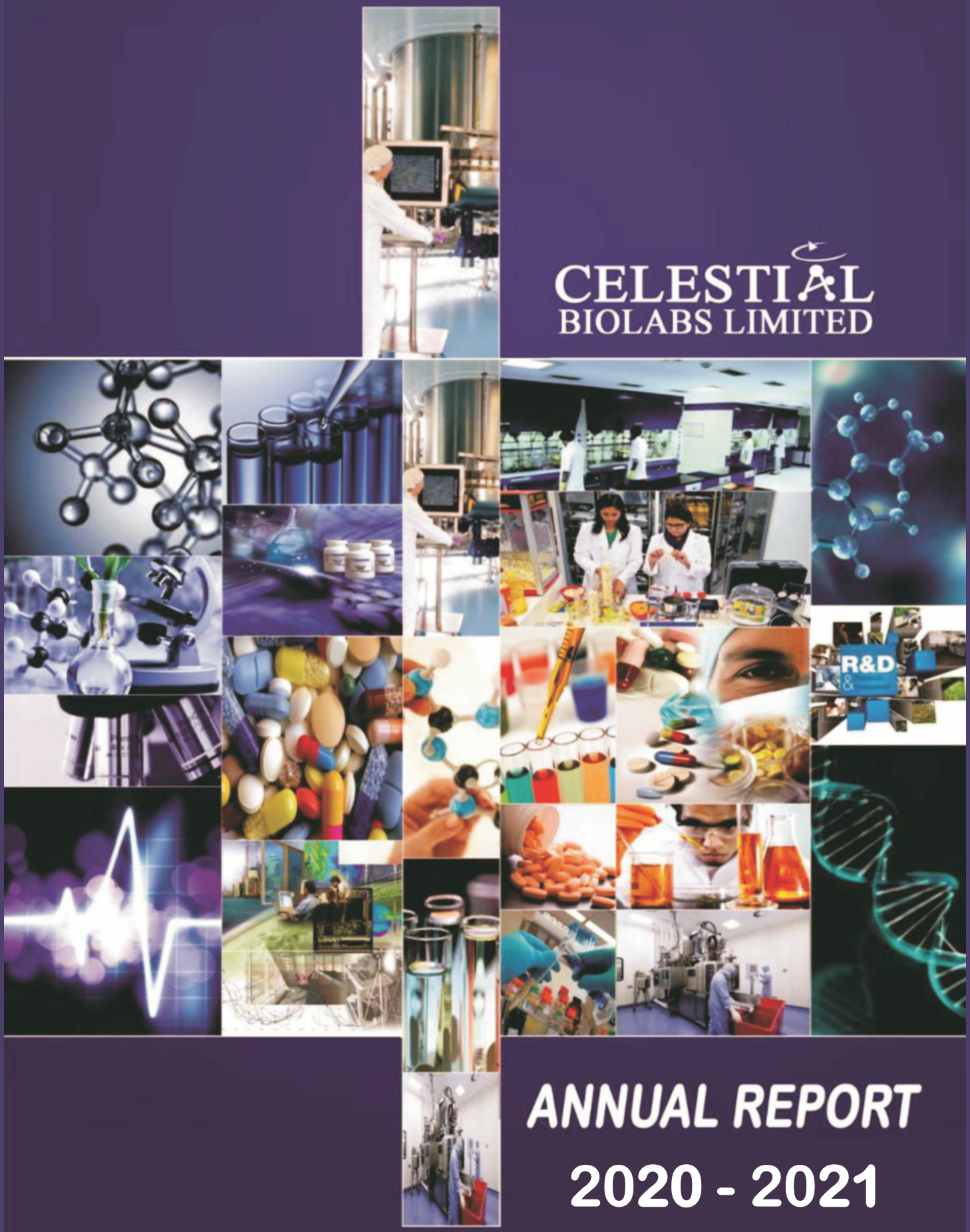

CELESTIAL BIOLABS LIMITED

ANNUAL REPORT

2020 - 2021

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CORPORATE INFORMATION

BOARD OF DIRECTORS

(*) Dr. A N Singh (DIN: 01756827)	-	Managing Director, Executive & Non Independent
Mr.Amit Kumar Singh (DIN: 01824426)	-	Whole time Director, Executive & CFO
Dr.D.C. Sastry (DIN: 02682897)	-	Independent & Non Executive
Dr. A P Rao (DIN: 08229256)	-	Independent & Non Executive
Smt.Padma Singh (DIN: 01448915)	-	Non Independent & Non Executive
Mrs. Sada Naga Latha	-	Company Secretary (CS) & Compliance Officer

(*) Demised on 21.07.2020

STATUTORY AUDITORS

M/s. M Surendra & Associates, Chartered Accountants, Hyderabad - 500 082

SECRETARIAL AUDITORS

M/s.GMVDR & Associates, Company Secretaries, Hyderabad – 500 020

BANKERS

State Bank of India, Nacharam Branch, Hyderabad
ICICI Bank, Jubliee Hills Branch, Hyderabad
HDFC Bank Nacharam, Hyderabad

REGISTRARS & SHARE TRANSFER AGENTS

KFin Technologies Limited
Selenium, Tower-B, Plot No.31&32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500 032
Tel: +91-40-6716 2222/7961 1000,
Email Id: kishore.bv@kfintech.com
Website: www.kfintech.com

REGISTERED OFFICE

Celestial Biolabs Limited
Plot No 82, Venkat Reddy Nagar,
Narapally, Medchal –Malkajgiri Dist
Hyderabad – 500039, Telangana
Phone: +91 9618882881
Email: cs@celestialbiolabs.com
Website:www.celestialbiolabs.com
CIN- L72200TG1997PLC028374

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the members of CELESTIAL BIOLABS LIMITED will be held on Friday the 30th day of September, 2022 at 10.30 a.m. at Hotel Chandra Grand, Reliance building. Opp: ESI Hospital, Nacharam, Hyderabad-500 076, Telangana to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2021, the Profit & Loss Account for the year ended on that date together with the schedules and annexure thereto and the reports of the Auditors and Directors.

2. To appoint a Director in place of Smt.Padma Singh (DIN: 01448915) who retires by rotation, and being eligible offers herself for reappointment.

For and on behalf of the Board of Directors
For Celestial Biolabs Limited

Place: Hyderabad
Date: 01.09.2022

Amit Kumar Singh
Executive Director
DIN: 01824426

NOTES:

1. In line with the Ministry of Corporate Affairs (MCA) circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and General Circular No.19/2021 dated 08.12.2021 and 21/2021 dated 14.12.2021 and General Circular No.2/2022 dated 05.05.2022 and SEBI Circular dated May 12th, 2020, January 15th, 2021, and May 13th, 2022, the Notice of AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Member may note that Notice and Annual Report 2020-21 has been uploaded on the website of the Company at www.celestialbiolabs.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited (BSE) & National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
3. The instrument appointing the proxy, in order to be effective, should be duly stamped, completed and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Corporate Members are requested to send a duly certified copy of the Board Resolution / power of attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting. Member / proxy should bring the attendance slip sent herewith, duly filed in, for attending the meeting.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DPID Number and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
6. Register of Members and Transfer Books of the Company will be closed from 28th September, 2022 to 30th September, 2022 both days inclusive.
7. Members are requested to address all their correspondence including change of address, mandates etc. to the registrars Viz. KFin Technologies Limited, Selenium, Tower-B, Plot No.31&32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Phone: 040-6716 2222 (Board) Fax: 040-2300 1153, Toll Free: 1-800-309-4001.
8. Pursuant to Section 125 of the Companies Act, 2013, all unclaimed refunds of the Public Issue and all unclaimed dividends for more than seven years from the date it became due have been transferred to Investor Education and Protection Fund (the fund).
9. Shareholders may inspect the documents / certificates referred to in the notice and / or explanatory statement at the Registered office of the company during the business hours on any working day upto the date of AGM.
10. E-Voting: Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the facility to Members to exercise their rights to vote by electronic means. The Company has engaged the Services of KFin Technologies Limited for providing e-voting facilities. The e-voting rights of the Members / beneficial owners shall be reckoned in proportion to ordinary shares held by them in the Company as on **23rd September, 2022** (Cut -off date fixed for this purpose). **The e-voting period will commence at 10.00 a.m. on Tuesday 27th September, 2022 and will end at 5.00 p.m. on Thursday 29th September, 2022.** The Company has appointed Sri G.M.V.Dhanunjaya Rao, Proprietor of GMVDR & Associates, Practicing Company Secretary (FCS 9120; C.P No.5250), to act as the Scrutinizer, for conducting the scrutiny of the votes cast. Detailed instructions for availing e-voting facility are being sent separately as a part of this Notice.
11. Information regarding appointment / re- appointment of Director(s) and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act,2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
12. Members are requested to avail the e-communication facility for receiving the Annual Reports, other communications from the Company, by updating their email IDs with the RTA so as to save paper & the Mother Nature.

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per SS-2 issued by ICSI.

Particulars	Item No. 2
Name	Padma Singh
Director Identification Number	01448915
Date of Birth	04.04.1960
Date of Appointment	30.09.2005
Designation	Non-executive Director
Qualifications	Graduate in social science
Expertise in specific functional areas	Over a decade of experience as a social activist
Chairmanships / Directorships of other Companies (excluding Foreign Companies and Section25 Companies)	Nil
Chairmanships / Memberships of Committees of other Public Companies (includes only Audit Committee; and Shareholders/Investors Grievance Committee)	Nil
disclosure of relationships between directors inter-se	
Number of shares held in the Company	11,73,035
Other details as required under Schedule V	Smt.Padma Singh is a Non Executive Non Independent Director of the Company.
Past remuneration	Nil
Remuneration proposed	Nil

DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Third Annual Report of your Company along with the audited Statement of Accounts for the financial year ended 31st March 2021. The Report also includes the Management Discussion and Analysis Report in accordance with the Guidelines on Corporate Governance and Financial Statements.

The highlights of the financial results for the year 2020-21 in comparison to the year 2019-20 are as follows:

(Rs.In Lakhs)

Particulars	2020-21	2019-20
Sales	Nil	522.84
Other income	2.99	4.41
Total revenue	2.99	527.25
Profit before Depreciation	(13.21)	(9748.83)
Depreciation	3.93	225.86
Profit Before Tax	(17.14)	(9974.69)
Deferred Tax	NIL	140.52
Provision for MAT	NIL	NIL
Provision for FBT	NIL	NIL
Net Profit/ loss for the year	(17.14)	(9834.17)
Profit & Loss Account balance brought forward	(6684.17)	3,150.01
Dividend	NIL	NIL
Corporate Dividend Tax	NIL	NIL

Dividend
The Company has not declared any dividend during the year.

Corporate Governance
As per Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance is enclosed herewith which forms part of the Annual Report. A certificate from the Practicing Company Secretary on compliance with the conditions of Corporate Governance as stipulated under the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

Management Discussion and Analysis
A detailed section of the Management Discussion and Analysis for the period under review as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate statement forming part of the Annual Report.

Directors' Responsibility Statement:
Pursuant to the requirement under Section 134 of the Companies Act, 2013 with respect to the Director's Responsibility Statement, it is hereby confirmed.

i. that in the preparation of the accounts for the financial year ended 31st March 2021, the applicable accounting standards have been followed along with proper explanations for marking all departures, if any.
ii. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review.
iii. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and from preventing and detecting fraud and other irregularities.

iv. that the directors have prepared the accounts for the financial year ended 31st March 2021 on a going concern basis
v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

Directors& Key Managerial Personnel (KMP)
Directors
In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Smt.Padma Singh retired by rotation and being eligible has offered herself for re-appointment.

Key Managerial Personnel
(*) Dr A N Singh, Managing Director, Mr Amit Kumar Singh, Executive Director & Chief Financial Officer and Mrs.Sada Naga Latha, Company Secretary & Compliance Officer of the Company w.e.f.16.05.2022, are Key Managerial Personnel of the Company within the meaning of Section(s) 2(51), and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(*) Dr A N Singh, Managing Director was expired on 21.07.2020.

Committees of the Board
Currently, the Board has three committees: the audit committee, the nomination and remuneration committee and the stakeholders relationship committee. A detailed note on the composition of the Board and its committees is provided in the corporate governance report section of this Annual Report.

Declaration from Independent directors on Annual Basis
The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act,2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Number of meetings of the board
The Board met four times during the financial year, the details of which are given in the Corporate governance report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Board Evaluation
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

Policy on directors' appointment and remuneration and other details
The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report

Disclosure as required under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014
The Disclosure as required under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is given in **Annexure - A** to the Board Report.

Information as per rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
There are no employees in the company whose remuneration is more than Rs.8.50 Lacs per month or Rs.102.00 Lacs per annum (or) any part thereof. The details of top 10 employees of the Company in terms of remuneration drawn during the year is given in **Annexure – B** to the Board Report.

Code of conduct for the prevention of insider trading
The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website.

Internal Control System & Internal financial control and its adequacy
The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

Your Company has established a robust system of internal controls to ensure that assets are safeguarded and transactions are appropriately authorized, recorded and reported. The Audit Committee of the Board addresses significant issues raised by both, the Internal Auditors and the Statutory Auditors. The Company believes that the overall internal control system is dynamic and reflects the current requirements at all times, hence ensuring that appropriate procedures and controls, in operating and monitoring practices are in place. Your Company is proactively identifying the areas for further improvement which shall remain an ongoing process.

Significant and material orders

- The Company has been debarred from the securities market for a period of 5 years from October 5, 2018 by SEBI under Sections 11, 11(4) and 11B of the SEBI Act, 1992 vide its order WTM/MPB/EFD-1-DRA-III/56/2019 dated July 10, 2019.

- Dr.A N Singh (Managing Director & Promoter) and Mrs.Padma Singh (Director & Promoter) were Debarred from accessing the securities market for a period of 5 years from October 5, 2018 by SEBI under Sections 11, 11(4) and 11B of the SEBI Act, 1992 vide its order WTM/MPB/EFD-1-DRA-III/56/2019 dated July 10, 2019 and also restrained from associating themselves with any listed public company (other than Celestial Biolabs Limited) or any public company which intends to raise money from the public, or any intermediary registered with SEBI for a period of 5 years from October 5, 2018.

- Dr A N Singh (Managing Director & Promoter) was expired on 21.07.2020.

- State Bank of India (SBI) has took over the corporate office of the Company and has sold it under the provisions of SARFAESI ACT during the year 2020.

- The trading in the equity shares of the Company are suspended by the NSE & BSE during the month of March 2020 due to non-payment of Listing Fee and non-compliance of various regulations.

Particulars of contracts or arrangements with related parties referred in Sub - Section (1) of Section 188

Details of transactions with related parties falling under the scope of Section 188(1) of the Act & Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 - NIL

Auditors

The existing Auditors M/s. M Surendra & Associates were appointed for a period of 4 years from the financial year 2019-20 to 2022-23 of the Company in the Annual General Meeting (AGM) held on 22.06.2022. As per the Companies Amendment Act, 2017 read with Notification S.O. 1833(E) dated 7th May 2018, the requirement of ratification of the re-appointment of auditor is done away. Hence, in the notice of AGM the ratification of auditor is not required.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the rules framed there under, M/s. GMVDR & Associates, Company Secretaries were appointed as Secretarial Auditors of the Company and the Secretarial Audit Report issued by them for the financial year 2020-21 is made a part of this Report.

Extract of the annual return of the Company

Pursuant to the amendments to Section 134 and Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2021 shall be placed in the Company's website if any, and the web-link of such annual return shall be disclosed in the Board's Report –www.celestialbiolabs.com.

Qualifications in Auditors' report and secretarial auditors' report

Replies to qualifications in Auditors report & Secretarial Audit Report are annexed to this report.

Maintenance of Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013

The Central Government has not prescribed the maintenance of cost records under Sub-Section (1) of Section 148 of the Companies Act, 2013.

Particulars of loans, guarantees or investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

Material changes and commitments if any affecting the financial position of the company

There are no material changes and commitments affecting the financial position of the Company from the date of closure of financial year to the date of Board Report.

Charges

The Company has not availed loans from any Bank / Financial Institutions during the financial year under review.

Fixed Deposits

The Company has not accepted any fixed deposits during the year under review. As such no amount of principal or interest was outstanding on the date of the Balance Sheet.

Unpaid / Unclaimed Dividend

There are no unpaid/unclaimed dividend pending for a period of 7 years to transfer to Investor Education & Protection Fund (IEPF)

Disclosure under the Sexual Harassment of women at workplace (Prevention, Prohibition And Redressal) Act, 2013

During the period under review, no complaints were received.