KOBO BIOTECH LIMITED

(Formerly known as Avon Lifesciences Limited)
Corp. Office : 'H' Wing , 4th Floor, Tex Centre, Off Saki Vihar Road,
Chandivali, Andheri (E), Mumbai - 400 072, INDIA.
Tel. : +91-22 4287 1210 • Fax : +91-22-4287 1285
E-mail : info@avonlifesciences.com • Website : www.avonlifesciences.com
(CIN : L24110TG1993PLC16112)

7th December, 2020

Corporate Service Department
BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

corp.relations@bseindia.com

Scrip: 531541

Ref: Avon Lifesciences Ltd

Sub.: Annual Report for the Financial Year 2019-20

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith Annual Report of the Company for the Financial Year 2019-20.

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

Thanking you,

Yours faithfully,
For **Kobo Biotech Limited**
(Formerly Avon Lifesciences Limited)

J. M. Patel

Jignesh Patel
Company Secretary

Filed on online

Kobo Biotech Limited

(Formerly Known as Avon Lifesciences Limited)

27th ANNUAL REPORT 2019-20

Kobo Biotech Limited

(Formerly Known as Avon Lifesciences Limited)

CIN: L24110TG1993PLC01611

Regd. Off: Ground Floor, D.No. 8-2-684/J/8/A, Bhavani Nagar, Road No. 12, Banjara Hills, Hyderabad - 500034, Telangana

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Effective 19th October, 2020, your company's name has been changed to KOBO BIOTECH LIMITED from erstwhile AVON LIFESCIENCES LIMITED

Board of Directors	Mr. Ajit Kamath - Non Executive Chairman & Director Mr. Rajendrakumar Kaimal - Non-Executive Director Dr. Sunil Pitroda - Independent Director Mr. Abhishek Buddhadev - Independent Director Ms. Urja Shah - Independent Director & Woman Director
Registered Office	Regd. Office: Ground Floor. D. No. 8-2-684/J/8/A. Bhavani Nagar, Road No. 12. Banjara Hills, Hyderabad - 500 034
Corporate Office	4th Floor H Wing, Tex Centre, Chandivali, Andheri (E), Mumbai -400072 Phone: 022-4287 1210 Fax: 022-4287 1285
Auditors	M/s. N. G. Jain & Co., Chartered Accountants, Mumbai
Plant Location	1. Plot No. E-2, Chincholi Industrial Area Solapur, Maharastra; Phone: 0217 – 2357738 Fax-0217-2357339 2. Survey No. 18, Yawapur, Sadasivpet (M), Medak Dist., Telangana; (**Non-Operational**)
Bankers & Financial Institutions	JM Financial Asset Reconstruction Company Ltd. State Bank of India Punjab National Bank Indian Overseas Bank
Registrars & Share Transfer Agents	XL Softech Limited, 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad-500 034. Phone no. (040)23545913/14/15.

NOTICE

NOTICE IS HEREBY GIVEN THAT the 27th Annual General Meeting of the members of Kobo Biotech Limited (Formerly Avon Lifesciences Limited) will be held on Wednesday, the 30th day of December, 2020 at 04:00 P.M. (IST), through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility to transact following business:

ORDINARY BUSINESS:

1 To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the Reports of the Board of Directors and the Auditors thereon.

2 To appoint a Director in place of Mr. Ajit Kamath (DIN: 00032799), who retires by rotation and offers himself for reappointment.

Special Business

Item No. 3: Ratification of remuneration of Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), payment of remuneration of Rs. 10,000/- to M/s. Santiram Chattopadhyay & Associates, Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2021, be and is hereby approved.

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

By Order of the Board
For Kobo Biotech Limited

Sd/
Jignesh Patel
Company Secretary

13th November, 2020
Mumbai

NOTES

1. The statement pursuant to section 102 of the Companies Act, 2013 relating the Notice is annexed herewith.
2. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and Ministry of Corporate Affairs ("MCA") has vide its General Circular No 14/2020 dated April 08, 2020, General Circular No 17/2020 dated April 13, 2020 and the General Circular No. 22/2020 dated June 15, 2020 (collectively referred to as "said Circulars") permitted the holding of the Annual General Meeting (AGM or the Meeting) through VC/ OAVM, without the physical presence of the Shareholders at the venue.

   Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 read with the said Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has decided to convene its ensuing 27th AGM through VC/ OAVM, and the Shareholders can attend and participate in the ensuing AGM through VC/ OAVM. The attendance of the shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act 2013.
3. Members desirous of any information or queries on accounts or relevant reports are requested to send their queries at least ten days in advance to the Company at its email info@avonlifesciences.com to enable the Company officials to collect the relevant information and answer them during the meeting or by written communication post meeting.

4. Body Corporate members intending to appoint their authorized representative are requested to send a duly certified copy of the Resolution authorizing their representative to participate and vote at the Meeting.

5. Relevant documents referred to in the accompanying notice and explanatory statements are open for inspection by the members at the corporate office of the Company on all working days between 11.00 a.m. and 2.00 p.m. or through electronic means on request.

6. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/Depositories.

7. Members who have not registered their e-mail addresses, so far are requested to register their e-mail addresses with the Depository. Members who hold shares in physical form are requested to register their email addresses with the Registrar & Share Transfer Agent (RTA), M/s. XL Softech Systems Limited, 3, Sagar Society, Rd No.2, Banjara Hills, Hyderabad- 500034, Telangana.

8. Pursuant to SEBI Notification dated 08/06/2018, SEBI(LODR) (4th Amendment) Reg, 2018 and BSE Circular dated 05/07/2018, LIST/COMP/15/2018-19, Members who are holding shares in physical form are requested to get their shares dematerialized with any depository participants in their own interest.

9. **Provide PAN, Bank details etc:** Shareholders mandatorily need to provide to the Company or Share Transfer Agent (STA) their PAN and Bank Account details. If you have not furnished so far, please provide self-attested copy of PAN card, cancelled cheque with bank detail. To update your current address, provide self-signed copy of latest address proof (aadhar card, passport, driving license, election voter card or utility bill in the name of sole or first holder.

10. **Nomination:** Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to section 72 of the Companies Act 2013 read with relevant rules. Members desiring to avail of this facility may send their nomination in the prescribed form no. SH13 duly filled in and signed to the Company or RTA.

    Member may contact secretarial department on 022 4287 1210 for guidance to avail facilities or matters as mentioned in this Notice.

11. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA at info@avonlifesciences.com; xlfield@gmail.com.

12. For Demat shareholders -, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA at info@avonlifesciences.com; xlfield@gmail.com.

13. In compliance with the provisions of Sections 108 and 110 of the Act read with the Rules and the MCA Circulars, the Company is sending this Notice in electronic form only and has extended only the remote e-voting facility for its Members, to enable them to cast their votes electronically instead of submitting the Ballot form. The hard copy of this Annual Report and pre-paid business envelope will not be sent to the Members for this Annual General Meeting. The instructions for remote e-voting are appended to this Notice.

14. Pursuant to Rule 22(5) of the Rules, the Board of Directors of the Company have appointed Mr. Mehul Pitroda, Company Secretary (Membership No.ACS-43364) of M/s. M. S. Pitroda & Co., Practising Company Secretaries as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.

15. For the purpose of dispatch of this Notice, shareholders of the Company holding shares in demat / physical form as on 27th November, 2020 has been considered. Any person, who acquire shares of the Company and becomes member of the Company after 27th November, 2020 may obtain the login details by sending a request to CDSL at helpdesk.evoting@cdslindia.com or to the Registrar and share transfer agents of the company.

16. The Members whose name appears in the Register of Members/list of Beneficial Owners as received from Depositories as on 24th December, 2020 ("cut-off date") are entitled to vote on the resolutions set forth in this notice. Person who is not a member as on the said date should treat this notice for information purpose only.

17. The scrutinizer will submit his report to the Chairman and/or to the Company Secretary duly authorized by Chairman, after completion of the scrutiny of the votes received through e-voting in a fair and transparent manner. The results of the e-voting shall be declared by the Chairman or the Company Secretary duly authorised on or around 31st December, 2020.

18. For e-voting, please read carefully the "Procedure/ instructions for e-voting" enumerated herein:

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Sunday, 27th December, 2020 (09:00 AM) and ends on Tuesday, 29th December, 2020 (05:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24th December, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders / Members

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at https://www.cdslindia.com from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to

mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xi) Click on the EVSN of KOBO Biotech Limited/ Avon Lifesciences Ltd to vote.

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

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

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

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

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

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

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

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@avonlifesciences.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before 19th December, 2020 mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info@avonlifesciences.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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

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

Item No. 3: - Approval for remuneration of Cost Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. Santiram Chattopadhyay & Associates, Cost Accountants as Cost Auditor of the Company for the financial year ending on 31st March 2021, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act 2013 and Rules made thereunder, at a remuneration of Rs.10,000/- and applicable taxes and out of pocket expenses, if any.

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

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

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

Board's Report

To,

The Members of Kobo Biotech Limited,

(Formerly Avon Lifesciences Limited)

Your Directors are pleased to present their 27th Annual Report on your Company's operations along with the Audited financial statements for the financial year ended on 31st March, 2020.

SUMMARY OF STANDALONE FINANCIAL RESULTS (Rs. in Lakhs)

	Year Ended 31.03.2020	Year Ended 31.03.2019
TOTAL INCOME	3.44	3.39
EBITDA/ (LBITDA)	(65.33)	(168.54)
Profit/ (Loss) before Tax	(2100.62)	(2,445.95)
Profit/ (Loss) after Tax	(2100.62)	(2,445.95)
Earnings/ (Loss) Per Share (EPS)(in Rs.)	(8.82)	(10.27)

DIVIDEND

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

OPERATIONS REVIEW

The operational activities at the plant of the Company could not be resumed for operations owing to certain regulatory clearances still required and the feasibility assessment of the product profile.

The company is in the process of developing APIs (Active Pharmaceutical Ingredients) in various therapeutic segments which will be commercialized at its Solapur site in future. The company would approach the State FDA Authorities for relevant licenses and permissions for manufacturing the new APIs. The company continues to hold a valid Establishment Inspection Report issued by the United States Food & Drug Administration (USFDA).

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

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

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

DIRECTORS & KEY MANAGERIAL PERSONNEL

Board of Directors and KMP as of 31.03.2020

Mr. Ajit Kamath	: Non-Executive Chairman
Mr. Rajendra Kaimal	: Non-Executive Director
Dr. Sunil Pitroda	: Non-Executive Independent Director
Mr. Abhishek Buddhadev	: Non-Executive Independent Director
Ms. Urja Shah	: Non-Executive Independent Director & Woman Director
Mr. Neelamkumar Murdia	: Chief Financial officer
Mr. Jignesh Patel	: Company Secretary

In accordance with the provisions of section 152(6) of the Companies Act, 2013 ("the Act") and Articles of Association of the Company, Mr. Ajit Kamath (DIN: 00032799), is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and offers himself for re-appointment. The Board recommends his re-appointment.

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

a. Board meetings

The Board met 5 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

b. Evaluation of Board, Committees and Directors

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

c. Policy on appointment and remuneration of Directors

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

FAMILIARIZATION PROGRAMMES

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

AUDITORS

a. Statutory Auditors

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

b. Cost Auditors

Pursuant to the provision of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 the Company has appointed M/s. Santiram Chattopadhyay & Associates, the Cost Auditors to conduct the cost audit for the Financial year 2020-21.

c. Secretarial Auditors

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

INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

RISK MANAGEMENT POLICY

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

RELATED PARTY TRANSACTIONS

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

None of the Directors & KMP has any pecuniary relationship or transactions with the Company other than sitting fees payable (if any) to them.

INFORMATION ON EMPLOYEES

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

The ratio of remuneration of each director to the median employee's remuneration and other details in terms of Sub - Section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable as the Directors did not draw and remuneration from the Company for the Financial Year 2019-20.

LOANS, GUARANTEES OR INVESTMENTS

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and there are no outstanding deposits from the public as on 31st March, 2020.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in form MGT - 9 is annexed herewith as "Annexure D"

DIRECTORS' RESPONSIBILITY STATEMENT

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

a) that in the preparation of the annual financial statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies as mentioned in the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended on that date;

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the annual financial statements have been prepared on a going concern basis;

e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

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

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

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

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

OTHER INFORMATION / DISCLOSURES

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

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

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

CORPORATE GOVERNANCE

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

GRATITUDE & ACKNOWLEDGMENTS

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

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

Ajit Kamath
Chairman
DIN: 00032799

Mumbai
13th November, 2020

ANNEXURE – A

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

The Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2020 is given here below and forms part of the Board's Report.

A. CONSERVATION OF ENERGY

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

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

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

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

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

NIL

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

NIL

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

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

(Rs. In lakhs)

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. In lakhs)

Particular	Year 2019-20	Year 2018-19
Foreign Exchange earned	NIL	NIL
Foreign Exchange used / outgo	NIL	NIL

ANNEXURE – B

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

Name	Mr. Ajit Kamath
Date of Birth	12.12.1969
Date of Appointment	31.01.2009
Nationality	Indian
Category	Promoter
Designation	Chairman & Non Executive Director
Qualification / Expertise in Specific Functional Areas	Mr. Ajit Kamath, aged 50 years, holds a Bachelor's degree in Commerce from University of Mumbai. He has more than 18 years of experience in the pharmaceutical industry. He has been involved and instrumental in planning and formulating the overall business strategy and developing business relations for our Company.
Occupation	Business
Other Directorships/ Directorships held in other companies	1. Arch Agro Industries Private Limited 2. Amra Renal Care Limited 3. Arch Finechemicals Limited 4. Arch Pharmalabs Limited 5. Arch Pharmachem Ltd 6. Arch Herbals Private Limited 7. Amra Remedies Limited - Under Liquidation 8. Arch Life Sciences Limited 9. Arch Impex Private Limited 10. A M R Investments Private Limited - Under Liquidation 11. Archplus Sales Private Limited 12. Regal Pharma Pte. Ltd. (Singapore) 13. Arch Pharmalabs Fz-LLC (UAE)
Shareholding in the Company	NIL
Relationship between directors inter-se	NIL

ANNEXURE – C
FORM NO. MR.3
SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2020

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

To,
The Members,
Avon Lifesciences Limited
Ground Floor, D.No. 8-2-684 /J/8/A,
Bhavani Nagar Road No.12, Banjara Hills,
Hyderabad 500034.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Avon Lifesciences Limited** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the **Avon Lifesciences Limited (the "Company")** for the financial year ended on 31st March, 2020 according to the provisions of:

(i) The Companies Act, 2013 **(the Act)** and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 **('SCRA')** and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. **(Foreign Direct Investment and External Commercial Borrowing are not applicable to the Company during the audit period).**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 **('SEBI Act')** :-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the audit period)**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the audit period)**

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the audit period)**

(vi) As identified, Following are the specific law applicable to the Company.

(i) The Narcotic Drugs and Psychotropic Substances Act, 1985;

As confirmed by the management there was no operational Activity carried on by the Company during the period under review, hence the aforesaid laws are not applicable to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with stock exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

As confirmed by the Management adequate notice is given to all directors to schedule the Board Meetings and agenda items were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **M S Pitroda & Co.**
Practising Company Secretary

Mehul Pitroda
Proprietor
ACS No. 43364
CP No. 20308
UDIN: A043364B000533898

Mumbai
30th July, 2020

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

'Annexure A'

To,
The Members,
Avon Lifesciences Limited
Ground Floor, D.No. 8-2-684 /J/8/A,
Bhavani Nagar Road No.12, Banjara Hills,
Hyderabad 500034.

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

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

For **M S Pitroda & Co.**
Practising Company Secretary

Mehul Pitroda
Proprietor
ACS No. 43364
CP No. 20308
UDIN: A043364B000533898

Mumbai
30th July, 2020

Annexure - D

Form no.MGT-9 – Extract of Annual return

As on financial year ended on 31st March, 2020

[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:

1.	CIN	L24110TG1993PLC016112
2.	Registration Date	3 August 1992
3.	Name of the Company	Kobo Biotech Limited (Formerly Avon Lifesciences Limited)
4.	Category of the Company/ Sub-Category of the Company	Company Limited by shares Indian Non-Government Company
5.	Address of the Registered office and contact details	Ground Floor, D.No. 8-2-684 /J/8/A, Bhavani Nagar Road No.12, Banjara Hills, Hyderabad -500034, Telangana 022-4287 1210; info@kobobiotech.com
6.	Whether Listed Company	Yes, Listed on BSE Limited
7.	Name, address and contact details of Registrar and Transfer Agent	XL Softech Systems Ltd., 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034. Phone : 040 23545913/14/15, Fax: 040 23553214, email: xlfield@gmail.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:-

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% total turnover of the company
1	Pharmaceutical products	21002 & 21005	0%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
	HOLDING COMPANY	Not applicable			
	DIRECT SUBSIDIARIES				
	STEP DOWN SUBSIDIARIES				
	ASSOCIATE COMPANIES				

IV. 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	
A. PROMOTERS									
(1) Indian									
a) Individuals/HUF	0	0	0	0	0	0	0	0	-
b) Central Govt.	0	0	0	0	0	0	0	0	-
c) State Govt(s)	0	0	0	0	0	0	0	0	-
d) Bodies Corp.	10709100	0	10709100	44.95	10709100	0	10709100	44.95	0.00
e) Banks/Financial Institutions	0	0	0	0	0	0	0	0	-
f) Any Other	0	0	0	0	0	0	0	0	-
Sub-total (A) (1):-	**10709100**	**0**	**10709100**	**44.95**	**10709100**	**0**	**10709100**	**44.95**	**0.00**
(2) Foreign									
a) NRIs	0	0	0	0	-	0	0	0	-
b) Other Individuals	0	0	0	0	-	0	0	0	-
c) Bodies Corp.	0	0	0	0	-	0	0	0	-
d) Banks/ Financial Institutions	0	0	0	0	-	0	0	0	-
e) Any Other	0	0	0	0	-	0	0	0	-
Sub-total (A) (2):-	**0**	**0**	**0**	**0**	**-**	**0**	**0**	**0**	**-**
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	**10709100**	**0**	**10709100**	**44.95**	**10709100**	**0**	**10709100**	**44.95**	**0.00**
B. PUBLIC SHAREHOLDING									
(1) Institutions									-
a) Mutual Funds/UTI	0	0	0	0	-	0	0	0	-
b) Banks/ Financial Institutions	157500	100	157600	0.66	157500	100	157600	0.66	0.00
c) Central Govt.	0	0	0	0	-	0	0	0	-

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	
d) State Govt.(s)	0	0	0	0	-	0	0	0	-
e) Venture Capital Funds	0	0	0	0	-	0	0	0	-
f) Insurance Companies	0	0	0	0	-	0	0	0	-
g) Foreign Institutional Investors	0	0	0	0	-	0	0	0	-
h) Foreign Venture Capital Funds	0	0	0	0	-	0	0	0	-
i) Others	0	0	0	0	-	0	0	0	-
Sub-total (B)(1)	**157500**	**100**	**157600**	**0.66**	**157500**	**100**	**157600**	**0.66**	**0.00**
2. Non- Institutions									
a) Bodies Corporate									
i) Indian	703569	29501	733070	3.08	646774	36601	683375	2.87	-6.78
ii) Overseas	-	0	0	0	-	0	0	0	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	3994407	100415	4094822	17.19	3975364	100515	4075879	17.11	-0.46
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	7981837	0	7981837	33.50	8103025	0	8103025	34.01	1.52
c) Others (specify) – NRIs - Non Repartiable	12671	0	12671	0.05	13321	0	13321	0.06	5.13
d) NRIs - Repartiable	128100	7800	135900	0.57	82100	600	82700	0.35	-39.15
Sub-Total (B) (2):-	**12820584**	**137716**	**12958300**	**54.39**	**12820584**	**137716**	**12958300**	**54.39**	**-49.46**
Total Public Shareholding (B) = (B) (1) + B(2)	**12978084**	**137816**	**13115900**	**55.05**	**12978084**	**137816**	**13115900**	**55.05**	**0.00**
C) Shares held by Custodians for GDRs & ADRs	-	0	0	0	-	0	0	0	-
GRAND TOTAL (A)+(B)+ (C)	**23687184**	**137816**	**23825000**	**100.00**	**23687184**	**137816**	**23825000**	**100.00**	**0**

ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in shareholding during the year
PROMOTERS- DOMESTIC COMPANIES								
1.	ARCH PHARMALABS LIMITED	10709100	44.95%	0	10709100	44.95%	0	0
	Total	**10709100**	**44.95%**	**0**	**10709100**	**44.95%**	**0**	**0**

(iii) Change in Promoters' Shareholding

Sr. No	Name of the Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. Shares at the beginning of the year	% of total shares of the company				No. of shares	% of total shares of the company
1	Not Applicable							

(vi) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs):

Sr No.	Name of the Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. Shares at the beginning of the year	% of total equity shares of the Company				No. of shares	% of total shares of the company
1.	MEHUL PRAVIN CHANDRA SHAH	306523	1.29	No Change			306523	1.29
2.	GAUTAM RASIKLAL ASHRA	218141	0.92				-	-
				05.04.2019	1000	Market Purchase	219141	0.92
				30.05.2019	25866	Market Purchase	245007	1.03
				10.05.2019	7507	Market Purchase	252514	1.06
				17.05.2019	897	Market Purchase	253411	1.06
				24.05.2019	3129	Market Purchase	256540	1.08
				31.05.2019	974	Market Purchase	257514	1.08
				26.07.2019	5000	Market Purchase	262514	1.10
3.	SANJAY LUTHRA	258223	1.08				-	-
				13.12.2019	-1000	Market Sale	257223	1.08
							257223	1.08
4.	SIDDHARTH CHIMANLAL SHAH	177000	0.74	No change			177000	0.74
5.	ANKUR SANDEEP AGRAWAL	165297	0.69	No Change			165297	0.69

Sr No.	Name of the Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. Shares at the beginning of the year	% of total equity shares of the Company				No. of shares	% of total shares of the company
6.	DARSHANA MEHUL SHAH	164198	0.69	No Change			164198	0.69
7.	SMITA HAREN AMIN	26000	0.11				-	-
				16.08.2019	136941	Market Purchase	162941	0.68
							162941	0.68
8.	JYOTI KETAN VAKHARIA	40000	0.17				-	-
				05.04.2019	-5000	Market Sale	35000	0.15
				12.04.2019	-3395	Market Sale	31605	0.13
				16.08.2019	136940	Market Purchase	168545	0.71
				03.01.2020	-8216	Market Sale	160329	0.67
9.	ANDHRA PRADESH INDUSTRIAL DEVELOPMENT CO	157600	0.66	No Change			157500	0.66
10.	SAK FOREX MARKETS PRIVATE LIMITED	152049	0.64	No Change			152049	0.64

(v) Shareholding of Directors and Key Managerial Personnel (KMP):

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. Shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Ajit Kamath	NIL	NIL	NIL	NIL
Mr. Rajendra Kaimal	NIL	NIL	NIL	NIL
Mr. Neelam Kumar Murdia - CFO	NIL	NIL	NIL	NIL
Mr. Jignesh Patel - CS	135	0.00	135	0.00
At the beginning of the year	135	0.00	135	0.00
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
At the End of the year	NIL	NIL	NIL	NIL
			NIL	NIL
			NIL	NIL
			135	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment as on 31.03.2020

(Amount in Rs.)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,224,531,301	473,172,997	0	1,697,704,298
ii) Interest due but not paid	665,966,953	0	0	665,966,953
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1,890,498,254	473,172,997	0	2,363,671,251
Change in indebtedness during the financial year				
Additions	144,000,000	0	0	144,000,000
Reduction	0	0	0	0
Net Change	144,000,000	0	0	144,000,000
Indebtedness at the end of the financial year				
i) Principal Amount	1,224,531,301	473,172,997	0	1,697,704,298
ii) Interest due but not paid	809,966,953	0	0	809,966,953
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**2,034,498,254**	**473,172,997**	**0**	**2,507,671,251**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total
		None	
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) of Income-Tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as a % of profit - others, specify	-	-
5	Others, please specify Provident and other Funds Performance Bonus	-	-
	Total	**NIL**	**NIL**

B. Remuneration to other Directors:

Sr No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Abhishek Buddhadev	Dr. Sunil Pitroda	Ms. Urja Shah	
1.	Independent Directors				
	• Fee for attending board/committee meetings	60,000	60,000	80,000	2,00,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	**60,000**	**60,000**	**80,000**	**2,00,000**
	Other Non-Executive Directors				
	• Fees for attending board / committee meetings	-			-
	• Commission	-			-
	• Others, please specify	-			-
	Total (2)	**-**			**-**
	Total (B) = (1+2)	**60,000**	**60,000**	**80,000**	**2,00,000**
	Total Managerial Remuneration	**-**	**-**	**-**	**-**
	Overall Ceiling as per the Act	Not Applicable			

C. Remuneration to key managerial personnel other than MD/Manager/WTD:

Sr No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total
		Chief Financial Officer	Company Secretary	
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) of Income-Tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as a % of profit - others, specify	-	-	-
5	Others, please specify Provident and other Funds Performance Bonus	-	-	-
	Total	**-**	**-**	**-**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made if any (give details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				

For and on behalf of the Board of Directors
Kobo Biotech Limited
(Formerly Avon Lifesciences Limited)

Mumbai
13th November, 2020

Ajit Kamath
DIRECTOR

Rajendra Kaimal
DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL PHARMACEUTICAL MARKET

The global Active Pharmaceutical Ingredients (API) market is expected to register a CAGR of 7.17 % in the forecast period of 2019-2026. This rise in the market can be attributed to increased occurrence of chronic diseases, technology advances in API manufacturing and increasing generic significance. API are substance or combination of substances used in a finished pharmaceutical product with pharmacological activity. The expenditure on research & development, favorable government initiatives, and high technological advancements makes North America the dominant market in the forecast period.

With an increasing population growth, globally The need for health services and pharmaceutical drugs are on a rise. The global pharmaceutical market is expected to grow to a whopping $1.12 trillion by 2022. At present, APIs contribute to 13.7% of the global pharma market and the API market expected to grow in size to $186 billion. India is the world's second largest API market after the US. Only 7% of total API manufacturing is carried out by established players. There is a disproportionate dependence on imports for APIs to the tune of 84%, of which ~60% is from China. But, globally the compliance requirements of APIs are rising and non-compliant/substandard imports and products are facing strong clamp downs.

The new risk emerged in the form of the COVID -19 crisis starting from China and spreading across the world. Restriction on movement of people, goods and services, and containment measures such as factory closures resulted in a simultaneous demand-cum-supply shock to all the countries gripped by the virus. Due to rising concerns over global growth, central banks across the globe cut interest rates to shore up their economies. This resulted in World Bank cutting its CY2020 global growth forecast to a decrease by 5.2%. However, World Bank expects that during CY2021 the global economy will grow by 4.2% assuming pandemic fades in the second half of 2020 and economic activity normalises with the help of policy support.

Rising Demand for Generic Drugs

Increased occurrence of chronic diseases and generic drugs are boosting the growth of the market.

The demand to produce quality medicines at lower and affordable costs creates a scenario, where the needs for generic drugs increase. The rise in the demand for generic drugs is expected to be one of the major drivers for the API market.

The API and intermediates market is segmented into North America, Europe, Asia Pacific, Latin America, and Middle East & Africa. Asia Pacific leads the drug intermediate market owing to rising pharmaceutical and life sciences industry in the region especially in emerging markets in countries such as India and China. Europe is the second leading market for drug intermediates due to development and expansion of more efficient and advanced technologies. The Asia Pacific drug intermediate market is also anticipated to expand at an increasing rate owing to increasing healthcare spending, adoption of western lifestyle, and growth in research and development. Asia Pacific is the fastest growing region for the drug intermediate market as several players have invested in the development and manufacturing of drug intermediates. These factors are expected to drive the market growth of drug intermediates during the forecast period.

India: Overview, trends and prospects

The Indian pharma sector is the third-largest in the world. It manufactures almost 60 per cent of the vaccines used globally, including important ones, such as those against diphtheria, tetanus, and pertussis required by the World Health Organisation (WHO). Furthermore, the country meets 90 per cent of the global demand for the vaccine against measles.

The COVID–19 pandemic has disrupted supply chains across the world. Every sector, including pharma, is suffering from supply chains coming to a grinding halt. Prices of raw materials have shot up amid limited supply, production schedules have been interrupted, factories have been shut down and shipping costs are sky-high in most countries. The impact on the Indian pharma sector is typically evident, given that most raw materials are procured from China, the epicentre of the outbreak.

With China losing credibility on account of not disclosing information on the virus or the severity of the outbreak on time and thereby contributing to its development into a pandemic, government leaders and businesses are looking at other alternative low-cost nations to source supplies. India could directly benefit from this. The country has a robust pharma sector, with proven expertise in drug manufacturing and treatment. This got further highlighted when the country quickly ramped up production of Hydroxychloroquine, a key drug used in the fight against the virus.

Although India depends on China to meet its bulk drug requirement, steps taken by the Indian government to incentivise the production of APIs and KSMs under the 'Make in India' programme will help in reducing this dependence. The promotion of bulk drug parks under this initiative would help India become self-sufficient in drug manufacturing, from KSMs to generic formulations. The COVID–19 pandemic is changing the world order and power structure, compelling leaders across the globe to revisit their business and growth strategies. With its deep expertise in the manufacture of drugs, highly skilled scientists, and low-cost manufacturing, India definitely stands to gain from such a restructuring.

RISKS AND CONCERNS

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

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

FINANCE

The company is developing APIs (Active Pharmaceutical Ingredients) in various therapeutic segments which will be commercialized at its Solapur site in future. The company would approach the State FDA Authorities for relevant licenses and permissions for manufacturing the new APIs. The company continues to hold a valid Establishment Inspection Report issued by the United States Food & Drug Administration (USFDA).

INTERNAL AUDIT AND CONTROL

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

Kobo's internal control systems and procedures are designed to enable the reliable reporting of financial statements, reporting timely feedback on the achievement of operational or strategic goals and ensure compliance with laws and regulations. In addition to the statutory audit, the financial and operating controls of the Company are reviewed by internal auditors who report significant findings to the Audit Committee of the Board. Compliance with various laws and regulations are also monitored.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

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

Harmonious relations continued to prevail throughout the year.

CAUTIONARY STATEMENT

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

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

Ajit Kamath
Chairman & Non Executive Director
DIN: 00032799

Mumbai
13th November, 2020

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

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

Code of Conduct:

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

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

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

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

2. BOARD OF DIRECTORS:

The Board as on 31st March, 2020 consists of 2 Non-Executive Promoter Directors and 3 Independent Directors.

Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships and Committee Memberships as on 31st March, 2020 are given below:

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

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

Number of Board Meetings:

During the year, Five (5) Board Meetings were held, the details of which are given below:

Sr No.	Date of the Board Meeting	Board Strength	No. of Directors Present
1	30-05-2019	5	5
2	14-06-2019	5	5
3	14-08-2019	5	5
4	14-11-2019	5	5
5	14-02-2020	5	5

3. COMMITTEES OF THE BOARD:

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

a) Audit Committee

Composition, meetings and the attendance during the year

Four (4) meetings of the Audit Committee were held on 30-05-2019, 14-08-2019, 14-11-2019 and 14-02-2020. The details of composition of the Committee and their attendance at the meetings are given below:

As on 31st March, 2020 the Composition of the committee was in compliance with as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 177 of the Companies Act, 2013.

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

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

Terms of Reference

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

b) Nomination & Remuneration Committee:

Composition, meetings and the attendance during the year

On 14-06-2019 meeting of the Nomination & Remuneration Committee was held. The details of composition of the Committee and their attendance at the meeting are given below:

As on 31st March 2020, the Composition of the committee is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 178 of the Companies Act, 2013.

Name	Designation	Category	No. of Meetings Attended
Dr. Sunil Mansukhlal Pitroda	Chairman	Non-Executive Independent	1
Mr. Rajendra Kaimal	Member	Non-Executive (Promoter)	1
Ms. Urja Shah	Member	Non-Executive Independent	1

Terms of Reference

The Committee was constituted to:

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

During the financial year under review Directors are not paid any salary.

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

- Remuneration to Managing Director/Wholetime Directors

  a) The Remuneration/Commission etc. to be paid to Managing Director/Wholetime Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

  b) The Remuneration and Nomination Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Wholetime Directors

- Remuneration to Non-Executive/Independent Directors:

  a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Remuneration and Nomination Committee and approved by the Board of Directors.

  b) All the remuneration of the Non-Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Remuneration and Nomination Committee and approved by the Board of Directors or shareholders, as the case may be.

  c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company, if any.

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

i. The Services are rendered by such Director in his capacity as the professional; and

ii. In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

- Remuneration to Key Managerial Personnel:

a) The remuneration to Key Managerial Personnel shall consist of fixed pay only, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time in accordance with the Company's Policy.

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

c) Stake Holder Relationship Committee:

Composition, meetings and the attendance during the year

Four (4) meetings of the Stake Holder Relationship Committee were held on 30-05-2019, 14-08-2019, 14-11-2019 and 14-02-2020. The details of composition of the Committee and their attendance at the meetings are given below:

As on 31st March, 2020, the Composition of the committee is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 178 of the Companies Act, 2013.

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

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

d) Corporate Social Responsibility Committee (CSR):

During the financial year 2019-20, no meeting of the committee was held, since the occasion for it did not arise.

Terms of reference –

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

e) INDEPENDENT DIRECTORS MEETING:

During the year under review, the meeting of Independent Directors was held on 14-02-2020.

4. GENERAL BODY MEETINGS:

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

Year	Day, Date and Time of the Meeting	Venue	Details of Special Resolutions passed
2019	Monday, 30th day of September, 2019	Hotel Daspalla, Road no. 37, Jubilee Hills, Hyderabad – 500033	No Special Resolution was passed.
2018	Friday, 28th day of September, 2018	Hotel Daspalla, Road no. 37, Jubilee Hills, Hyderabad – 500033	No Special Resolution was passed.
2017	Saturday, 31st day of March, 2018, 10.00a.m.	Hotel Daspalla, Road no. 37, Jubilee Hills, Hyderabad – 500033	No Special Resolution was passed.

5. DISCLOSURES:

a) There were no transactions of material nature with its related parties that may have the potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note Please mention the note number to the Financial Statements.

b) There were some instances of non-compliance and penalties/strictures imposed by Stock Exchanges or SEBI or any other statutory authority in last 3 years. However, the Company has taken all possible steps to bring online the compliances with various applicable laws.

c) The Board of Directors of the Company has adopted and put in place a Whistle Blower Policy and no personnel have been denied access to the audit committee the said policy is uploaded on website of the Company.

d) Compliance with Accounting Standards:

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

e) CEO/CFO Certification Director Certification:

Pursuant to the regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Chairman and Non - Executive Director has issued a certificate to the Board, for the year ended 31st March, 2020, the said is part of this Annual report

f) Internal control system and their adequacy:

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

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

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

Director	Qualification	Skills / expertise / competencies / experience
Mr. Ajit Kamath	Bachelor of Commerce from Mumbai University	1. He has more than 18 years of experience in the pharmaceutical industry 2. He has been involved and instrumental in planning and formulating the overall business strategy and developing business relations for our Company
Mr. Rajendra Kaimal	B.Com, MMS, CMA	1. He has over 15 years of experience in the pharmaceutical industry. 2. He is over-all in-charge of overseeing the commercial operations
Dr. Sunil Pitroda	MBBS	He has over 35 years of experience in the Medicine, Medical and surgical field.He is a full time practicing Doctor
Mr. Abhishek Buddhadev	M.Com, CS	He has over 7 years of experience in the field of Secretarial Compliance, Corporate Laws and allied laws
Ms. Urja Shah	LLB, CS	1. She has appropriate experience and interests in the area of Audit, Consultancy & Advisory Services 2. She has over 6+ years of experience in finance and regulatory field, FEMA, RERA, FSSAI.

7. MEANS OF COMMUNICATION

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

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

8. GENERAL SHAREHOLDERS' INFORMATION

1. Date, Time and Venue of AGM: Wednesday, 30th December, 2020 at 04:00 P.M. through Video Conferencing/ Other Audio Visual Means ("VC/OAVM")

2. Financial Calendar 1st April to 31st March

3. Board Meetings for Quarterly Results:

(tentative and subject to change)

- Quarter ending June 30, 2020 - On or before 14 August 2020
- Quarter ending September 30, 2020 - On or before 14 November 2020

	• Quarter ending December 31, 2020	- On or before 14th February, 2021
	• Quarter ending March 31, 2021	- On or before 30th May, 2021
	• Annual General Meeting for the Financial Year March 31, 2021	- On or before September 30, 2021
4.	**Book Closure dates**	N.A.
5.	**Dividend Payment Date**	No dividend has been recommended by the Board for the financial year 2019-20.
6.	**Listing on the stock exchanges**	Bombay Stock Exchange (BSE) Limited
7.	Payment of Listing fees	Annual listing fees have been paid as per the requirements of the Listing Agreement.
8.	**International Securities Identification Number.**	INE881A01015
9.	**Corporate Identification Number**	L24110AP1993PLC016112
10.	**Stock Code:**	
	BSE	531541
11.	**Registered Office**	Ground Floor, D.No. 8-2-684 /J/8/A, Bhavani Nagar Road No.12, Banjara Hills, Hyderabad – 500034, Telangana. Tel : 022-4287 1210; Fax: 022-4287 1285
12.	**Corporate Office**	H Wing, 4th Floor, Tex Centre, Off Saki Vihar Road, Chandivali, Andheri (East) Mumbai – 400 072.
	Exclusive e-mail Id for investors	info@avonlifesciences.com/ info@kobobiotech.com
13.	**Registrars and Share Transfer Agents**	XL Softech Systems Limited, 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad- 500 034. Phone no. (040)23545913, 14, 15.
14.	**Plant Locations**	Plot No. E-2, Chincholi Industrial Area, Solapur, Maharashtra. Survey No.18, Yawapur Village, Sadasivpeth Mandal, Medak Dist, Telangana. (non-operational)
15.	**Address for Correspondence**	Shareholder correspondence should be addressed to the Company's R & T Agent or to the secretarial department of the Company.
16.	**Dematerialisation of shares**	
	And liquidity:	Trading in equity shares of the company became mandatory from July, 2001. As on 31st March, 2020, 23687184 Equity shares equivalent to 99.42 % of the paid up share capital of the company are held in dematerialized form. The company's shares are currently traded in Z group on the BSE, Mumbai.

17. Outstanding GDR/ADR/Warrants or any

As on 31.03.2020, the Company has not issued any of these types of securities, convertible instruments, conversion date and likely impact of Equity.

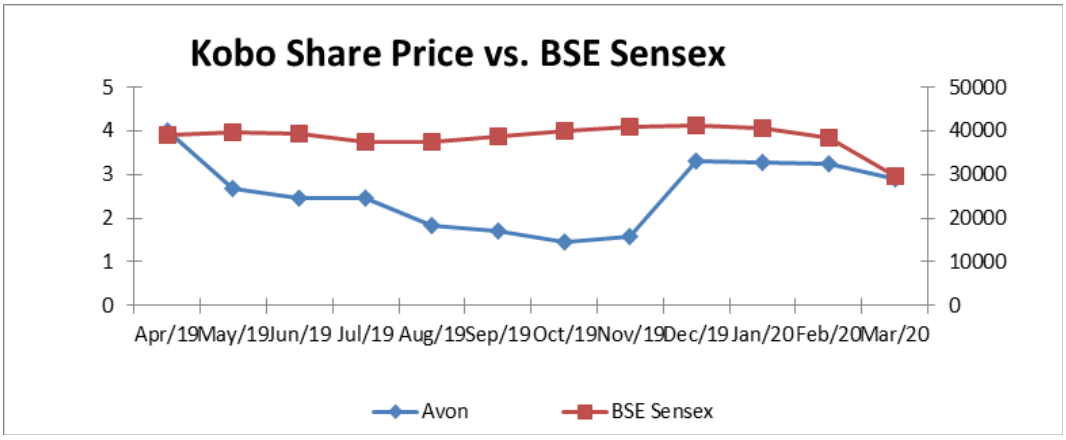
18. Share Transfer System

Shares sent for physical transfer or dematerialization requests are generally registered and returned within a period of 15 days from the date of receipt of completed and validly executed documents. Bad deliveries are promptly returned to Depository Participants (DPs) under advice to the shareholders.

19. Stock Market data relating to shares listed

Month	BSE Limited (Amt. In Rs)	
	High Price	Low Price
Apr-19	5.77	3.86
May-19	3.86	2.62
Jun-19	2.60	2.25
Jul-19	2.60	2.34
Aug-19	2.44	1.83
Sep-19	1.99	1.70
Oct-19	1.70	1.32
Nov-19	1.57	1.19
Dec-19	3.30	1.56
Jan-20	3.50	3.29
Feb-20	3.23	3.23
Mar-20	3.17	2.89

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



20. Distribution of Shareholding as on 31st March, 2020.

No. of Equity shares	Shareholders		No. of Shares	
	Number	% of Holders	Number	% of shares
Upto 5,000	3933	68.81	7587290	3.18
5,001 - 10,000	711	12.44	6134060	2.57
10,001 - 20,000	389	6.81	6224190	2.61
20,001 - 30,000	157	2.75	4117520	1.73
30,001 - 40,000	81	1.42	2910720	1.22
40,001 - 50,000	93	1.63	4426750	1.86
50,001 - 1,00,000	145	2.54	11141800	4.68
1,00,001 & above	207	3.62	195714240	82.15
Total	**5716**	**100.00**	**238250000**	**100.00**

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

To
The Shareholders,

I hereby declare that all the Board Members and the senior management personnels have affirmed compliance with the code of conduct adopted by the company and have submitted declarations in this behalf for the year ended 31st March, 2020.

Mumbai
13th November, 2020

Ajit Kamath
Chairman & Non Executive Director

CERTIFICATE FROM CHAIRMAN

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

a. I have reviewed the financial statements and the cash flow statement for the year under review and certify that:

   i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading.

   ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. To the best of my knowledge and belief, no transactions entered into by the company during the year are fradulent, illegal or violate of the company's code of conduct.

c. I am responsible for establishing and maintaining internal controls for financing reporting and have evaluated the effectiveness and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internel controls and the steps taken to rectify these deficiencies.

d. I have indicated to the auditors and audit committee that -

   i. there are no significant changes in internal control over financial reporting during the year.

   ii. there are no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.

   iii there are no frauds of which i was aware, that involves management or other employees who have a significant role in the company's internel control system.

Mumbai
13th November, 2020

Ajit Kamath
Chairman & Non Executive Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by Kobo Biotech Limited ('the Company'), for the year ended 31st March, 2020 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

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

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

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

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

Sd/-
Prince Kothari
Partner
Membership number 155819

Mumbai
13th November,2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AVON LIFESCIENCES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **AVON LIFESCIENCES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit

matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. There are Pending litigation on the Company however there is no material effect in the Balance Sheet;
      ii. The provisions as required under the applicable law or accounting standards for material foreseeable losses if any on the long term contracts including derivative contracts are not applicable to the company.
      iii. There has been no such requirement for transferring amounts, required to be transferred the Investor Education and Protection Fund transfer by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Mumbai
30th June, 2020
UDIN No :20155819AAAABT6031

Prince Kothari
Partner
Membership number: 155819

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of AVON LIFESCIENCES LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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

Mumbai
30th June, 2020
UDIN No : 20155819AAAABT6031

Prince Kothari
Partner
Membership number: 155819

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of AVON LIFESCIENCES LIMITED of even date)

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

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties, as disclosed on Fixed Assets to the financial statements, are held in the name of the company.

ii. In respect of its inventories:

Physical verification of inventory has been conducted at reasonable intervals by the management and as per information submitted to us no material discrepancies were noticed. However there is no material movement in the inventory during the year under consideration as there was no business transaction in the company. The Inventories comprises of RM, WIP, FG and Consumables and are all stated at cost only.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability Partnerships or other parties covered in the register under section 189 of the Companies Act, 2013 ('the Act').

iv. In our opinion and according the information and explanations given to us and on the basis of our examination of the records of the company, the company has not given loans, made investments or given guarantees which are covered by the provisions of Section 185 and 186 of the act.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under section 148(1) of the Act in respect of its products. We have reviewed the same, however we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is been irregular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There are arrears of outstanding such undisputed statutory dues at the last day of the financial year concerned for a period of more than six months from the date they became payable.

Sr No	Nature of Dues	Amount	Nature of Statue
1	ESIC	31,418	ESIC Act
2	Provident Fund	1,41,95,923	EPF Act
3	Professional Tax	13,57,865	VAT
4	TDS	20,21,525	Income Tax Act 1961
5	Income Tax AY 09-10	6,07,325	Income Tax Act 1961
6	Income Tax AY 11-12	1,31,090	Income Tax Act 1961
7	Income Tax AY 12-13	1,83,18,040	Income Tax Act 1961
8	Income Tax AY 13-14	2,46,27,820	Income Tax Act 1961

viii. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has delay /defaulted in repayment of dues along with the interest thereon with the banks as at the end of the financial year.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not Paid managerial remuneration thus requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act is not applicable to the company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Mumbai
30th June, 2020
UDIN No : 20155819AAAABT6031

Prince Kothari
Partner
Membership number: 155819

Balance Sheet as at 31 March 2020

(Amount in ₹)

	Note	As at 31 March, 2020	As at 31 March, 2019
Assets			
Non-current assets			
(a) Property, plant and equipment	2	625,439,205	684,193,727
(b) Capital work-in-progress	2	22,506,617	22,506,617
(c) Intangible assets	3	0	0
(d) Intangible assets under development	3	0	0
(e) Financial assets			
(i) Investments	4	121,930,256	121,930,256
(ii) Loans	5	51,015	51,015
(iii) Others	6	0	0
(f) Non-current tax assets (net)	7	0	0
(g) Other non-current assets	8	0	0
Total non-current assets		**769,927,093**	**828,681,615**
Current assets			
(a) Inventories	9	532,785,986	532,785,986
(b) Financial assets			
(i) Trade receivables	10	932,858,171	906,062,864
(ii) Cash and cash equivalents	11	849,445	866,898
(iii) Bank balances other than (ii) above	12	428,821	428,821
(iv) Loans	13	7,900,298	7,855,298
(v) Others	14	0	0
(c) Current tax assets (net)	15	57,111,373	57,076,948
(d) Other current assets	16	61,485,666	60,693,656
Total current assets		**1,593,419,760**	**1,565,770,471**
Total assets		**2,363,346,853**	**2,394,452,086**
Equity and liabilities			
Equity			
a) Equity share capital	17	238,250,000	238,250,000
b) Other equity	18	(1,117,959,338)	(907,897,553)
Total equity		**-879,709,338**	**-669,647,553**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	349,328,246	349,328,246
(b) Provisions	20	21,084,268	21,084,268
(c) Deferred tax liabilities (net)	21	29,900,649	29,900,649
Total non-current liabilities		**400,313,163**	**400,313,163**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	1,639,287,114	1,495,287,114
(ii) Trade payables	23	570,793,959	544,595,755
(iii) Others	24	629,281,499	620,869,374
(b) Other current liabilities	25	3,380,455	3,034,233
(c) Provisions	26	0	0
(d) Current tax liabilities (net)	27	0	0
Total Current liabilities		**2,842,743,027**	**2,663,786,476**
Total equity and liabilities		**2,363,346,853**	**2,394,452,086**
Notes forming part of the financial statements	1		

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

Prince Kothari
Partner
Mem. No. 155819
Firm Reg No. 103941W

Mumbai
30th June'2020

For and on behalf of the board

Ajit Kamath
Chairman

Rajendra Kaimal
Director

Neelam Kumar Murdia
Chief Financial Officer

Jignesh Patel
Company Secretary

Statement of Profit and Loss for the year ended 31 March 2020

(Amount in ₹)

		Note	Period ended 31 March, 2020	Year ended 31 March, 2019
I	**Income**			
	Revenue from operations	28	0	0
	Other income	29	0	0
	Interest income	30	344,246	338,895
	Total Income		**344,246**	**338,895**
II	**Expenses**			
	Cost of materials consumed	31	0	0
	Changes in inventories of finished goods and goods-in-process	32	0	0
	Excise duty on sale of goods		0	0
	Employee benefits expense	33	17,963,393	20,839,750
	Finance costs	34	144,746,824	144,438,678
	Depreciation and amortization expense	35	58,781,641	61,454,120
	Exchange (Gain) / Loss		(19,199,630)	(12,748,307)
	Other expenses	36	8,113,802	9,102,049
	Total expenses		**210,406,031**	**223,086,290**
III	**Profit / (Loss) before exceptional items and tax**		**(210,061,785)**	**(222,747,395)**
IV	Exceptional items		0	21,847,550
V	**Profit / (Loss) before tax**		**(210,061,785)**	**(244,594,945)**
VI	**Tax expense**			
	Current tax		0	0
	Total tax expense		**0**	**0**
VII	**Profit / (Loss) for the year**		**(210,061,785)**	**(244,594,945)**
VIII	Other comprehensive income			
			0	0
	Other comprehensive income for the year		**0**	**0**
IX	**Total comprehensive income for the year**		**0**	**0**
X	**Earnings per equity share of ₹ 10 each fully paid up**			
	Basic & Diluted (in ₹)		(8.82)	(10.27)
XI	**Notes forming part of the financial statements**	**1 - 36**		

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

Prince Kothari
Partner
Mem. No. 155819
Firm Reg No. 103941W

Mumbai
30th June, 2020

For and on behalf of the board

Ajit Kamath
Chairman

Rajendra Kaimal
Director

Neelam Kumar Murdia
Chief Financial Officer

Jignesh Patel
Company Secretary

Notes to financial statements for the year ended 31/03/2020

Note 1 Significant Accounting policies for the year ended 31.03.2020

1 Basis of Preparation of Financial Statements

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

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

2 Use of Estimates

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

3 Revenue Recognition

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

4 Property, plant and equipment

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

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

5 Impairment of Assets

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

6 Investments

Investments are stated at cost.

7 Foreign Currency

Functional Currency

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

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

2 Monetary items denominated in foreign currencies at the year end are restated at year end rates.

3 Non monetary foreign currency items are carried at cost.

8 Employee Benefits

Contribution to defined schemes such as Provident Fund are charged as incurred on accrual basis.

9 Cash and Cash Equivalents

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

10 Inventories

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

1. Raw Materials, Stores, Consumables, Packing materials and other materials: at cost on Moving average basis

2. Work in process is carried at cost of input RM and estimated cost of manufacturing upto the stage of completion.

3. Finished Goods: At realizable value or cost whichever is lower.

11 Interest Income

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

12 Provisions and contingent liabilities and Contingent Assets

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

13 R & D Expenditure

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

14 Earnings Per Share

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

15 Other Notes

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

16 Pursuant to a Court Order and in line with the Management's decision to discontinue manufacturing Active Pharmaceutical Ingredients (APIs) falling under the Controlled Substances category, stock of materials worth ₹ 218.48 Lakhs in value (consists of Raw Material worth ₹ 1.45 Lakhs & Semi finished and Finished Goods worth ₹ 217.03 Lakhs), which was lying at our Solapur manufacturing site, was destroyed under the supervision of Company representatives and relevant Govt officials. Effect of the said destruction is given under "Exceptional Items" in Sr No. IV.

Note 2 Property, Plant and equipment

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

(Amount in ₹)

Description of assets	Gross carrying amount				Depreciation				Net carrying amount	
	As at 01.04.2019	Additions	Disposals	As at 31.03.2020	As at 01.04.2019	Additions	Disposals	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Freehold Land	23,644,792	0	0	23,644,792	0	0	0	0	23,644,792	23,644,792
Leasehold Land	7,684,137	0	0	7,684,137	0	0	0	0	7,684,137	7,684,137
Building										
Non Factory	18,047,842	0	0	18,047,842	4,495,844	317,781	0	4,813,625	13,234,217	13,551,998
Factory	170,542,107	0	0	170,542,107	90,899,381	4,376,483	0	95,275,864	75,266,243	79,642,726
Plant & Machinery	1,622,209,167	0	0	1,622,209,167	1,068,639,128	53,275,439	0	1,121,914,567	500,294,600	553,570,039
Lab Equipment	4,698,137	0	0	4,698,137	2,984,479	489,957	0	3,474,436	1,223,701	1,713,658
Electrical Installations	49,588,046	0	0	49,588,046	46,781,378	164,396	0	46,945,774	2,642,272	2,806,668
Furniture	9,246,021	0	0	9,246,021	8,607,037	91,291	0	8,698,328	547,693	638,984
Office Equipment	5,558,530	0	0	5,558,530	5,292,100	0	0	5,292,100	266,430	266,430
Computers	8,552,998	27,119	0	8,580,117	8,141,865	13,655	0	8,155,520	424,597	411,133
Vehicles	4,393,141	0	0	4,393,141	4,129,979	52,639	0	4,182,618	210,523	263,162
TOTAL	**1,924,164,918**	**27,119**	**0**	**1,924,192,037**	**1,239,971,191**	**58,781,641**	**0**	**1,298,752,832**	**625,439,205**	**684,193,727**
Previous Year	**1,924,128,732**	**36,186**	**0**	**1,924,164,918**	**1,178,517,072**	**61,454,120**	**0**	**1,239,971,192**	**684,193,727**	**810,061,258**
Capital Work in Progress									22,506,617	22,506,617

(Amount in ₹)

			As at 31 March, 2020	As at 31 March, 2019
4	**Non-current investments**			
	Investments in equity instruments of Regal Pharma Pte. Ltd. - Unquoted			
	3,120,100 Shares of SGD 1 Each in Regal Pharma Pte. Ltd.		121,930,256	121,930,256
		Total	**121,930,256**	**121,930,256**
5	**Non-current financial assets - Loans**			
	Unsecured, considered good			
	Advances		51,015	51,015
		Total	**51,015**	**51,015**
6	**Other non-current financial assets**			
		Total		
7	**Non-current tax assets**			
		Total		
8	**Other non-current assets**			
		Total		
9	**Inventories**			
	Raw materials		237,464,944	237,464,944
	Goods-in-process		265,600,559	265,600,559
	Finished goods		8,980,585	8,980,585
	Stores, Consumables and Packing Material		20,739,898	20,739,898
		Total	**532,785,986**	**532,785,986**
10	**Trade receivables (Unsecured)**			
	Considered good			
	- Others		932,858,171	906,062,864
		Total	**932,858,171**	**906,062,864**

(Amount in ₹)

			As at 31 March, 2020	As at 31 March, 2019
11	**Cash and cash equivalents**			
	Balance with banks in			
	Current accounts		813,149	833,682
	Cash on hand		36,296	33,216
		Total	**849,445**	**866,898**
12	**Bank balances other than 11 above**			
	Deposits with bank having original maturity period of upto twelve months		428,821	428,821
	Deposits with bank having original maturity period of more than twelve months		0	0
		Total	**428,821**	**428,821**
13	**Current financial assets - Loans**			
	Unsecured, considered good			
	Security deposits - Others		7,746,348	7,716,348
	Loans and advances to employees		153,950	138,950
		Total	**7,900,298**	**7,855,298**
14	**Other current financial assets**			
	Other receivables from			
	- Others			
		Total		
15	**Current tax assets**			
	Balances with government authorities			
	- Direct tax (net of provisions)		57,111,373	57,076,948
		Total	**57,111,373**	**57,076,948**
16	**Other current assets**			
	Advances against goods and services		23,165,039	23,165,039
	Prepaid expenses		204,665	197,212
	Balances with government authorities			
	- Indirect tax		37,131,385	36,346,827
	Export benefits receivable		984,577	984,577
		Total	**61,485,666**	**60,693,656**

(Amount in ₹)

			As at 31 March, 2020	As at 31 March, 2019
17	**Equity share capital**			
	Authorised			
	40,000,000 equity shares of ₹ 10 each		**400,000,000**	**400,000,000**
	Issued			
	23,825,000 equity shares of ₹ 10 each		**238,250,000**	**238,250,000**
	Subscribed and paid up			
	23,825,000 equity shares of ₹ 10 each		238,250,000	238,250,000
		Total	**238,250,000**	**238,250,000**

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

Name of Shareholder	As at 31 March, 2020		As at 31 March, 2019	
	Number of equity shares	Percentage of holding	Number of equity shares	Percentage of holding
Arch Pharmalabs Limited	10,709,100	44.95%	10,709,100	44.95%

(Amount in ₹)

			As at 31 March, 2020	As at 31 March, 2019
18	**Other equity**			
	State Investment Subsidy			
	As per last balance sheet		2,000,000	2,000,000
	Capital reserve			
	As per last balance sheet		7,000,000	7,000,000
	Securities premium reserve			
	As per last balance sheet		317,051,400	317,051,400
	General reserve			
	As per last balance sheet		130,000,000	130,000,000
	Retained earnings			
	As per last balance sheet		(1,363,948,953)	(1,119,354,008)
	Add : Profit / (Loss) for the Year		(210,061,785)	(244,594,945)
		Total	**(1,117,959,338)**	**(907,897,553)**

(Amount in ₹)

			As at 31 March, 2020	As at 31 March, 2019
19	**Non-current borrowings**			
	Secured			
	Term loans from banks		395,211,140	395,211,140
	Deferred Sales Tax Loan from State Govts.		156,032,788	156,032,788
			551,243,928	**551,243,928**
	Unsecured			
	From Body Corporate		317,140,209	317,140,209
			317,140,209	**317,140,209**
		Total	**868,384,137**	**868,384,137**
	Less: Current maturities disclosed under Other current financial liabilities (Refer note 24)		519,055,891	519,055,891
		Total	**349,328,246**	**349,328,246**

Nature of security and terms of repayments for long-term borrowing

Term Loans

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

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

Deferred Sales Tax Loan

c) The Company has been availing interest free Sales Tax deferement loan from States Government Authorities and the balance Outstanding as on 31st March' 2020 was ₹ 1560.33 lacs (previous year ₹ 1560.33 lacs).

(Amount in ₹)

			As at 31 March, 2020	As at 31 March, 2019
20	**Non-current provisions**			
	Leave encashment		3,310,172	3,310,172
	Provision for Tax (Net of Payment)		17,314,553	17,314,553
	Provision for Excise Duty		459,543	459,543
		Total	**21,084,268**	**21,084,268**

21	**Deferred tax liabilities (net)**		29,900,649	29,900,649
		Total	**29,900,649**	**29,900,649**

22	**Current financial liabilities - Borrowings**			
	Secured			
	Working capital loan from banks		1,639,287,114	1,495,287,114
		Total	**1,639,287,114**	**1,495,287,114**

Working Capital

The working capital loans from the banks ₹ 16392.87 Lakhs (Previous year ₹ 14952.87 lacs) are secured by first pari-pasu charge on the current assets, second pari-pasu charge on fixed assets and personal gurantee of promotor directors / company.

(Amount in ₹)

			As at 31 March, 2020	As at 31 March, 2019
23	**Trade payables**			
	Acceptances			
	a) Total Outstanding dues of micro enterprises and small enterprises		102,727	102,727
	b) Total Outstanding dues of Creditors other than micro enterprises and small enterprises		570,691,232	544,493,028
		Total	**570,793,959**	**544,595,755**
24	**Other current financial liabilities**			
	Current maturities of long-term borrowings (Refer note 19)		519,055,891	519,055,891
	Employee benefits payable		109,777,208	101,365,083
	Other payables		448,400	448,400
		Total	**629,281,499**	**620,869,374**
25	**Other current liabilities**			
	Statutory dues		3,380,455	3,034,233
		Total	**3,380,455**	**3,034,233**
26	**Current provisions**			
			0	0
		Total	**0**	**0**
27	**Current tax liabilities**			
			0	0
		Total	**0**	**0**

(Amount in ₹)

			2020	2019
28	**Revenue from operations**			
	Sales of products (including excise duty)		0	0
		Total	**0**	**0**
29	**Other Income**			
	Miscellaneous income		0	0
		Total	**0**	**0**
30	**Interest income**			
	- Others		344,246	338,895
		Total	**344,246**	**338,895**
31	**Cost of materials consumed**		0	0
		Total	**0**	**0**
	Details of materials consumed			
	Chemicals and Solvents		0	0
32	**Changes in inventories of finished goods and goods-in-process**			
	Inventory at the end of the year			
	Finished goods		8,980,585	8,980,585
	Goods-in-process		265,600,559	265,600,559
			274,581,143	**274,581,143**
	Inventory at the beginning of the year			
	Finished goods		8,980,585	9,907,039
	Goods-in-process		265,600,559	286,376,936
			274,581,143	296,283,975
		Total	**0**	**0****
	**Refer Note No. 16 of Notes to Accounts			
33	**Employee benefits expense**			
	Salaries, wages and bonus		16,651,217	19,178,234
	Contribution to provident and other funds		1,158,826	1,279,876
	Staff welfare expenses		153,350	381,640
		Total	**17,963,393**	**20,839,750**

(Amount in ₹)

			2020	2019
34	**Finance costs**			
	Interest Expenses		144,000,000	144,000,000
	Other financial Charges		746,824	438,678
		Total	**144,746,824**	**144,438,678**
35	**Depreciation and amortisation expense**			
	Depreciation on property, plant and equipment		58,781,641	61,454,120
		Total	**58,781,641**	**61,454,120**

36	**Other expenses**			
	Packing Materials, Stores ,spares and Consumables		0	0
	Power and fuel		4,212,986	3,053,058
	Repairs and maintenance		100	1,110
	Insurance		17,734	368,964
	Legal and Professional charges		372,064	929,166
	Rent, Rates & Taxes		0	14,594
	Travelling and conveyance expenses		884,872	359,184
	Printing and Stationery		77,232	310,707
	Communication Expenses		22,575	59,623
	Miscellaneous expenses		2,451,240	3,930,644
	Payment to auditors (Refer details below)		75,000	75,000
		Total	**8,113,802**	**9,102,049**
	Payment to auditors for:			
	Audit fees		75,000	75,000
		Total	**75,000**	**75,000**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2020

(Amount in ₹)

		2019-2020 In ₹	2018-2019 In ₹
A.	**Cash Flow from Operating Activities**		
	Net Profit before tax and extraordinary items	**(210,061,785)**	**(244,594,945)**
	Adjustments for		
	Depreciation	58,781,641	61,454,120
	Interest & Financial Charges	144,746,824	144,438,678
	Operating Profits before Working Capital Changes	**(6,533,319)**	**(38,702,147)**
	(Increase) / Decrease in Inventories	0	21,847,550
	(Increase) / Decrease in Debtors	(26,795,307)	(17,791,739)
	(Increase) / Decrease in Loans & Advances	(871,435)	(533,903)
	Increase / (Decrease) in Current Liabilities	34,956,551	100,653,742
	Increase /(Decrease) in Cash Credit Loan	144,000,000	144,000,000
	Cash Generated from Operations	**144,756,490**	**209,473,503**
	Income Tax		
	Net Cash flow from operating Activities (A)	**144,756,490**	**209,473,503**
B.	**Cash Flow from Investing Activities**		
	Fixed Assets	(27,119)	(36,186)
	Net Cash Used in Investing Activities (B)	**(27,119)**	**(36,186)**
C.	**Cash Flow from Financing Activities**		
	Change in Share capital	0	0
	Change in security Premium	0	0
	Change in Money received against Share warrants	0	0
	Change in long term borrowings	0	(65,014,687)
	Interest & Financial Charges	(144,746,824)	(144,438,678)
	Net Cash inflow from Financing Activities (C)	**(144,746,824)**	**(209,453,365)**
	Net Increase/(Decrease) in Cash Flow (A+B+C)	**(17,454)**	**(16,049)**
	Opening Balance of Cash and Cash Equivalent	1,295,719	1,311,769
	Closing Balance of Cash and Cash Equivalent	**1,278,266**	**1,295,719**

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

Prince Kothari
Partner
Mem. No. 155819
Firm Reg No. 103941W
Mumbai
30th June, 2020

For and on behalf of the board

Ajit Kamath
Chairman

Rajendra Kaimal
Director

Neelam Kumar Murdia
Chief Financial Officer

Jignesh Patel
Company Secretary

NOTES

NOTES

Kobo Biotech Limited

If undelivered, please return to:
Kobo Biotech Limited
(Formerly Known as Avon Lifesciences Limited)

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