

KMS MEDISURGI LIMITED ANNUAL REPORT FINANCIAL YEAR 2019-20

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CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Mr. Gaurang Prataprai Kanakia

Chairman & Managing Director (DIN: 00346180)

2. Mrs. Rekha Devang Kanakia

Non-Executive Non-Independent Director

(DIN: 00346198)

3. Mr. Siddharth Gaurang Kanakia

Executive Non-Independent Director

(DIN: 07595098)

4. Mr. Hardik Rajnikant Bhatt

Independent Director (DIN: 07566870)

5. Mr. Kamlesh Rajani Chunilal

Independent Director (DIN: 07588417)

6. Pratik Pravin Tarpara

Independent Director (DIN: 08689556)

KEY MANAGERIAL PERSONNEL

1. Mr. Anand Prataprai Kanakia

Chief Financial Officer

2. Ms. Pallavi Pravin Lakdawala

Company Secretary cum Compliance Officer

SENIOR MANAGEMENT

1. Ms. Monali Gaurang Kanakia

Senior Associate

STATUTORY AUDITORS

Kalpesh Jain & Associates

Chartered Accountants

SECRETARIAL AUDITORS

Mayank Arora & Co.

Company Secretaries

INTERNAL AUDITORS

Mayur Mahesh Shah & Co.

Chartered Accountants

REGISTERED OFFICE

297/301, Ground Floor, May Building, Princess Street, Marine Lines (East), Mumbai 400 002

Contact No.: 022-66107722 Email ID: info@kmsgroup.in Website: www.kmsgroup.in Fax No.: +91-22-22061111

REGISTRAR AND SHARE TRANSFER AGENT

Kfin Technologies Private Limited

Karvy Selenium Tower B, Plot 31-32,

Gachibowli, Financial District, Nanakramguda,

Hyderabad, Karnataka 500032 **Contact No.:** +91 40 67161524

Email ID: einward.ris@kfintech.com

Website: www.kfintech.com

MESSAGE FROM PROMOTER DIRECTORS

The Healthcare Industry is growing at a rapid pace and so is the need for better quality medical devices. Our company KMS Medisurgi Limited has a strong footing in the industry. We laid our foundation with the purpose of making latest medical devices and surgical disposable items available to every part of the nation, to every possible healthcare professional and centers and that too, at competitive prices. And with our consistent efforts, our passion and our wide spread network, we have successfully actualized our dream.

Having said that, this is only the initial phase of our voyage. We intend to take spread our wings to B2B segment and manufacture products that are usable for surgical manufacturing industry as well and in this pursuit, we have adapted novel technologies, high-end machineries, research centers, which help us to develop new product.

We are committed to high standards and this is reflected in our endeavor, be it the quality of our products, services, our infrastructure or the safety compliances we incorporate in our premises.

We appreciate the support from our team, our customers, our associates and partners who have been an integral part of our success journey.

We envision more successes to celebrate together, more contribution to the industry and mankind.

Thank You.

Sd/-

Gaurang Prataprai Kanakia Managing Director (DIN: 00346180)

BOARD OF DIRECTORS

1. Gaurang Prataprai Kanakia (Managing Director)

Mr. Gaurang Prataprai Kanakia (DIN: <u>00346180</u>) has over 30 years of experience in the field of surgical products. He has also spent over 10 years in leading a business of import and export of diamonds. He has been instrumental in the setting up and expansion of the core business activities. Being the Founder and Chairman of KMS Group, he has always given the utmost priority towards growth of the business. Inspiring Team work and effective leadership in the Organisation has always been his motto.

Through various capacities he has spearheaded the success of KMS Group.



2. Rekha Devang Kanakia (Non-Independent Executive Director)

Mrs. Rekha Devang Kanakia (DIN: <u>00346198</u>) has over two decades of experience in the field of Healthcare Management. She has been deeply involved in creating innovative solutions and establishing avenues that promotes healthcare. Curing allergies, working on addictions and stress related diseases has always been her forte.



3.Siddharth Gaurang Kanakia (Non-Independent Non-Executive Director)

Siddharth Gaurang Kanakia (DIN: <u>07595098</u>) holds a masters Degree from the University of Mumbai. Having over 5 Years of experience in the field of Marketing and Management, he has been actively involved in handling various business projects and tenders including Government tenders. Through his street smartness, he enables the Company to gain a competitive advantage over others in terms of manufacturing ideas, supplies and even technology.



4. Kamlesh Rajani Chunilal (Independent Director)

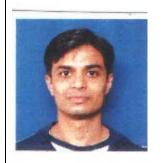
Mr. Kamlesh Rajani Chunilal (DIN: <u>07588417</u>) has over 12 years of experience in the field of Administration, Finance and Securities Market. Mr. Kamlesh has been acting as an Independent Director of the Company since the year 2016. He has an incredible knowledge about the medical devices and surgical equipments.



5. Hardik Rajnikant Bhatt (Independent Director)

Mr. Hardik Rajnikant Bhatt (DIN: <u>07566870</u>) has over 8 years of experience in the field of Capital Market.

He has been acting as an Independent Director of the Company since the year 2016. He holds an expertise degree in the Finance and Accounts



6. Pratik Pravin Tarpara (Additional Director) (Independent Director)

Mr. Pratik Pravin Tarpara (DIN: <u>08689556</u>) has completed his Bachelors in Accounting and Finance from Thakur College, Mumbai. He has excellent academic records. He has also cleared FRM Part 1 (GARP USA) in the year 2016 and has also cleared CFA Level II in the same year. Mr. Pratik has a good professional experience in the field of Accounts, Tax, Securities Market, Finance, Research, etc). Currently, he is working as a Financial Analyst in eClerx Services Limited, an Investment Banking Company.





NOTICE

Notice is hereby given that 22ND Annual General Meeting of the members of KMS MEDISURGI LIMITED- will be held on Wednesday, 30th September, 2020 at 04:00 p.m. through ZOOM Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13thApril, 2020 respectively, to transact the following businesses:-

ORDINARY BUSINESS:

1. Adoption of Financial Statement

To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.

2. Declaration of Dividend

To declare a Final Dividend of Re.0.05 (0.5%) per equity share of Face Value of Rs 10/- each, for the Financial Year 2019-20.

3. Re- appointment of as a Director liable to retire by rotation

To appoint Director in place of Mr. Siddhartha Gaurang Kanakia (DIN: 07595098), who retires by rotation and being eligible, offers himself for appointment.

Special Business

1. Appointment of Mr. Pratik Pravin Tarpara (DIN: 08689556) as a Director.

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

"RESOLVED THAT Mr. Pratik Pravin Tarpara (DIN: 08689556) who was appointed as an Additional Director of the Company w.e.f. 12th February, 2020 by the Board of Directors and who holds office upto the date of this Annual General Meeting in terms of Section 161 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 122 of the Article of Association of the Company and pursuant to the recommendation of Nomination & Remuneration Committee and the Board of Directors and being eligible, offers himself for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Tarpara's candidature for the office of the Director, be and is hereby appointed as a Director of the Company, with effect from the date of this Meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution

Date: 07-09-2020 For KMS MEDISURGI LTD

Place: Mumbai

Sd/GAURANG KANAKIA
(Managing Director and Chariman)
(DIN: 00346180)

NOTES:

- 1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 34th AGM of the Company is being conducted through VC / OAVM, which does not require physical presence of members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC / OAVM.
- 2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. The facility for appointment of proxies will not be available for the AGM and hence the Proxy form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes..
- 3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company 297-301, May Building, Ground Floor, Princess Street, Marine Lines, Mumbai-400002, which shall be the deemed venue of AGM.
- 4. The instructions for participation by Members are given in the subsequent paragraphs.
- 5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast500 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 6. The presence of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- 8. Members may note that the details of the Director seeking re-appointment as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) forms an integral part of the notice. Requisite declarations have been received from the Director for seeking his / her re-appointment.
- 9. Relevant documents and registers will be available for inspection by the members at the Registered Office of the Company on the date of AGM.
- 10.In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote.
- 11.Electronic copy of the Notice is being sent to all the Members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copy of the Notice is being sent in the permitted mode. Members may note that this Notice will also be available on the Company's website i.e.
- 12. The Corporate Members intending to send their authorized representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the AGM.
- 13. The register of members and transfer books of the company shall remain closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive) for this Annual General Meeting and for determining the names of members eligible for dividend on Equity Shares, if declared at a meeting.

- 14. The Annual Report of the Company, circulated to the Members of the Company will also be made available on the Company's website at www.kmsgroup.in
- 15.In compliance with Section 108 of the companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and regulation 44 of the Listing Regulation, the company is not providing e-voting facility as SME listed company is not required to provide e-voting facility to its Shareholders.

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

- 1. Members may access the platform to attend the AGM through VC by using the credentials attached with the notice.
- 2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such scheduled time.
- 3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- 4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 5. 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.
- 6. 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 atleast5 days prior to meeting 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 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- 7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.

BOARD OF DIRECTOR'S REPORT

To,

The Members,

KMS MEDISURGI LIMITED

Your Directors have pleasure in presenting their 22nd Annual Report on the business and operation of the company and the accounts for the financial year ended **31st March**, **2020**.

1. FINANCIAL RESULTS

The working results of the company for the year ended are as follows:

Sr. No.	Particulars	31.03.2020	31.03.2019
		(Rs.)	(Rs.)
1.	Revenue from operations	103,441,044	98,569,731
2.	Other Income	(32,034)	(42,09,647)
3.	Total Revenue	103,409,010	102,779,378
4.	Less: Expenses	101,585,234	100,710,131
5.	Profit beforeTax	1,823,776	2,069,247
6.	Provision for Tax	7,00,000	8,37,000
9.	Profit afterTax	1,123,776	1,232,247

2. FINANCIAL HIGHLIGHTS

During the financial year ended 31st March, 2020, the total revenue was Rs 103,409,010 /- as against Rs.102,779,378 in the previous year. For March 31, 2020, Company's Net Profit after tax was Rs. 1,123,776/- as against Rs.1,232,247-/- in the previous year.

3. TRANSFER TO RESERVES

The Company has transferred Rs. 1,123,776/- to Reserve & Surplus and the same is in compliance with the applicable provisions prescribed under the Companies Act, 2013.

4. CAPITAL STRUCTURE

The Authorized Share Capital of the Company is Rs 3,50,00,000/- (Rupees Three Crores Fifty Lakhs) divided into 35,00,000 (Thirty-Five Lakhs) Equity shares of Rs 10/- each.

The Paid- up Share Capital is Rs. 3,30,00,000/- (Rupees Three Crores Thirty lakhs only) divided into 33,00,000 Equity shares of Rs. 10/- each fully paid- up.

5. DIVIDEND

Your Directors are pleased to recommend a Dividend of 0.5% i.e. Re. 0.05 Per Equity Share of face value of Re. 10/- each fully paid up aggregating to Rs. 1,65,000/- for the year ended 31st March 2020 subject to the approval of Members at the Annual General Meeting on 30th September 2020.

6. DEPOSIT

During the year under review your company has not accepted any deposits from the public and therefore no information is required to be furnished in respect of outstanding deposits.

7. CHANGES IN NATURE OF BUSINESS

There is no significant change made in the nature of the company during the financial year.

8. NAMEOFTHECOMPANIES, WHICHHAVEBECOMEORCEASEDTOBESUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

At the end of the financial year under review none of the Company have become or ceased to be subsidiaries, joint ventures or associate companies.

9. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. The Company on various activities also puts necessary internal control systems in place across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

10. RELATED PARTYTRANSACTIONS

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.

Particulars of contract or arrangements with related parties is annexed herewith in Form AOC 2 as "Annexure - A"

11. SIGNIFICANTAND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts, which would impact the going concern status of the Company and its future operations.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans or guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 during the Financial Year 2019-20.

13. DIRECTORS

Retire by Rotation-Siddharth Gaurang Kanakia

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Ms, Siddharth Gaurang Kanakia, Director (DIN: 07595098) of the company is liable to retire by rotation in the 22nd Annual General Meeting and being eligible, she offer herself for re- appointment.

Appointment & Resignation:

Mr. Pratik Pravin Tarpara appointed as an additional Director w.e.f. 12th February, 2020.

14. KEY MANAGERIALPERSONNEL

Pursuant to the Section 2(51) and provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel (KMP) of the Company as on 31st March, 2020 are as follows:

- Mr. Gaurang Prataprai Kanakia (DIN: 0346180), Managing Director of the Company.
- Mr. Anand Prataprai Kanakia, Chief Financial Officer (CFO) of the Company.