

**BOARD OF DIRECTORS**

|                             |   |          |
|-----------------------------|---|----------|
| Shri Shankar Prasad Bhagat  | - | Director |
| Shri Anand Trivedi          | - | Director |
| Shri Harleen Singh Kathuria | - | Director |

**AUDITORS**

M/s. Y. D. & Co.  
Chartered Accountants  
Rakesh Puri  
Partner

**REGISTERED OFFICE**

22, Pragnya Society, Above Dena bank,  
Nr. ESI Hospital, Akruhi Road, Kandiwali (E),  
Mumbai – 400 101.

**SHARE TRANSFER AGENT**

Adroit Corporate Services Private Limited.,  
19/20, Jaferbhoy Industrial Estate,  
1st Floor, Makwana Road,  
Marol Naka,  
Andheri (E),  
Mumbai – 400 059.

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE KAPPAC PHARMA LIMITED WILL BE HELD ON WEDNESDAY, 15<sup>TH</sup> JUNE, 2011 AT 22, PRAGNYA SOCIETY, ABOVE DENA BANK, NR. ESI HOSPITAL, AKRULI ROAD, KANDIWALI (E), MUMBAI – 400 101 AT 11.30 A.M. TO TRANSACT THE FOLLOWING BUSINESS:-

**ORDINARY BUSINESS :**

1. To receive and adopt Audited profit and Loss Account for the year ended 31<sup>st</sup> March, 2011 and the Balance Sheet as on that date along with Directors' and Auditors' Report thereon.
2. To reappoint M/s. Y. D. & Co., Chartered Accountants, Ludhiana, Auditors of the company to hold office from the conclusion of this meeting until the conclusion of next annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.
3. To appoint a Director in place of Mr. Anand Trivedi, who retires by rotation and being eligible, offers himself for re-appointment.

**Date: 12.05.2011**

**Registered Office:**

22, Pragnya Society, Above Dena bank,  
Nr. ESI Hospital, Akruhi Road,  
Kandiwali (E),  
Mumbai – 400 101.

**By order of the Board  
For, Kappac Pharma Limited**

**DIRECTOR**

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and on a poll, to vote instead of himself. A proxy need not be member of the company. A proxy may be sent in the Form enclosed and in order to be effective must reach the Registered Office of the company at least 48 hours before the commencement of the meeting.
2. Members/ proxies should bring attendance slip, duly filled in, for attending the meeting.
3. Members / proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting. As Copies of Annual Report will not be distributed at the Annual General Meeting.
4. The register of members of the Company will remain close from Wednesday, 8<sup>th</sup> June, 2011 to Tuesday, 14<sup>th</sup> June, 2011 (both days inclusive) for the purpose of Annual General Meeting dated 15<sup>th</sup> June, 2011.
5. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to address their questions to the company so as to reach at least 7 days before the date of the meeting, so that the information required will be made available at the meeting, to the best extent possible.
6. Explanatory statement pursuant to section 173(2) of the companies act, 1956.

**Date: 12.05.2011**

**Registered Office:**

22, Pragnya Society, Above Dena bank,  
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Kandiwali (E),

**By order of the Board  
RFor, Kappac Pharma Limited**

**DIRECTOR**

**DIRECTORS' REPORT**

Dear Shareholders,

Your directors have pleasure in presenting the Annual Report together with the Audited Annual Accounts for the year ended on 31<sup>st</sup> March 2011.

| <b>FINANCIAL RESULTS</b>                   | <b>(Amt in Lacs)</b> |                |
|--|----------------------|----------------|
| <b>PARTICULARS</b>                         | <b>2010-11</b>       | <b>2009-10</b> |
| Total Income                               | 0.00                 | 0.00           |
| Net Profit/ Loss Before Depreciation & Tax | (5.24)               | (1.33)         |
| Less : Depreciation                        | 0.00                 | 0.00           |
| Net Profit/(Loss) Before Tax               | (5.24)               | (1.33)         |
| Less : Provision For Taxation              | -                    | (0.002)        |
| Net Profit/(Loss) After Tax                | (5.24)               | (1.33)         |

**Operations:**

Your directors inform that the company has incurred Loss of Rs 5.24 Lakh during the year. The company is confident to achieve higher sales in the coming years. Your Directors do not recommend dividend for the year to strengthen the position of the company

**Directors:**

Anand Trivedi, Director will retire at the annual general meeting of the company, and being eligible, offer themselves for re-appointment.

**Appointment Of Auditors:**

M/s. Y. D. & Co., Chartered Accountants, Ludhiana reappointed as auditor of the company for the financial year 2011-2012 and holds office from the conclusion of this meeting until the conclusion of next annual General Meeting of the Company.

The Statutory Auditors of the Company have submitted auditor's report on the accounts of the Company for the accounting year ended 31<sup>st</sup> March, 2011 which is self-explanatory and needs no comments.

**Fixed Deposits:**

The Company has not accepted any Public Deposits within the meaning of the provisions of Section 58A of the Companies Act, 1956.

**Employees:**

There were no employees coming within the ambit of section 217(2A) of the Companies Act, 1956.

**Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgoings:**

Since the company is not engaged in any manufacturing activities, furnishing of details of conservation of energy & technology absorption are not applicable.

Foreign Earning : Nil

Foreign Outgoing : Nil

**Directors Responsibility Statement:**

As required under sub-section (2AA) of Section 217 of the Companies Act, 1956, the Directors confirm:

- That in preparation of the Annual accounts, the applicable accounting standards had been followed.

- ii. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of affairs of the Company at the end of the financial year and of the financial year and of the loss of the Company for the year.
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- iv That the Directors had prepared the Annual Accounts on a going concern basis.

**Acknowledgements:**

The Directors place on record their appreciation of continued support, Co-operation, assistance during the year by suppliers, customers, banks and staff members & look forward for their continued support in future.

**Date: 12.05.2011**

**Registered Office:**

**22,Pragnya Society, Above Dena bank,**

**Nr.ESI Hospital, Akruli Road,**

**Kandiwali (E),**

**By order of the Board**

**For, Kappac Pharma Limited**

**DIRECTOR**

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**REPORT ON CORPORATE GOVERNANCE**


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**Company's Philosophy on Code of Governance:**

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of operations and in all inter-actions with its shareholders, employees, and the Government Company is committed to achieve the highest standards of corporate governance.

Company believes that all its operations and actions must serve the underlying goal of enhancing the overall shareholder value, over a sustained period of time.

**Board Of Directors:**

The Board of Directors of the company is comprised of optimum number of Executive, non-executives and independent directors. The Board met **9** times during the year on the following dates.

During the year, Board Meetings were held on 04.05.2010, 03.06.2010, 30.07.2010, 03.09.2010 17.09.2010, 30.07.2010, 13.11.2010, 20.11.2010, 11.02.2011

| S. No. | Name of Director                         | Category of Directorship                          | No. of Board Meetings Attended | Attendance at Last AGM | No. of Other Committee Memberships |
|--------|--|---|--------------------------------|------------------------|------------------------------------|
| 1      | Shankar Prasad Bhagat                    | Non- Executive Director and Independent Director  | 9                              | Yes                    | 3                                  |
| 2      | Anand Ramanlal Trivedi                   | Non- Executive Director and Professional Director | 9                              | Yes                    | 3                                  |
| 3      | Harleen Singh Kathuria (a.p. 29/03/2010) | Non- Executive Director and Independent Director  | 9                              | -                      | 3                                  |

**Audit Committee:**

The Audit committee was reconstituted by the board and the present members of the audit committee are Shankar Prasad Bhagat. Anand Ramanlal Trivedi and Harleen Singh Kathuria.

The Committee has appointed Anand Ramanlal Trivedi as chairman.

The terms of reference and powers of Audit Committee are as per Clause 49 of the Listing Agreement. The functions of the Audit Committee are as per Listing Agreement with the Stock Exchanges. This includes review of accounting and financial policies and procedures, review of financial reporting system and internal control procedure. The Committee met four times during the year 04.05.2010, 30.07.2010, 13.11.2010, 11.02.2011.

| S. No. | Name of Audit committee member           | No of meetings attended |
|--------|--|-------------------------|
| 1      | Shankar Prasad Bhagat                    | 4                       |
| 2      | Anand Ramanlal Trivedi                   | 4                       |
| 3      | Harleen Singh Kathuria (a.p. 29/03/2010) | 4                       |

**Remuneration Committee:**

No Remuneration Committee meeting was held during the year.

**Shareholders / Investors Grievance Committee:**

The present members of Shareholders/Investors Grievance committee are Shankar Prasad Bhagat. Anand Ramanlal Trivedi and Harleen Singh Kathuria.

The role and functions of the said Committee are the effective redressed of the complaints of the shareholders

regarding dematerialization, transfers, non-receipt of balance-sheet etc, The Committee will also recommend the steps to be taken for further improvement in the quality of services to the Investors.

The company has received no complaints during the year

**General Body Meetings:****The last three Annual General Meetings were held as under:**

| Financial Year | Date                 | Time       | Venue   |
|----------------|----------------------|------------|---|
| 2009-10        | 30th September, 2010 | 11:30 A.M. | 22, Pragya Society, Above Dena Bank Nr. ESI Hospital, Akruli Road, Kandiwali (E) Mumbai-400 101           |
| 2008-09        | 30th September, 2009 | 11:00 A.M. | 4, Chandan nivas Old, 1 <sup>st</sup> Floor, M.V.Road, Opp. Andheri kurla Road, Andheri (E) Mumbai 400069 |
| 2007-08        | 29th September, 2008 | 04:00 P.M. | To Ground Floor, E-15, Nisarg Heaven Building, Dahanukar Wadi, Mahavirnagar, Kandiwali (E) Mumbai 400067  |

No special Resolutions were put through postal ballot as recommended under clause 49 of the Listing Agreement of the Stock Exchanges, are placed for shareholders' approval at the forthcoming Annual General Meeting. There is no non-compliance nor any penalty or stricture imposed on the company by stock Exchanges, SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

**Means Of Communication:****Quarterly Results**

The company has published quarterly results in The Western Times (English) and The Western Times (Marathi), both at Mumbai.

**Management Discussion And Analysis**

Appended to this Report.

**General Shareholder Information:****Financial Calendar 2011 -12 (tentative)**

: Results for the quarter ended June 30, 2011:  
Last week of July 2011.  
Results for the quarter ended September 30, 2011.  
Last week of October 2011  
Results for the quarter ended December 31, 2011,  
Last week of January 2012  
Results for the quarter ended March 31, 2012,  
Last week of April 2012

**Book Closure Date**

: Wednesday, 8<sup>th</sup> June, 2011 to Tuesday, 14<sup>th</sup> June, 2011  
(Both days inclusive)

**Registered Office**

: 22, Pragnya Society, Above Dena bank, Nr. ESI Hospital  
Akruli Road, Kandiwali (E) Mumbai Maharashtra  
400101  
Tele:(022)26826287, Email: kappacpharma@yahoo.com

**Equity Shares Listed On Stock Exchanges At:** The Bombay Stock Exchange Ltd, Mumbai

**Disclosures:**

- All related party transactions have been entered into the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transactions with related parties were not in the normal course of business to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis.