

N O T I C E

NOTICE is hereby given that the **34TH ANNUAL GENERAL MEETING** of the Members of **KAPPAC PHARMA LIMITED** will be held at the Registered Office of the Company at **303, 13/A, MAHAJBEEN ARCHED, CHAKLA CROSS LANE, MASJID, MUMBAI-400053, MAHARASHTRA, INDIA** on **Wednesday 30th September, 2015** at **10:00 A.M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2015 and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and the Auditors' thereon.

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

"RESOLVED THAT pursuant to the provisions of Section 139, 140(4), 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), M/S. DHVANISH SHAH & ASSOCIATES, CHARTERED ACCOUNTANTS, AHMEDABAD (FRN 139838W) in respect of whom the company has received a Special Notice under section 140(4) of the Act, proposing their appointment in the place of retiring auditors, (M/S. Y. D. & CO., CHARTERED ACCOUNTANTS, LUDHIANA, FRN 018846N) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to next subsequent Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee."

SPECIAL BUSINESS:

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

"RESOLVED THAT MR. ZAHURAHMED FAKIR (DIN-02997952), who was appointed as an Additional Director of the Company on 02.01.2015 under Section 149, 152 & 161 of the Companies Act, 2013 to the extent applicable holds office up to the date of this Annual General Meeting but being eligible, offers himself for re-appointment and in respect of whom the company has received Notice in writing from member proposing his candidature for office of Director, be and hereby appointed as director of the Company and whose office liable to retire by rotation"

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

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. RAKESH VEKARIYA (DIN-02997970) who was appointed on 22.12.2014 as an additional director of the Company and holds office up to the date of this Annual General Meeting under section 161(1) of the Companies Act, 2013 and be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to September 30, 2020."

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

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. ARUN BHANUBHAI VAGHASIYA (DIN-02420886) who was appointed on 22.12.2014 as an additional director of the Company and holds office up to the date of this Annual General Meeting under section 161(1) of the Companies Act, 2013 and be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to September 30, 2020."

By Order of the Board
For, KAPPAC PHARMA LIMITED

PLACE: MUMBAI
DATE: 25.08.2015

Sd/-
(ARUN VAGHASIYA)
CHAIRMAN

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE MEETING.
2. Corporate members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
4. The Register of Members and Share Transfer Register of the Company will remain closed from 24th September, 2015 to 30th September, 2015.
5. The information required to be provided under the Listing Agreement entered into by the Company with the Stock Exchange regarding the Directors who are proposed to be re-appointed is given in the annexure to the Notice.
6. Members whose shareholding(s) are in electronic mode are requested to inform any changes relating to address, bank mandate and Electronic Clearing Services (ECS) details to their respective Depository Participants and in case of physical shares, to the Company's Registrar & Share Transfer Agent M/S Satellite Corporate Services Pvt. Ltd by mail at service@satellitecorporate.com together with a valid proof of address.
7. Members are requested to quote their Registered Folio Number or their Client ID number with DP ID on all correspondence with the Company as the case may be.
8. Members/Proxy holders are requested to bring their copies of the Annual Report to the Annual General Meeting
9. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
10. Members are requested to send their queries to the Company, if any, on accounts and operations of the Company at least seven days before the meeting so that the same could be suitably answered at the meeting.
11. Since the trading of shares is allowed only in dematerialized form, in the Stock Exchange, members are advised to get their physical shareholding dematerialized.
12. In line with measures of Green Initiative taken by the Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively) and Companies Act, 2013 also provides for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail ID's with M/S Satellite Corporate Services Pvt. Ltd by mail at service@satellitecorporate.com and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs).
13. Additional information as required in terms of paragraph 3 of the Clause 49 of the Listing Agreement on Director seeking re-appointment at the ensuing Annual General Meeting is as under:

| Name of the Director | ARUN BHANUBHAI VAGHASIYA | ZAHURAHMED FAKIR | RAKESH VEKARIYA |
|----------------------|-----------------------------|--|----------------------------|
| DIN | 02420886 | 02997952 | 02997970 |
| Date of Birth | 01/06/1978 | 06/01/1977 | 12/05/1979 |
| Date of Appointment | 22.12.2014 | 02.01.2015 | 22.12.2014 |
| PAN | AHCPV6201F | AGQJ7368N | ADXPV9827C |
| Experience | Vast experience in Business | Good Experience Marketing, Accounts and Finance. | Experience in the Industry |

| | | | |
|---|--|--|--|
| Directorships held in other companies in India, as on 31.03.2015 | ECHELON MEDICARE PRIVATE LIMITED TURBOTECH ENGINEERING LIMITED JAISU SHIPPING CO PRIVATE LIMITED JAISU DREDGING AND SHIPPING LIMITED SRI NANGALI RICE MILLS PRIVATE LIMITED SRI NANGALI AGRO TECH PRIVATE LIMITED | PIXEL DATALINK PRIVATE LIMITED UNIQUE DESIGN CREATIONS AND IDEA PRIVATE LIMITED | PIXEL DATALINK PRIVATE LIMITED UNIQUE DESIGN CREATIONS AND IDEA PRIVATE LIMITED |
| Membership of Committees of other companies, in which he is a Director, as on 31.03.15 | Member in Audit Committee, Nomination and remuneration Committee and Stakeholder relationship committee | Nil | Nil |
| No. of Shares held in the Company | Nil | Nil | Nil |

Instructions for e-voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to physical voting to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Members to cast their votes electronically. E-voting is optional for the Members. The instructions for members for voting electronically are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "KAPPAC PHARMA LTD" From the drop down menu and click on "SUBMIT".
- (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.
- (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) -Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. -In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field. |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. -Please enter the DOB or Dividend Bank Details in order to login. If 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 reach directly 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 for the relevant <KAPPAC PHARMA LTD> on which you choose 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The voting period begins on 25.09.2015 AT 09.00 A.M. and ends on 29.09.2015 AT 5.00 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 of 23rd September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, 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.

The Company has appointed Ms. SHUBHAM AGARAWAL, Practicing Company Secretary as the Scrutinizer for purpose of E voting to count the votes casted in favour or against the resolution proposed for all the items of the Notice as mentioned in the Notice and to comply with the provisions of Section 108 of the Companies Act, 2013.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

ANNEXURE TO NOTICE
EXPLANATORY STATEMENT AS REQUIRED PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The Explanatory Statement sets out all the material facts relating to the Special Business mentioned under are accompanying this notice:

Item No. 3

The Board of Directors at their meeting held on 02.01.2015 co-opted Mr. ZAHURAHMED FAKIR in the Board as Additional Director as per section 160 and other applicable provision of the Company Act, 2013 his tenures of office expires at the ensuing Annual General Meeting. Mr. ZAHURAHMED FAKIR having rich experience in the field of Finance and Marketing hence considering the same Board recommends keeping him on the board.

The Board recommends the resolution for the approval of shareholders.

No other Director/Key Managerial personnel not any relative of the Directors or the Key Managerial personnel of the Company other than Mr. ZAHURAHMED FAKIR is interested or concerned in the resolution.

Item No. 4 and 5

Mr. ARUN BHANUBHAI VAGHASIYA and Mr. RAKESH VEKARIYA were appointed as an Additional Directors of the Company with effect from 22.12.2014 pursuant to the provisions of Section 160 of the Companies Act, 2013 read Articles of Association of the Company. Mr. ARUN BHANUBHAI VAGHASIYA and Mr. RAKESH VEKARIYA hold office up to the date of ensuing Annual General Meeting of the Company. It is proposed to appoint Mr. ARUN BHANUBHAI VAGHASIYA and Mr. RAKESH VEKARIYA as Independent Director of the Company and to hold office for five consecutive years for a term up to September 30, 2020.

The Board recommends the resolution for the approval of shareholders.

No other Director/Key Managerial personnel not any relative of the Directors or the Key Managerial personnel of the Company other than Mr. ARUN BHANUBHAI VAGHASIYA and Mr. RAKESH VEKARIYA are interested or concerned in the resolution.

By Order of the Board
For, KAPPAC PHARMA LIMITED

PLACE: MUMBAI
DATE: 25.08.2015

Sd/-
(ARUN VAGHASIYA)
CHAIRMAN

DIRECTORS' REPORT**Dear Shareholders,**

Your Directors here by present the 34th Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on [31st March 2015](#).

OPERATIONS REVIEW:

During the year under review due to sluggish market condition and financial crisis company faces huge set back. So company not in position to generate any revenue from the operation but due to some fixed cost company posted Net Loss of Rs. 785987.

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF THE COMPANY'S AFFAIR:

The Company does not have any significant business activity and not carried out any business during the year under review.

DIVIDEND:

Considering the loss incurred in the current financial year and accumulated losses, your Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES:

The Company has not transferred any amount to Reserves for the period under review.

SHARE CAPITAL:

The issued, subscribed and paid up capital of the Company is Rs 302650000/- divided into 30265000 equity shares of Rs 10/- each. There has been no change in the share capital of the Company during the year.

-Increased Authorised Share Capital from Rs. 24 Crore to Rs. 34 Crore vide EOGM dated 25.03.2013 and relevant e form filling with ROC pending.

-Increased in issued, subscribed and paid up capital from Rs. 23,76,75,000 to Rs. 30,26,50,000 vide Board Meeting dated 18.07.2013 and relevant e form filling with ROC pending.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

The Company does not have any subsidiary, associate companies & joint ventures.

FIXED DEPOSIT:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the company have occurred between the end of financial year to which the financial statements relate and the date of the Directors' Report.

SIGNIFICANT ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS:

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

ZAHURAHMED FAKIR was appointed as an Additional Director of the Company on 02.01.2015 and hold office up to the date of this Annual General Meeting be and hereby appointed as director of the Company and whose office liable to retire by rotation.

RAKESH VEKARIYA and ARUN BHANUBHAI VAGHASIYA was appointed on 22.12.2014 as an Additional Director of the Company and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to September 30, 2020.

ANAND RAMANLAL TRIVEDI, HARLEEN SINGH KATHURIA and VIRAL GUNVANTBHAI KAPADIA were resigned as a Director of the Company with effect from 28.01.2014, 22.12.2014 and 02.01.2015 respectively.

Since the Company does not have any significant business activities, hence the Volume and Scope of work for the Company Secretary and Chief Financial Officer are less and it is not a full time work and the job of Company Secretary and Chief Financial Officer are not attractive commensurate with the scope of work and salary.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

MEETINGS:

Minimum four pre-scheduled Board meetings are held annually. In case of business exigencies or urgency of matters, resolutions are passed by circulation. During the year eight Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Agreement.

AUDIT COMMITTEE:

The terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013 and details thereof have been furnished in the Corporate Governance Report forming a part of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee has been constituted as per the provisions of Section 178(1) of the Companies Act, 2013 and details thereof have been furnished in the Corporate Governance Report forming a part of this Annual Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has re-named Share Holders Grievance/ Share Transfer Committee as 'Stakeholders Relationship Committee' in order to align it with the provisions of Section 178 of the Companies Act, 2013 and details thereof have been furnished in the Corporate Governance Report forming a part of this Annual Report.

BOARD EVALUATION:

Pursuant to the provisions of the Schedule IV, clause VIII of the Companies Act, 2013 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration Committees. The performance evaluations of Independent Directors were also carried out and the same was noted. Independent Directors in their meeting decided to bring more transparency in their performance and bring more responsibility while taking any policy decisions for the benefit of the shareholders in general.

REMUNERATION OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)/ EMPLOYEES:

No Directors/ Key Managerial Personnel are drawing any remuneration. Hence, the information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial year is not given.

AUDITORS AND AUDITORS' REPORT:

M/S. DHVANISH SHAH & ASSOCIATES, CHARTERED ACCOUNTANTS, AHMEDABAD (FRN 139838W), in respect of whom the company has received a Special Notice under section 140(4) of the Act, proposing their appointment in the place of retiring auditors M/s. Y. D. & Co., Chartered Accountants, Ludhiana, (FRN 018846N) and hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDIT AND SECRETARIAL AUDITORS' REPORT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Ms. SHUBHAM AGARAWAL, Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report in the prescribed Form No MR-3 is annexed herewith.

QUALIFICATION IN SECRETARIAL AUDIT REPORT AND EXPLANATIONS BY THE BOARD:

| Sr. No. | Qualifications made by Secretarial Auditor | Explanations by the Board |
|---------|--|---|
| a) | Acknowledgement for sending the notices of the Meeting of the Board and Committees are not maintained by the company. | The notice and agenda for the Board and committee meeting are sent by the email or hand delivery. The company will ensure to maintain to the acknowledgements for sending the notice of the meeting of the board and the committee. |
| b) | Updating of website with regard to various policies is pending | The company will take necessary steps to update website with regard to various policies which are pending. |
| c) | The company has not complied with certain clauses of Listing Agreement as regards publication of Notice of Board Meeting, Notice of AGM, quarterly results. | The company will take necessary steps to comply with the same. |
| d) | As per section 203(1)(i),(ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. The Company has not appointed Company Secretary & Chief Financial Officer. | Since the Company does not have any significant business activities, hence the Volume and Scope of work for the Company Secretary and Chief Financial Officer are less and it is not a full time work and the job of Company Secretary and Chief Financial Officer are not attractive commensurate with the scope of work and salary. |
| e) | As per section 138 of the Companies Act, 2013, the Company is required to appoint Internal Auditor. The Company has not appointed Internal Auditor. | The size of operation of the Company is very small, it is not viable to appoint Internal Auditor but the Company has established the internal control system. |
| f) | The company has not maintained the attendance register for Board and committee meeting | The company will take necessary steps to maintain the attendance register for board and committee meetings. |
| g) | Statutory Registrar as per companies Act 2013 is yet to be updated. | The company will take necessary steps to update Statutory Register as per companies Act 2013. |
| h) | Certain event based E Forms have not been filed by the company in time which were required to be filed with ROC during the audit period. | The company will ensure to file all relevant documents in time with ROC and other authorities as when required. |
| i) | As per the provisions of Section 149(1) of the Companies Act, 2013 and revised clause 49 of the listing agreement, the Company is required to have at least one Women Director on its Board. The Company has not appointed Women Director. | The Company is in process for appointing of Women Director and once suitable and if any willing candidate agrees to join the Company. |

COST AUDITOR AND COST AUDIT REPORT:

Cost Audit is not applicable to your Company.

INTERNAL CONTROL SYSTEMS:

As there is no significant business activities hence there was no systems set up for Internal Controls.

EXTRACT OF ANNUAL RETURN:

An extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in the prescribed Form No. MGT 9 forming part of this report is annexed herewith

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement forming part of this report is annexed herewith.

CORPORATE GOVERNANCE REPORT:

Your Company has complied with the requirements of Clause 49 of the Listing Agreement on Corporate Governance. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed separately to this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiative under the provisions of Section 135 of the Companies Act, 2013, read with Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as the said provisions are not applicable.

PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not required to be given as there were no employees coming within the purview of this section.

TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption etc. as required to be given under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, are not applicable to Company, as our Company has not carried out in the manufacturing activities. The foreign exchange earning on account of the operation of the Company during the year was Rs. Nil.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation by way of notes to accounts relating to material departures;
- b) 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 that period;
- c) 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 for preventing and detecting fraud and other irregularities;
- e) Directors have prepared the accounts on a "going concern basis".
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Since there are no women employees in the Company hence no comments

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment & Remuneration) Rules, 2014, every Listed Company mandates to disclose in the Board's Report the ratio of the remuneration of each director to the permanent employee's remuneration. However, since there is no permanent employee in the Company, no disclosure under the said provision has been furnished.

BUSINESS RISK MANAGEMENT:

Since the Company does not have any significant business activities, hence the Business Risk is at the Minimal Level. Hence, no major risk factors are envisaged except for: a. Government Policies b. Human Resource Risk

VIGIL MECHANISM

As the Company does not have any significant business activity, there was no need to have a Vigil Mechanism Policy.

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and Shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made our Company successful in the business.

For and on Behalf of the Board
For, KAPPAC PHARMA LIMITED

PLACE: MUMBAI
DATE: 25.08.2015

Sd/-
(ARUN VAGHASIYA)
CHAIRMAN

Annexure to Director's Report**MANAGEMENT DISCUSSION ANALYSIS REPORT****Outlook:**

The company is confident in spite of the possible recessionary conditions in the industry it will perform better in view of the strong fundamentals of the Indian companies and hope to improve its Turnover.

Internal Controls Systems and their adequacy:

The company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of law and regulations. The internal control system is supported by the internal audit process. The Internal Auditor reviews and ensures that the audit observations are acted upon. The Audit Committee of the Board reviews the Internal Audit reports and the adequacy and effectiveness of internal controls.

Human Resources

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.