) Evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
- 4) During the year, we have disclosed to the Company's Auditors and the Audit Committee of the Board of Directors:
  - a) Any change, that has materially affected or is reasonably likely to materially affect, the Company's internal control over financial reporting;

- b) Any significant changes in accounting policies during the year, and that the same have been disclosed appropriately in the notes to the financial statements;
  - c) Instances of significant fraud, if any, that we are aware especially, if any, Member of management or employee involved in financial reporting related process. No such instances were noticed during the year 2014-15;
  - d) All significant changes and deficiencies, if any, in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data; and
  - e) Any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
- 5) In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive which was inflated on account of such mistakes or omissions.
- 6) We affirm that we have not denied any employee, access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
- 7) We further declare that, all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the current year.

For **COMBAT DRUGS LIMITED**

Sd/-

Place: Hyderabad

Date: 29.08.2015

SUCHIT MOHANLAL  
MANAGING DIRECTOR

**ANNEXURE - E**

**Form MR-3**

**SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015**

To

The Members of

M/s. Combat Drugs Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Combat Drugs Limited (hereinafter called "**the Company**").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2014 and ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Combat Drugs Limited ("The Company") for the financial year ended on 31st March, 2015, according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014 ;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;



- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment, and External Commercial Borrowings (not applicable during the audit period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - ii. 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;
  - iii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - v. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - vii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - viii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (vi) Other applicable laws, including the following:**
  - (a) Factories Act, 1948
  - (b) Payment of Gratuity Act, 1972
  - (c) Employees Provident Fund and Miscellaneous provisions Act, 1952
  - (d) Employees State Insurance Act 1948
  - (e) Maternity Benefit Act, 1961

- (f) Minimum Wages Act, 1948
  - (g) Payment of Bonus Act, 1972
  - (h) Payment of Wages Act 1936
  - (i) Industrial Dispute Act, 1947
  - (j) Environment (Protection) Act, 1986
  - (k) Legal Metrology Act, 2009
  - (l) Competition Act, 2002
  - (m) Income-tax Act 1961
  - (n) Indian Stamp Act, 1899
  - (o) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
  - (p) Drugs and Cosmetics Act, 1940
3. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by The Institute of Company Secretaries of India to the extent applicable under the provisions of Companies Act, 2013 and
  - ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited;
4. We further report that :
- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.
  - (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting.

- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
5. We further report that there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. We further report that during the audit period :
- i) The company's manufacturing licence under the Drugs and Cosmetics Act, 1940 is under renewal.
  - ii) There was an inter-se transfer of shares between the Promoters of the Company. However, there has been no change in the management.

For MARTHI & CO,  
Company Secretaries

Sd/-

S S MARTHI

PROPRIETOR

FCS 1989, CP 1937

Place: Hyderabad,

Date: 29<sup>th</sup> August, 2015

**ANNEXURE - F****Form No. MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR  
ENDED ON 31<sup>ST</sup> MARCH 2015*****[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1)  
of the Companies (Management and Administration) Rules, 2014]*****I. REGISTRATION AND OTHER DETAILS:**

<b>i. CIN</b>	CL23230TG1986PLC006781
<b>ii. Registration Date</b>	17-09-1986
<b>iii. Name of the Company</b>	<b>COMBAT DRUGS LIMITED</b>
<b>iv. Category / Sub-Category of the Company</b>	Company Limited by shares and Indian Non-Government Company
<b>v. Address of the Registered office and contact details As per Last Year annual Return</b>	1-1-490, Plot No.63, Road No.4, Mohan Nagar, R.R.District - 500035. T.S.
<b>vi. Whether listed company</b>	Yes
<b>vii. Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	M/s Venture Capital & Corporate Services Pvt Ltd 12-10-167, Bharat Nagar, Hyderabad-500 018, Telangana. Phone: (+91)-4023818475/476 Fax: +91 40 23868024 Email Id: Info@Vccipl.Com

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

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

<b>Sl. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
1 2 3	Manufacturing & Trading	21002	100%

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

<b>Sl. No.</b>	<b>Name and Description of main products / services</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
1.	N I L				

# I. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	1955230	1259887	3215117	40.19	5294567	550	5295117	66.19	26.00
b) Central Govt	0	0	0	0	0	0	0	0	NIL
c) State Govt (s)	0	0	0	0	0	0	0	0	NIL
d) Bodies Corp	0	2080000	2080000	26.00	0	0	0	0	(26.00)
e) Banks / FI	0	0	0	0	0	0	0	0	NIL
f) Any Other	0	0	0	0	0	0	0	0	NIL
Sub-total(A)(1):-	1955230	3339887	5295117	66.19	5294567	550	5295117	66.19	NIL
<b>2) Foreign</b>									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	NIL
h) Other-Individuals	0	0	0	0	0	0	0	0	NIL
i) Bodies Corp.	0	0	0	0	0	0	0	0	NIL
j) Banks / FI	0	0	0	0	0	0	0	0	NIL
k) Any Other.....	0	0	0	0	0	0	0	0	NIL
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	NIL
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	NIL
b) Banks / FI	0	300	300	0	0	300	300	0	NIL
c) Central Govt	0	0	0	0	0	0	0	0	NIL
d) State Govt (s)	0	0	0	0	0	0	0	0	NIL
e) Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
f) Insurance Companies	0	0	0	0	0	0	0	0	NIL
g) FIs	0	0	0	0	0	0	0	0	NIL
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
i) Others (specify)	0	0	0	0	0	0	0	0	NIL
Sub-total (B)(1)	0	300	300	0.001	0	300	300	0.001	NIL
<b>2. Non Institutions</b>									
a)Bodies Corp.	331766	83430	415196	5.19	98792	467703	566495	7.08	1.89
(i) Indian (ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	288431	343491	631922	7.90	437010	283551	720561	9.01	1.11
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	254574	1365098	1619672	20.25	736015	663341	1399356	17.49	(2.76)
c) Others (Specify)									
i) Non Resident Indians	750	0	750	0.01	600	0	600	0.01	(0.00)
ii) Clearing Members	37043	0	37043	0.46	17571	0	17571	0.22	(0.23)
Sub-total (B) (2)	912564	1792019	2704583	33.81	1289988	1414595	2704583	33.81	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	912564	1792319	2704883	33.81	1289988	1414895	2704883	33.81	NIL
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	NIL
Grand Total (A+B+C)	2867794	5132206	8000000	100	6584555	1415445	8000000	100	NIL

**ii. Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Suchit Mohan Lal	358680	4.48	0	2464289	30.80	0	26.32
2.	Sushant Mohan Lal	613828	7.67	0	2060491	25.76	0	18.09
3.	Anita Mathur	81450	1.02	0	714787	8.93	0	7.91
4.	Ankita Mathur	55000	0.69	0	55000	0.69	0	NIL
5.	Ruchi Mathur	550	0.01	0	550	0.01	0	NIL
6.	Pratap Mohan Lal	106420	1.33	0	0	0	0	(1.33)
7.	A.K.Agarwal	999189	12.49	0	0	0	0	(12.49)
8.	S.K.Agarwal	1000000	12.50	0	0	0	0	(12.50)
8.	DRS Labs (I)Pvt Ltd	2080000	26.00	0	0	0	0	(26.00)
	<b>Total</b>	<b>5295117</b>	<b>66.19</b>	<b>0</b>	<b>5295117</b>	<b>66.19</b>	<b>0</b>	<b>NIL</b>

**iii. Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<b>5295117</b>	<b>66.19</b>	<b>5295117</b>	<b>66.19</b>
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	There is no Change in Total Promoter Holding. There was an Inter-se Transfer of shares between the promoters during the year			
	At the End of the year	<b>5295117</b>	<b>66.19</b>	<b>5295117</b>	<b>66.19</b>

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL



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

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		MD Suchit Mohal Lal	WTD Sushant Mohan Lal	MAN		
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961			-	-	2,40,000 2,40,000
	(b) Value of perquisites us17 (2) Income-tax Act,1961					
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
	Stock Option	NIL		NIL		NIL
	Sweat Equity	NIL		NIL		NIL
	Commission - as % of profit-others, specify...	NIL		NIL		NIL
	Others, please specify	NIL		NIL		NIL
	Total (A)	NIL		NIL		4,80,000
	Ceiling as per the Act					

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	Nil				Nil
	Total (1) Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	Nil				Nil
	Total (2)	Nil				Nil
	Total (B)=(1+2)	Nil				Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act					

### C. Remuneration to Key Managerial Personnel Other Than MD /Manager

/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-taxAct, 1961(c) Profits in lieu of salary under section 17(3) Income-taxAct, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission- as % of profit-others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	NIL	NIL	NIL	NIL

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding		NIL	NIL	NIL	
<b>B. Directors</b>					
Penalty		NIL	NIL	NIL	
Punishment					
Compounding					
<b>C. Other Officers In Default</b>					
Penalty		NIL	NIL	NIL	
Punishment					
Compounding					

# **AUDITORS' REPORT**

**To the Members of  
Combat Drugs Limited**

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Combat Drugs Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Financial Statements**

The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (accounts) Rules, 2014. 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 maintenance of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal 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.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at 31<sup>st</sup> march, 2015 and its loss and its cash flow for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts ) Rules, 2014;
- e) On the basis of written representations received from the directors as on March 31 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm Regn.No.000125S)

Sd/-  
A.V.Sadasiva  
Partner - M.No.018404

Place: Hyderabad

Date: 30<sup>th</sup> May' 2015.

## Annexure to Auditors Report

The Annexure referred to in our report to the members of the Company for the year ended 331<sup>st</sup> March, 2015. We report that

- i.
  - a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such physical verification.
- ii.
  - a. The inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
  - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size and nature of its business.
  - c. The Company has maintained proper records of its inventories. The discrepancies noticed on verification between physical stocks and book records were not material.
- iii.
  - a. The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- v. The company has not accepted any deposits within the meaning of the Section 73 to 76 of the Act and the rules framed thereunder.
- vi. Maintenance of cost records by the company has not been prescribed by central government of India under Sub-Section (1) of Section 148 of the Companies Act, 2013.
- vii.
  - a. According to the information and explanations given to us and records of the Company examined by us the company is regular in depositing undisputed statutory dues including Provident Fund, Employees State insurance, Income Tax, Sales Tax, value Added tax, Service Tax,

Customs Duty, Excise Duty, cess and any other statutory dues as applicable with the appropriate authorities and there was no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us and records of the Company examined by us, there are no disputes pending against the company as at 31<sup>st</sup> March, 2015.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the company.
- viii. The company has accumulated losses at the end of the financial year exceeding fifty percent of its net worth and it has incurred cash losses during the financial year and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not taken any loan from financial institutions, bank or through debentures. Accordingly, the provisions of clause 3(ix) of Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions Accordingly, the provisions of clause 3(ix) of Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- xi. In our opinion and according to the information and explanation given to us, the Company has not taken any term loans. Accordingly, the provisions of clause 3(ix) of Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm Regn.No.000125S)

Sd/-

A.V.Sadasiva  
Partner

M.No.18404

Place: Secunderabad

Date: 30<sup>th</sup> May, 2015

**COMBAT DRUGS LIMITED**  
**BalanceSheet as at March 31, 2015**

Particulars	Note	31-3-2015	31-3-2014
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
a) Share capital	2	80,000,000	80,000,000
b) Reserves and Surplus	3	(46,000,532)	(9,162,088)
<b>2. Non-current Liabilities</b>			
a) Long term borrowings	4	-	518,073
<b>3. Current Liabilities</b>			
a) Trade payables	5	2,542,936	6,196,472
b) Other current liabilities	6	1,997,811	1,734,642
<b>TOTAL</b>		<b>38,540,215</b>	79,287,099
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
a) Fixed Assets			
- Tangible	7	8,588,724	40,596,443
b) Long term loans and advances	8	22,165,388	22,165,388
<b>2. Current Assets</b>			
a) Inventories	9	5,015,609	8,790,609
b) Trade Receivables	10	805,338	3,723,490
c) Cash and bank balances	11	976,368	14,294
d) Short term loans and advances	12	988,788	3,996,875
<b>TOTAL</b>		<b>38,540,215</b>	79,287,099

**Significant Accounting policies 1**

The accompanying notes form an integral part of the financial statements  
As per our report of even date

For and on behalf of the Board

For M. ANANDAM & CO  
Chartered Accountants

Sd/-  
A V SADASIVA  
Partner  
M No: 018404

Sd/-  
SUCHIT MOHAL LAL  
Managing Director

Sd/-  
SUSHANT MOHAN LAL  
Director

Place: Secunderabad  
Date :30.05.2015



**COMBAT DRUGS LIMITED**

**Profit & Loss Statement for the year ended March 31, 2014**

(Amount in Rs.)

<b>Particulars</b>	<b>Note</b>	<b>31-3-2015</b>	<b>31-3-2014</b>
<b>Income</b>			
Revenue from operations	13	963,247	459,775
Other income	14	877,252	283,608
<b>Total Revenue</b>		<b>1,840,499</b>	<b>743,383</b>
<b>Expenses</b>			
Consumption of raw material	15	948,675	-
Employee Benefits	16	777,000	660,000
Other expenditure	17	1,155,549	2,857,653
Preliminary expenses written off		-	182,700
Depreciation	7	2,320,759	2,080,129
<b>Total Expenses</b>		<b>5,201,983</b>	<b>5,780,482</b>
<b>Profit / (Loss) before Exceptional items and Tax</b>		<b>(3,361,484)</b>	<b>(5,037,099)</b>
Exception items	18	33,476,960	2,948,760
<b>Profit / (Loss) before tax</b>		<b>(36,838,444)</b>	<b>(7,985,859)</b>
<b>Tax expense</b>			
a) Current tax		-	-
b) Deferred tax		-	-
<b>Profit / (Loss) after tax</b>		<b>(36,838,444)</b>	<b>(7,985,859)</b>
<b>Earnings Per Equity share</b>	20		
- Basic		(4.60)	(1.00)
- Diluted		(4.60)	(1.00)

**Significant Accounting policies 1**

The accompanying notes form an integral part of the financial statements  
As per our report of even date

For and on behalf of the Board

For M. ANANDAM & CO  
Chartered Accountants

Sd/-  
A V SADASIVA  
Partner  
M No: 018404

Sd/-  
SUCHIT MOHAL LAL  
Managing Director

Sd/-  
SUSHANT MOHAN LAL  
Director

Place: Secunderabad

Date :30.05.2015

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE.1: Significant Accounting Policies

#### a) Basis of Preparation of financial statements:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

#### b) Fixed Assets

The fixed assets are stated at cost of acquisition and subsequent improvements thereto including taxes duties, freight and other incidental expenses related to acquisition and installation.

#### c) Depreciation

Depreciation on fixed assets is provided as per Schedule II of Companies Act, 2013 taking into account the useful life.

**d) Deferred tax liability / Asset** To provide and recognize Deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

#### e) Inventories

Inventories are valued at lower of the cost or net realizable value.

#### f) Revenue Recognition

Sale of goods is recognized at the point of despatch of finished goods to the customers.

### Notes to the Financial statements for the year ended March 31, 2015

#### Note 2: Share Capital

(Amount in Rs.)

Particulars	31-3-2015	31-3-2014
<b>AUTHORIZED</b>		
80,00,000 Equity Shares of Rs.10/- each	80,000,000	80,000,000
(Previous year 80,00,000 Equity Shares of Rs.10/- each)		
<b>ISSUED AND SUBSCRIBED</b>		
80,00,000 Equity Shares of Rs.10/- each	80,000,000	80,000,000
(Previous year 80,00,000 Equity Shares of Rs.10/- each)		
<b>PAID UP :</b>		
80,00,000 Equity Shares of Rs.10/- each	<b>80,000,000</b>	<b>80,000,000</b>
(Previous year 80,00,000 Equity Shares of Rs.10/- each)		

#### 2.1 Rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.2 The details of shareholders holding more than 5%**

Name of the shareholder	As on 31.03.2015		As on 31.03.2014	
	No. of equity Shares	% of holding	No. of equity Shares	% of holding
1 Suchit Mohan Lal	2,464,289	30.80	358,680	4.48
2 Sushant Mohan Lal	2,060,491	25.76	613,828	7.67
3 Anitha Mathur	714,787	8.93	81,450	1.02
4 Anjani Kumar Agarwal	-	-	999,189	12.49
5 Sanjay Kumar Agarwal	-	-	1,000,000	12.50
6 DRS Labs (India) Pvt Ltd	-	-	2,080,000	26.00
	<b>5,239,567</b>	<b>65.49</b>	<b>5,133,147</b>	<b>64.16</b>

**Note 3: Reserves & Surplus**

	2015	2014
<b>Surplus / Deficit</b>		
Opening balance	(9,162,088)	(1,176,229)
Add: Net profit/(loss) transferred from Statement of Profit & Loss	(36,838,444)	(7,985,859)
Closing Balance	<b>(46,000,532)</b>	<b>(9,162,088)</b>

**Note 4: Long Term Borrowings**

	2015	2014
<b>Unsecured</b>		
From Directors	-	518,073
<b>TOTAL</b>	<b>-</b>	<b>518,073</b>

**Note 5 : Trade Payables**

	2015	2014
Dues to Micro and Small enterprises		
Others	2,542,936	6,196,472
<b>TOTAL</b>	<b>2,542,936</b>	<b>6,196,472</b>

**Note 6 : Other Current Liabilities**

	2015	2014
Statutory Liabilities	-	521,792
Expenses payable	997,811	1,212,850
Advances from customers	1,000,000	-
<b>TOTAL</b>	<b>1,997,811</b>	<b>1,734,642</b>

**Note 8 : Long Term Loans and Advances**

	2015	2014
Deposit - Buildings	12,000,000	12,000,000
Deposit - Electricity	139,394	139,394
Deposit - Excise Authorities	15,000	15,000
Deposit - Machinery	10,000,000	10,000,000
Deposit - VAT	3,000	3,000
Deposit - Telephones	7,994	7,994
<b>TOTAL</b>	<b>22,165,388</b>	<b>22,165,388</b>

**Note 9 : Inventories**

	2015	2014
Raw materials & Excepients	257,002	2,397,002
Packing materials	623,594	1,373,594
In process formulations	2,881,213	2,881,213
Finished formulations	1,253,800	2,138,800
<b>TOTAL</b>	<b>5,015,609</b>	<b>8,790,609</b>

9.1 Expired stocks of Raw Materials Written off to the extent of Rs. 37,90,000/- (P.Y 29,48,760/-) respectively

**Note 9 : Trade Receivables**

	2015	2014
Unsecured, considered good		
- Over 6 months from the due date	612,135	3,723,490
- Others	193,203	-
<b>TOTAL</b>	<b>805,338</b>	<b>3,723,490</b>

**Notes to the Financial statements for the year ended March 31, 2015**  
**Note - 7: FIXED ASSETS**

Amounts in Rs.

Sl. No.	Name of the Asset	Gross Block			Depreciation			Net Block			
		As at 31.03.2014	Additions	Deletions/ Adjustments	As at 31.03.2015	As on 31.03.2015	For the Year	Deletions/ Adjustments on 31.03.2015	As at 31.03.2015	As at 31.03.2014	
1	Leased Building	31,268,074	-	-	31,268,074	2,641,183	894,590	27,732,301	31,268,074	-	28,626,891
2	Furniture	454,723	-	-	454,723	454,722	1	-	454,723	-	1
3	Computers	492,700	-	-	492,700	222,469	270,231	-	492,700	-	270,231
4	Plant & Machinery	17,121,409	-	-	17,121,409	7,751,892	780,793	-	8,532,685	8,588,724	9,369,517
5	Lab Equipment	1,032,911	-	-	1,032,911	244,502	112,630	675,779	1,032,911	-	788,409
6	Office Equipment	291,815	-	-	291,815	242,448	49,367	-	291,815	-	49,367
7	Electrical Fittings	1,678,251	-	-	1,678,251	186,224	213,147	1,278,880	1,678,251	-	1,492,027
	<b>Total Rs.</b>	<b>52,339,883</b>	<b>-</b>	<b>-</b>	<b>52,339,883</b>	<b>11,743,440</b>	<b>2,320,759</b>	<b>29,686,960</b>	<b>43,751,159</b>	<b>8,588,724</b>	<b>40,596,443</b>
	<b>Previous Year</b>	<b>52,339,883</b>	<b>-</b>	<b>-</b>	<b>52,339,883</b>	<b>9,663,311</b>	<b>2,080,129</b>	<b>-</b>	<b>11,743,440</b>	<b>40,596,443</b>	<b>42,678,572</b>

7.1 Leased building is written off since the lease period is over as per the lease agreement

7.2 Lab equipment and Electrical installations written off based on the Technical committee report since they are no more useful.

**Note 11 : Cash and Bank balances**

	2015	2014
<b>1.Cash and Cash equivalents</b>		
a) Cash on Hand	3,787	4,359
b) Cash at Bank in Current Accounts	972,582	9,936
<b>2.Other Bank Balances</b>	-	-
	<b>976,369</b>	<b>14,295</b>

**Note 12 : Short Term Loans and Advances**

	2015	2014
Advances to Staff	100,000	100,000
Advances to Suppliers	75,023	3,083,121
Cenvat Credit available and others	813,754	813,754
VAT Input Credit available	11	-
<b>TOTAL</b>	<b>988,788</b>	<b>3,996,875</b>

**Note 13: Sales**

	2015	2014
Pharma Sales	963,247	459,775
<b>Net sales</b>	<b>963,247</b>	<b>459,775</b>

**Note 14 : Other Income**

	2015	2014
Scrap Sales	877,252	283,608
<b>TOTAL</b>	<b>877,252</b>	<b>283,608</b>

**Note 15 : Raw Material Consumed**

	2015	2014
Opening stock	8,790,609	11,739,369
Add: Purchases	963,675	-
	<b>9,754,284</b>	<b>11,739,369</b>
Less: Closing stock	5,015,609	8,790,609
Less: Stocks written off	3,790,000	2,948,760
<b>Raw material consumption</b>	<b>948,675</b>	<b>-</b>

**Note 16 : Employee Benefits**

	2015	2014
Directors' Remuneration	480,000	480,000
Salaries to Staff	297,000	180,000
<b>TOTAL</b>	<b>777,000</b>	<b>660,000</b>

**Note 17 : Other Expenditure**

	2015	2014
Advertisement expenses	13,980	-
Audit Fees	28,090	28,090
Bad debts written off	-	2,159,273
Bank & Service Charges	709	2,439
Consultancy & Other Charges	200,024	25,000
Conveyance & Vehicle Maintenance	192,500	39,000
Factory Expenses	-	60,000
Fuel, Power & Light	78,000	171,648
Office Expenses	109,113	13,000
Postage & Telegrams	112,880	112,000
Printing & Stationery	147,500	183,000
Rent	60,000	-
Rates & Taxes	186,299	64,203
Travelling - Directors & Others	26,454	-
<b>TOTAL</b>	<b>1,155,549</b>	<b>2,857,653</b>

**Note 18 : Exceptional Items**

	2015	2014
Obsolete stocks written off	3,790,000	2,948,760
Fixed assets written off	29,686,960	-
<b>TOTAL</b>	<b>33,476,960</b>	<b>2,948,760</b>

**Note 19 : Payment to Auditors**

(Amount in Rs.)

	2015	2014
<b>As Auditor</b>		
For Statutory Audit	28,090	28,090
	-	-

**Note 20 : Earnings Per Equity Share**

	2015	2014
Profit / (Loss) for the year after tax	(36,838,444)	(7,985,859)
Number of equity shares	8,000,000	8,000,000
Earnings per share (Basic and Diluted)	4.60	(1.00)
Face value of each equity share	10	10

	2015	2014
<b>NOTE 21: Expenditure in foreign currency</b>	Nil	Nil
<b>NOTE 22: Earnings in foreign currency</b>	Nil	Nil
<b>NOTE 23: CIF Value of Imports</b>	Nil	Nil

**NOTE 24: Consumption of Raw Materials and Other Materials**

Particulars	2015		2014	
	(Amount in Rs.)	%	(Amount in Rs.)	%
<b>a) Consumption of Raw Materials and other materials</b>				
<b>1. Raw Materials</b>				
i) Imported	-	-	-	-
ii) Indigenous	948,675	100	-	-
<b>TOTAL</b>	<b>948,675</b>	<b>100</b>	-	-
<b>b) Components, Spares, Consumables &amp; Packing Materials</b>				
ii) Indigenous	-	-	-	-
<b>TOTAL</b>	-	-	-	-

**NOTE 25:** Deferred tax is not recognised as there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**NOTE 26: Related Party disclosures**

As per AS-18, the disclosures of transactions with the related parties are given below:

## 1. Key Management Personnel

Mr. Suchit Mohan Lal, Managing Director

Mr. Sushant Mohan Lal, Director

## 2. Transactions for the year

	2015	2014
<b>a) Key Managerial Personnel</b>		
Remuneration	480,000	480,000
Loans Taken	227,000	518,073
Loans Repaid	745,073	-
Loans Outstanding	-	518,073

**NOTE 27:** Previous year figures are regrouped / rearranged wherever necessary

The accompanying notes form an integral part of the financial statements

As per our report of even date

For M. ANANDAM & CO  
Chartered Accountants

For and on behalf of the Board

Sd/-  
A V Sadasiva  
Partner  
M No: 018404

Sd/-  
Suchit Mohal Lal  
Managing Director

Place: Secunderabad  
Date :30.05.2015

Sd/-  
Sushant Mohan Lal  
Director

**COMBAT DRUGS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015**

(Amount in Rs.)

<b>Particulars</b>	<b>31-3-2015</b>	<b>31-3-2014</b>
<b>Cash Flows from Operating Activities</b>		
Net profit before tax and extraordinary items	(36,838,444)	(7,985,859)
<b>Adjustments for :</b>		
Depreciation	2,320,759	2,080,129
Bad debts written off	-	2,159,273
Preliminary Expenses Written Off	-	182,700
Add: Write off of fixed assets	29,686,960	-
<b>Operating profit before working capital changes</b>	<b>(34,517,685)</b>	<b>(3,563,757)</b>
Adjustments for :		
(Increase)/Decrease in Trade and Other Receivables	2,918,152	28,873
(Increase)/Decrease in Inventories	3,775,000	2,948,760
(Increase)/Decrease in Loans and Advances	3,008,087	250,000
Increase/(Decrease) in liabilities and Provisions	(3,908,440)	324,505
Cash generated from operations	<b>(28,724,886)</b>	<b>(11,619)</b>
Taxes Paid	-	-
<b>Net Cash from operating activities</b>	<b>(28,724,886)</b>	<b>(11,619)</b>
<b>Cash flows from Investing Activities</b>	-	-
<b>Cash flows from Financing Activities</b>	-	-
Net Increase in cash and cash equivalents	<b>962,074</b>	<b>(11,619)</b>
Cash and Cash equivalents at the beginning of the year	14,294	25,913
Cash and Cash equivalents at the ending of the year	976,368	14,294

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For M. ANANDAM & CO  
Chartered Accountants

Sd/-  
A V SADASIVA  
Partner  
M No: 018404

Sd/-  
SUCHIT MOHAL LAL  
Managing Director

Sd/-  
SUSHANT MOHAN LAL  
Director

Place: Secunderabad

Date :30.05.2015

r

## COMBAT DRUGS LIMITED

Regd. Office: 1-1-490, Plot No. 63, Rd No.4, Mohan Nagar, R.R. District - 500035. Telangana

*The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies vide its circular no. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 after considering certain provisions of the Information Technology Act, 2000, permitted the companies to send the notices / annual reports etc. through email to its members. To support this green initiative of the MCA whole heartedly, members who have not yet registered their email address, are requested to register their e-mail address with the Depository through their concerned Depository Participant and members who hold shares in physical mode are requested to intimate their e-mail address at which they would like to receive the above documents electronically, either to the company or to its Registrar and Share Transfer Agent. Shareholders are requested to fill the consent form below and send it to the Registrar and Share Transfer Agent, M/s Venture Capital & Corporate Investments Private Limited or to the company.*

### CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

(Pursuant to circulars no. 17/2011 dated April 21, 2011 and 18/2011 Dated April 29, 2011)

To

M/S Venture Capital & Corporate Services Private Limited  
12-10-167, Bharat Nagar, Hyderabad-500 018, Telangana  
Email id: [info@vccipl.com](mailto:info@vccipl.com)

Dear Sir,

I/We shareholder (s) of COMBAT DRUGS LIMITED, agree to receive all notices and documents including the Annual Report, Notice for General Meetings and other Shareholders Communication in electronic mode (through email).

I/We request you to kindly register my / our below mentioned email id in the Company's records for sending such communication through email.

Folio No...../DP ID No.\*.....and  
Client ID No.\*.....

\*Applicable for members holding shares in electronic form.

Name of the Sole / First Shareholder : \_\_\_\_\_  
Name of the Joint Shareholders (if any) : \_\_\_\_\_  
No. of Shares held : \_\_\_\_\_  
E-mail id for receipt of documents in  
Electronic mode : \_\_\_\_\_

Date :

Signature

Place:

(Sole / First Shareholder)

Note:

1. Shareholders are requested to inform the Company's Registrar and Share Transfer Agents Venture Capital & Corporate Investments Pvt Ltd, as and when there is change in their registered email-id.
2. For shares held in demat form, shareholders are also requested to inform /update their email-ids to their respective Depository Participants.



## COMBAT DRUGS LIMITED

Regd. Office: 1-1-490, Plot No. 63, Rd No.4, Mohan Nagar, R.R. District - 500035. Telangana

### ATTENDANCE SLIP:

#### **29<sup>th</sup> ANNUAL GENERAL MEETING on 30<sup>th</sup> SEPTEMBER, 2015**

Regd. Folio No.:..... No. of Shares: ..... MEMBER / PROXY

DP ID No.:..... Client ID No.: .....

I hereby record my presence at the 29<sup>th</sup> ANNUAL GENERAL MEETING of the Members of the Company held on 30<sup>th</sup> September, 2015 at 11.30 A.M at Plot No.112, Gayatri Nagar, Road No.14, Boduppal, R.R District - 500039. Telangana.

Name: ..... Name of Proxy:.....

Sign:..... Sign:.....

Note: 1. Only Members of the Company or their proxies will be allowed to attend the Meeting ON PRODUCTION OF ATTENDANCE SLIP duly completed and signed. 2. Please fill this admission slip and hand it over at the entrance of the hall duly signed. 3. Members are requested to bring their copies of Annual Report with them. 4. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.

### PROXY FORM

#### **29<sup>th</sup> ANNUAL GENERAL MEETING on 30<sup>th</sup> SEPTEMBER, 2015**

Regd. Folio No.:.....No. of Shares: .....

DP ID No.:..... Client ID No.:.....

I/We.....of.....in the District of .....being a Member(s) of the above Company hereby appoint.....resident of ..... in the District of .....as my/our Proxy to attend and to vote for me/us on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company to be held on the 30<sup>th</sup> September, 2015 at 11.30 A.M. at Plot No.112, Gayatri Nagar, Road No.14, Boduppal, R.R District, Telangana. and at any adjournment thereof.

Affix: Revenue Stamp

Signed this..... day of .....Two Thousand and Fifteen.

I hereby record my presence at the 29<sup>th</sup> ANNUAL GENERAL MEETING of the Members of the Company held on 30<sup>th</sup> September, 2015 at 11.30 A.M at Plot No.112, Gayatri Nagar, Road No.14, Boduppal, R.R District - 500039. Telangana..

Name: ..... Name of Proxy:.....

Sign:..... Sign:.....

Note: 1. This Proxy Form duly completed should be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding the meeting. 2. Only Members of the Company or their proxies will be allowed to attend the Meeting ON PRODUCTION OF ATTENDANCE SLIP duly completed and signed. 3. Please fill this admission slip and hand it over at the entrance of the hall duly signed. 4. Members are requested to bring their copies of Annual Report with them. 5. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.

## POLLING PAPER

**[Pursuant to Section 109 (5) of the Companies Act, 2013 and  
Rule 21 (1) (C) of the Companies  
(Management and Administration) Rules, 2014]**

<b>Name of the Company</b>	<b>COMBAT DRUGS LIMITED</b>
<b>CIN</b>	CL23230TG1986PLC006781
<b>Registered Office</b>	1-1-490, Plot No. 63, Rd No.4, Mohan Nagar, R.R. District - 500035. Telangana
<b>Telephone</b>	<b>040 - 66200100 / 040 - 23374169</b>
<b>Website</b>	www.combatdrugs.in

## BALLOT PAPER

NO.	PARTICULARS	DETAILS
1.	Name of the First Named Shareholder (In BLOCK letters)	
2.	Postal address	
3.	Registered Folio No./ *DP ID and Client ID No. (*Applicable to investorsholding shares in dematerialized form	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/ Special Resolution/s enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sr. No.	ITEM NO.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
	<p><b>ORDINARY BUSINESS</b></p> <p>1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2015, the Profit and Loss Account for the year ended as on that date, Directors' Report and Auditors' Report thereon.</p> <p>2. To appoint a Director in place of Sri Sushant Mohan Lal who retires by rotation and being eligible offers himself for reappointment.</p> <p>3. To consider and if thought fit to pass the following resolution with or without modification(s) as Ordinary Resolution: "RESOLVED THAT M/s Anandam &amp; Company, Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting of the Company until the conclusion of next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors in consultation with the Auditors."</p> <p>4. <b>SPECIAL BUSINESS APPOINTMENT OF INDEPENDENT DIRECTOR</b> To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :” <b>RESOLVED THAT</b> Ms. Vemuri Shilpa, who was appointed as an Women Independent Director of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from a member of the Company in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation.”</p> <p>5. INCREASE IN REMUNERATION PAYABLE THE MANAGING DIRECTOR</p>			

Sr. No.	ITEM NO.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
6.	<p>OF THE COMPANY To pass with or without Modification(s) the following resolution as a Ordinary Resolution “ RESOLVED THAT pursuant to Sections 197, 198, and Schedule V and other applicable provisions of the Companies Act, 2013 Sri Suchit Mohan Lal be and is hereby reappointed as the Managing Director of the Company for a Period of FIVE years with effect from 1<sup>st</sup> October 2014 on the following terms and conditions :A remuneration Salary of Rs. 75,000/- p.m. in addition to the eligible perks of Annual leave travel concessions for self and family and Benefits of contribution to Provident Fund, Gratuity, encashment of earned leave at the end of the tenure as per the rules of the Company. However, Sri Suchit Mohan Lal will not be entitled to any sitting fees for attending meetings of the Board or of any committee thereof. “RESOLVED FURTHER that the above remuneration be paid to Sri Suchit Mohan Lal, Managing Director, in the event of absence or inadequacy of profits of the company.”</p> <p>To consider and if thought fit, to pass, with or without modification(s), the following resolution as an <b>Ordinary Resolution</b> : “RESOLVED THAT the consent of the company pursuant to provisions of Section 179 and 180 of the Companies Act, 2013, be and is hereby accorded to the Board of Directors to sell, transfer and assign Plant And Machinery to any party identified by the Board of Directors of the company on the terms and conditions and stipulations as may be agreed between the Board of Directors of the company.”RESOLVED FURTHER that the Board of Directors be and is hereby authorized and empowered to enter into sign, seal, execute and deliver</p>			

Sr. No.	ITEM NO.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
7	<p>such agreements, assignments, conveyances, contracts, deeds, writings and other instruments and to do all such acts, deeds, and things in the name and on behalf of the company as the Board may consider expedient, usual, necessary or proper for the said sale and effectuating the transfer of the said land, buildings and structures of the Company. “</p> <p><b>FUTURE RELATED PARTY TRANSACTIONS</b> To consider and, if thought fit, to pass, the following resolution as a <b>Special Resolution</b>: To approve Related Party Transactions “RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded for entering into any Related Party Transactions with the Directors, Key Managerial Persons and Senior Management upto an amount of Rs. 5,00,00,000/- (Rupees Five Crores Only). RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”</p>			

Place:

Date:

(Signature of the Shareholder)

**PRINTED MATTER**

**BOOK POST**

If Undelivered please return to:

**COMBAT DRUGS LIMITED**

Regd. Office: 1-1-490, Plot No. 63,  
Road No. 4, Mohan Nagar,  
R. R. District ,Hyderabad,  
Telangana ,500035

Corp. Office: 201, 3<sup>rd</sup> Floor,  
Moghul Emami Mansion,  
Khairatabad, Hyderabad,  
Telangana - 500004

Email: [info@combatdrugs.in](mailto:info@combatdrugs.in)

URL: [www.combatdrugs.in](http://www.combatdrugs.in)