

Annual Report

2018~2019



WELCURE DRUGS & PHARMACEUTICALS LTD.



WELCURE DRUGS & PHARMACEUTICALS LTD.

Board of Directors

Shri Sudhir Chandra (Managing Director)
Shri Nitin Singhal, Chairman
Shri M. L. Bhateja - Director & C. F. O.
Shri D. C. Jain - Director
Ms. Rashi Goel - Director & Company Secretary

Audit Committee

Shri M. L. Bhateja, Chairman
Shri Nitin Singhal-Member
Ms. Rashi Goel-Member

Stakeholder Relationship Committee

Shri M.L.Bhateja, Chairman
Shri Sudhir Chandra, Member
Ms. Rashi Goel, Member

Nomination and Remuneration Committee

Shri D. C. Jain, Member
Shri M. L. Bhateja, Member
Shri Sudhir Chandra, Member
Ms. Rashi Goel, Member

Statutory Auditors

V. P Gupta & Co.

Internal Auditors

Vibhor Gupta & Associates

Registered Office

B-9, 10, Laxmi Towers,
L.S.C., C Block,
Saraswati Vihar, Delhi-110034

Share Transfer Agent

Link Intime (India) Pvt. Ltd.,
Noble Heights, 1st Floor, NH-2
C-1 Block LSC, Near Savitri Market,
Janakpuri, New Delhi-110058.

WELCURE DRUGS & PHARMACEUTICALS LIMITED

BOARD'S REPORT :

The Board hereby presents the Twenty Seventh Annual Report to gether with Audited Financial Statements comprising Balance sheet, the statement of Profit and Loss (including other comprehensive income), the cash flow statement and the statement of changes in Equity of the Company and Auditors Report for the Financial Year ended 31st March 2019 in terms of section 134(3) of Companies Act, 2013.

1. Extract of Annual Return: In accordance with sections 134(3)(a) and 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) rules, 2014, the details forming part of the extract of the Annual Return in form MGT-9 is annexed as herewith 'Annexure-A'.

2. Number of Meetings of The Board and Audit Committee: During the year, 4 (four) Board and Audit Committee Meetings were convened and held. The Details of these meetings are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The Details are given in Para 2(e) and 3(ii) of Corporate Governance Report.

3. Directors Responsibility Statement: Pursuant to the requirements of Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, your Directors hereby confirm that:

- In the preparation of the annual accounts, the applicable accounting standards including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 had been followed along with proper explanation relating to material departures;
- 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 the state of affairs of the Company which comprise the Balance Sheet, Statement of Profit & Loss, the cash flow statement and the statement of changes in Equity for the financial year ended on 31.03.2019;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the Annual Accounts on a going concern basis; and
- The Directors had laid down internal financial controls over financial reporting to be followed by the company and that such internal financial controls are adequate and were operating effectively; for ensuring the orderly and efficient conduct of business, including adherence to company's policies, the safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

4. Details in Respect of Fraud : In terms of provisions of section 134(3) (ca) no fraud was reported by auditors under section 143(12) of the Companies Act, 2013.

5. Declaration of Independence : In compliance with the provisions of section 149(7) of the Companies Act, 2013, each Independent Director has given a written declaration to the Company, thereby confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. Audit Observations

- Statutory Auditor : No Qualifications, reservations or adverse remarks or disclaimer was made by the auditor in his audit report.
- Secretarial Auditor: No Qualifications, reservations or adverse remarks or disclaimer was made by the secretarial auditor in his audit report.
- Internal Auditor: No Qualifications, reservations or adverse remarks or disclaimer was made by the Internal auditor in his audit report.

7. Loans, Guarantees & Investment: During the year under review, the company has not provided any loan, guarantee or investment in terms of Section 186 of the Companies Act, 2013.

8. Related Party Transactions: No contract or arrangements with related parties were entered into by the Company, in terms of Section 188 of the Companies Act, 2013. However, sitting fee of total Rs. 26000/- was paid to non-executive directors, during the financial year 2018-19 for attending Audit Com-

mittee meetings and Board Meetings of the Company. Director Remuneration of Rs. 42000 was paid to Shri Sudhir Chandra from 01.10.2018 to 31.03.2019. No sitting fee was paid to Mr. Sudhir Chandra, Managing Director from 01.10.2018 to 31.3.2019. No remuneration or sitting fee was paid to D.C.Jain, Promoter Director.

9. State of Company's Affairs/ Financial Highlights : During the year under review, the Company had a total income of INR 8.11 lacs (Previous Year INR 5.12 Lacs); and after deducting the total expenditure of INR 7.73 Lacs (Previous year INR 7.05), the company had a net profit of INR 0.39 lacs (Previous year net loss of INR 1.93 lacs).

10. Reserves: The amount of INR 0.39 lacs i.e. the net profit, has been retained in the profit & loss account and has been carried forward to the Balance Sheet accordingly.

11. Dividend: In view of the accumulated losses and non availability of liquid funds, dividend declaration is neither possible nor recommended for the year under review.

12. Material Changes and Commitment if any, affecting the Financial position of the Company : No material changes and commitments occurred, which may affect the financial position of the Company, between the end of the financial year of the Company to which the financial statements relate and the date of the report.

13. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

(a) Conservation of energy: Company has no manufacturing operations; therefore provision relating to disclosure of Conservation of Energy are not applicable to the Company.

(b) Technology absorption: During the year under review no new technology was absorbed and no expenditure was incurred on Research & Development.

(c) Foreign exchange earnings and outgo: Foreign exchange earnings and outgo were nil during the current year.

14. Risk Management Policy: The details are given in Para 12 of Corporate Governance Report.

15. Board Evaluation : Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board has formed a policy to carry out performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholders/Investor's Grievance Committee.

16. Financial Summary & Highlights (Rs. in Lakhs)

Revenue from Operations (other operating Revenue)	Other Income	Total Income	Profit/(loss) Before Tax	Profit/(loss) After Tax
7.95	0.16	8.11	0.39	0.39

17. Change in Nature of Business : During the year under review, there has been no change in the nature of business of the Company.

18. Board of Directors : During the year, Shri S.S Dhanoa resigned from the Board of Directors of the company with effect from 16.08.2018. The Board expresses its gratitude for the valuable services rendered by him during his tenure with the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Sudhir Chandra, Managing Director (DIN 00323545), is liable to retire by rotation at the for thcoming Annual General Meeting and being eligible, has offered himself for reappointment.

In accordance with Regulation 17(1A) of SEBI Listing Regulations 2015, the Board of Directors has approved the continuation of Directorship of Mr. D.C.Jain, Non-Executive Director, aged more than 75 years, subject to the approval of shareholders by way of special resolution.

The Board of Directors has approved the appointment of Mr Nitin Singhal as Additional Director of the Company and designates him as the Independent Director of the Company with effect from 08.10.2018. In terms of section 161 of the Companies Act, 2013, Mr. Nitin Singhal holds office up to the date of for thcoming Annual General Meeting. Accordingly, the Board recommends the appointment of Mr. Nitin Singhal as an Independent Director, for the approval by the shareholders of the Company.

In terms of the provisions of section 149, 150, 152 read with Schedule IV of the Companies Act, 2013, and SEBI Listing Regulations, 2015, the Board recommends the passing of Special Resolution in relation to re-appointment of Mr. M.L.Bhateja as an independent Director of the Company for another term of

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five consecutive years with effect from 01.04.2019 to 31.03.2024, for the approval by the shareholders of the Company.

In compliance with regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief resume of the director proposed to be appointed or reappointed, the nature of expertise in specific functional areas, names of the companies in which he holds directorship(s) and membership/ chairmanship of Board Committees, shareholding and relationships between directors inter-se, are specified in Para 2 of Corporate Governance Report.

19. Key Managerial Personnel - Mr. Sudhir Chandra, Managing Director, Mr. M.L. Bhateja, Chief Financial Officer and Ms. Rashi Goel, Company Secretary are the Key Managerial Personnel of your Company under the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. There has been no change in the Key Managerial Personnel of the company during the year under review.

20. Subsidiaries, Joint ventures or Associate Companies - During the period under review no Company became or ceased to be its subsidiaries, joint venture or associate company.

21. Public Deposits - During the FY.2018-19, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

22. Material Court Orders - During the year no material court orders were passed by any regulators, tribunals or courts which impact the going concern & company's operation in future.

23. Internal Financial Control System and their Adequacy - The Company has adequate system of internal financial control system to safeguard and protect from loss, unauthorised use or disposition of its assets and adequate system and operating effectiveness of internal financial controls over financial reporting. All the transactions are properly authorized, recorded and reported to the management. The Company is following all the applicable Accounting Standards including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 for properly maintaining the books of accounts and reporting financial statements. The management of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

24. Statutory Auditors - M/s. V. P. Gupta & Co., Chartered Accountant (Firm Registration No.: 000699N) holds the office as Auditors till the conclusion of the forthcoming annual general meeting and are eligible for re-appointment.

Your company has received a certificate from M/s V. P. Gupta & Co., Chartered Accountants, confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the rules framed thereunder. The Board recommends their reappointment.

25. Cost Auditor - Provisions of Rule 3 of Companies (Cost Records and Audit) Amendment Rules, 2014, related to maintenance of cost records is not applicable to the Company, as the Company does not have an annual turnover of Rs. 35 cr. or more during immediately preceding financial year. Therefore the Company is also not required to appoint cost auditor for the financial year 2018-19.

26. Secretarial Auditor - M/s A. K. Nandwani & Associates, Company Secretaries was appointed as secretarial auditor to conduct the secretarial audit of the Company for the financial year 2018-19. The Secretarial Audit Report in

form MR-3 obtained from M/s A.K. Nandwani & Associates, Company Secretaries, for the said financial year is annexed herewith and forms part of this report as **Annexure-B**.

27. Internal Auditor - As per the Provisions of section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014, M/s Vibhor Gupta & Associates, Chartered Accountant, were appointed as Internal Auditor of the company for the financial Year 2018-19.

28. Composition of Board Committees - The details of composition of Audit Committee, Nomination and remuneration Committee and stakeholder Relationship Committee in terms of Regulation 18, 19 and 20 of SEBI Listing Regulations 2015 and applicable provisions of Companies Act, 2013 are given in Para 3, 4 and 5 Corporate Governance Report.

29. Corporate Social Responsibility Policy : The provisions are not applicable to the Company. Hence, the Company is not required to make expenditure on CSR, and no CSR committee as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 has been formulated.

30. Transfer to Investor Education and Protection Fund (IEPF) - The Company was not required to transfer any amount to the Investor Education and Protection Fund during the year under review.

31. Vigil Mechanism Whistle Blower Policy - The Company has vigil mechanism policy to deal with instances of fraud and mismanagement, if any. The policy ensures that strict confidentiality is maintained while dealing with concerns. The Board of Directors have formulated a Vigil Mechanism/Whistle blower Policy which is in compliance with the provisions of sections 177(9) and 177(10) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

32. Prevention of Insider Trading - The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Designated Persons and their immediate relatives. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Designated Persons and their immediate relatives while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

33. Prevention of Sexual Harassment of Women - As part of the legal responsibility and zero tolerance towards sexual harassment at the work place, a policy for prevention of Sexual Harassment has been adopted by the Company. During the year under review, no matter of sexual harassment was reported.

34. Listing fee of Shares - The shares of the company are listed on a recognized stock exchange - 'Bombay Stock Exchange' and up to date Listing Fee is paid.

35. Corporate Governance & Management Discussion and Analysis Report - In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance along with a certificate from the Auditors on its compliance as Annexure-C, forms an integral part of this report. Further, Management Discussion & Analysis which includes future outlook of the Company and its Businessess forms a part of this report.

For & on behalf of Board of Directors

Sudhir Chandra, M. L. Bhateja
Mg. Director Director & CFO
(DIN:00323545) (DIN:00323523)

Place: Delhi
Date: 29.04.2019

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

1. WELCURE'S PHILOSOPHY

In WELCURE, Corporate Governance philosophy stems from our belief that corporate governance is a key element in enhancing investor confidence. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it.

The Board of Directors presents a compliance report on the Corporate Governance pursuant to Listing Regulations and the Company endeavors to adopt best practices of Corporate Governance.

2. BOARD OF DIRECTORS

i) Composition of the Board : In accordance with the requirements of SEBI Listing Regulations, 2015, more than one half of the Board comprises of Non-Executive Directors. All Directors are professionals from diverse fields having valuable experience in Management, legal, administration, finance

and have considerable exposure in Pharma Sector. Independent Directors do not have any material pecuniary relationship and have not entered into any transactions with the Company. its promoter and management which in the judgement of the Board may affect the independence of judgement of Directors. The composition of the Board of Directors is as follows :

a) Promoter Director - Shri D. C. Jain, B. Com., LL.B., M.I.L (Hons.), G.D.I.M., M.I.I.A., A.M.I.B.M. F.A.S.M., F.C.S. is a Non-executive Director and founder & only promoter of the Company; and has nearly five decades experience in controlling various industries as top level Company Executive. He had been President of the Institute of Company Secretaries of India.

b) Managing Director - Shri Sudhir Chandra, B.Sc., B. Tech (Hons.) and Dip. (Ing., West Germany), is a Managing Director of the Company. He has over 48 years working experience in Management & Systems including 9 years experience in Pharmaceuticals. He had been associated with some of the leading industries in India and abroad, providing a high rate of work satisfaction throughout his career. He is a member of Company's Shareholders & Investors Grievance Committee.

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c) Independent Non-Executive Directors -

(i) **Shri M. L. Bhateja**, B.sc. has approximately 37 years of experience in the field of marketing of Pharmaceutical Formulations. He had worked for 24 years with Ranbaxy Laboratories Limited as regional Sales Manager. He is also member in Company's Audit Committee, Nomination & Remuneration Committee and Shareholders & Investors Grievance Committee. He is also honorary Chief Finance Officer of the Company.

(ii) **Shri Nitin Singhal**, Chartered Accountant by profession and has over 5 years of experience in Auditing and Tax Planning. He is Chairman of the Board and member Company's Audit Committee and Nomination & Remuneration Committee.

d) **Woman Director-** Ms. Rashi Goel, B.Com (Hons.) & Fellow Member of Institute of Company Secretaries of India, is a independent woman Director and Honorary Company Secretary of the Company. She has over 8.5 years of experience of handling secretarial matters. She is also a member of Company's Audit Committee, Nomination and Remuneration Committee and Shareholders & Investor Grievance Committee. She also acts as Secretary to the Committees and the Board.

e) **Number of Board Meetings** - Four Board Meetings were held during the financial year 2018-19 on 21.04.2018, 30.07.2018, 8.10.2018 & 12.01.2019. Last Annual General Meeting was held on 30.07.2018.

Attendance of Directors at Board Meeting & last AGM

Name of Director	Board Meeting	AGM	Remarks
	Attended	Attended	AGM
D.C.Jain	4	Yes	
Sudhir Chandra	4	Yes	
M.L.Bhateja	4	Yes	
S.S.Dhanoo*	1	No	resigned w.e.f. 16.8.18
Rashi Goel	4	Yes	
Nitin Singhal**	2	No	appointed w.e.f.8.10.18

f) **Number of other Board of Director or Committees in which a Director is a Member or Chairperson** - Ms. Rashi Goel is also a Non-Executive director in May and Baker Pharmaceuticals Limited and Studiomodus Design Private Limited.

No other director is a director / Chairperson in any other Company.

g) **Reasons for resignation of Independent Director** - As per Regulation 17(1A) of SEBI Listing Regulations, having crossed the age of 75 years, Shri S.S.Dhanoo has resigned from the Board and its committee's w.e.f.16.08.2018.

3. AUDIT COMMITTEE

The Audit Committee was re-constituted on 08.10.2018, due to the change in Directors of the Company, and is in conformity with the requirements of section 177 of the Companies Act, 2013 read with regulation 18 of the SEBI listing Regulations. The Audit Committee comprises of three Non-Executive Directors all being independent directors namely Mr. M.L.Bhateja, Mr. Nitin Singhal and Ms. Rashi Goel. Mr. M.L. Bhateja is chairman of Audit Committee. Ms. Rashi Goel, Company Secretary to the Committee. The Audit Committee reviews areas as specified under PART C of schedule II of the Listing Regulations read with provisions of section 177 of the Companies Act, 2013.

(i) Brief terms inter alia include:

(a) Overseeing the Company's financial reporting, process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.

(b) Recommending the appointment and removal of auditors, fixation of audit fees and approval for payment of any otherservices.

(c) Reviewing with management the annual financial statement before submission to the Board.

(d) Reviewing the adequacy of internal audit functions.

(e) Discussing with Internal Auditors any significant findings and follow up on such issues.

(f) Reviewing the findings of any internal investigation by the internal auditors in matters where there is suspected fraud or a failure of internal control or regulatory system of a material nature and the reporting of such matters to the Board.

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.

(ii) **The Composition and attendance of the members of the Committee is as follows** : During the financial ended 31-03-2019, four meetings of the Audit Committee were held on 21.04.2018, 30.07.2018, 08.10.2018 &

12.01.2019. The composition of the Audit Committee, date on which the meetings were held and attendance of Directors at the above meetings is as follows :

Name of Director	Position in the Comm.	Presence of directors at the meeting				
		21.04.18	30.07.18	08.10.18	12.01.19	
Sh. M.L.Bhateja	Chairman	Yes	Yes	Yes	Yes	
Ms. Rashi Goel	Member & Secret. to the Comm.	Yes	Yes	Yes	Yes	
Sh.S.S.Dhanoo*	Member	Yes	No	NA	NA	Resigned on 16.8.18
Sh. Nitin Singhal**	Member	NA	NA	NA	Yes	Appointed on 08.10.18
Sh. Sudhir Chandra**	Member	Yes	Yes	Yes	NA	Resigned on 9.10.18

*Mr. S.S. Dhanoo resigned from the Directorship w.e.f.16.08.2018

**Mr. Nitin Singhal was appointed as Director w.e.f. 08.10.2018

***Mr. Sudhir Chandra resigned from the membership of Audit Committee w.e.f. 9.10.2018.

(iii) **Role of Audit Committee** : The terms of reference/role stipulated by the Board for the Audit Committee are in consonance with Part C of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as per Section 177 of the Companies Act, 2013.

4. NOMINATION AND REMUNERATION COMMITTEE

The Board has reconstituted the Nomination and Remuneration Committee on 8.10.2018, due to change in Directors of the Company; and are in conformity with the provisions of section 178 of the Companies Act, 2013 read with regulation 19 of the SEBI Listing Regulations. The Committee comprises of Sh. D.C.Jain, Sh. M.L.Bhateja, Sh. Nitin Singhal and Ms. Rashi Goel, all Non-Executive Directors with more than half of Independent Directors. Ms. Rashi Goel, Company Secretary acts as the Secretary of the Committee.

The Committee was constituted to review and recommend to the Board, the remuneration of Executive Directors and such other matter as the Board may refer to the committee from time to time. The terms of reference of the Nomination and Remuneration Committee and its role is as prescribed in sub section (3) and (4) of section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of the Schedule II of the listing Regulations. No separate meeting was held during the year. No remuneration, other than sitting fee for attending the meetings of Board and Committees are paid to non-executive directors of the Company. Shri Sudhir Chandra, Managing Director is being paid a remuneration of Rs. 7000.00 per month w.e.f. 01.10.2018.

i) **Performance Evaluation criteria for Independent Directors** - Based on the evaluation and recommendation by Nomination and Remuneration Committee, the Board carries out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis.

ii) **Remuneration of Directors** - a) Details of Remuneration paid to Executive Directors during the year 2018-2019:

(Amount in Rs.)		
Name	Remuneration and other Benefits	Total
Shri Sudhir Chandra	42000/-	42000/-
(Managing Director)		

The appointment of Sh. Sudhir Chandra as Managing Director of the Company was made for a period of five years w.e.f.01.02.2017; and had been duly approved by the members of the Company on 24.07.2017.

The Board of Directors at its meeting held on 08.10.2018, fixed the remuneration of Shri Sudhir Chandra @ 7000/- per month; and that he will not be entitled to any sitting fees. Earlier, he was Non-Executive Managing Director.

iii) **Details of sitting fees paid to Non-Executive Directors during the year 2018-2019** - There was no pecuniary relationship of transaction between the Company and its Non-Executive Directors during the financial year from 1st April, 2018 to 31st March, 2019 except of sitting fees. The Non-Executive Directors were paid sitting fees amounting to Rs. 2000/- for attending meeting of Board of Directors and Committee meetings. The details of payment of sitting fees for the financial year ending 31st March, 2019 are given below :

Name of Director	Sitting Fees(Rs.)	Remarks
M.L.Bhateja	8000	
Non-Exec., Independent		
Nitin Singhal,	4000	Appointed on 8.10.18
Non-Exec., Independent		
Rashi Goel, Non-Exec.,	8000	
Non-Independent		
S.S. Dhanoo**	2000	Resigned on 16.08.18
Sudhir Chandra	4000	Up to 30.09.18

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5. STAKEHOLDERS RELATIONSHIP COMMITTEE

M.L. Bhateja (Chairman), Sudhir Chandra & Rashi Goel are members of the Committee. The Committee function includes looking into Investor's Grievances. Its functions are entrusted and combined with Audit Committee. The request for change of address and transfer of shares during the year; and both were replied to the satisfaction of the shareholders. At the end of financial year 31.03.2019, no investor complaint was pending.

The company attends to the shareholders Grievances/Correspondence expeditiously. The designated e-mail ID for grievance redressal/compliance officer for registering complaint by investors is investor.welcure@gmail.com.

The functions of Stakeholders Relationship Committee are combined and entrusted with Audit Committee.

The terms of reference/role of Stakeholder Relationship Committee is stipulated by the Board and is in consonance with Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

6. GENERAL BODY MEETINGS - Annual General Meeting.

The last three Annual General Meeting of the Company were held as under:

Year	Date	Time	Venue
2018	30.07.2018	9.00 A.M.	H-1-51, Budh Vihar, Ph-I, Delhi-86
2017	24.07.2017	9.00 A.M.	AF9-10, Shiv Mandir Dharamshala Shastri Nagar, Delhi-52

2016 25.07.2017 9.00 A.M.

Special Resolution for Re-appointment of Shri Sudhir Chandra as Managing Director of the Company was passed on 24.07.2017.

7. DISCLOSURES

There were no transactions of the company of material nature with related parties that may have potential conflict with the interest of the company at large. No penalties or strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

8. FAMILIARIZATION PROGRAMS

In order to comply with the provisions of the SEBI regulations, and for the purpose of making the Board familiar with the latest developments in the Corporate laws, SEBI regulations or other applicable laws; presentations were made in the Board meeting on major developments in the areas of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015; and were recorded in the Minutes of the Board Meetings from time to time.

9. MEANS OF COMMUNICATION

The board recognizes the importance of transparency in communicating with stakeholders of the Company. The various means of communication adopted by the Company are as follows:

a) Financial Results : The quarterly and annual financial results of the Company are published in Jansat ta (Hindi Newspaper) and 'Financial Express' (English Newspaper). The up-to-date results are also available on the portal of the Stock Exchanges where the Company's shares are listed.

b) Annual Report : The Annual Report of the Company, giving a detailed insight on the working of the Company, practices followed, etc., is sent to all

shareholders at their registered addresses. Keeping in view the "Green Initiative" under taken by the Ministry of Corporate Affairs, The Annual Report is sent via mail to the shareholders whose e-mail addresses are registered.

c) Designated E-mail ID : The Company has designated the e-mail id viz. investor.welcure@gmail.com, in order to ensure prompt redressal of investor's requests/complaints.

d) Scores : Facility has been provided by SEBI for investors to place their complaints/ grievances on a centralized web-based complaints redressal system viz. SEBI complaints Redressal System (SCORES). On receipt of any complaint thereof, the Company strive to give prompt response and Action Taken Report (ATRs) are uploaded for information about the current status of the complaint.

10. MANAGEMENT DISCUSSION & ANALYSIS

Management-Discussion & Analysis is being included in the Annual Report and is part of this report.

11. CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and Senior Management Personnel of the Company. All Board members and Senior Management Personnel have affirmed compliance with this code for the year ended 31.03.2019. A Declaration of compliance of this code, signed by the Chairman and Managing Director, is annexed as **Annexure-D** to this report.

12. DISCLOSURE ON RISK MANAGEMENT

The Company had laid down procedure to minimize risks and to inform Board Members about the risk assessment and management, which is periodically reviewed by the Board. The provision of constituting Risk Management Committee is not applicable to the Company in terms of regulation 21 of SEBI listing Regulation, 2015.

13. CERTIFICATE FROM CEO & CFO

Certificate from Mr. Sudhir Chandra, Managing Director and Mr. M.L. Bhateja, Chief Financial Officer of the Company in terms of Regulation 17(8) of the listing Regulations for the financial year ended 31st March, 2019 was placed before the Board of Directors of the Company in its meeting held on 22.04.2019.

14. CERTIFICATE FROM PRACTISING COMPANY SECRETARY

Certificate from M/s A.K. Nandwani & Associates, practising Company Secretaries in terms of sub clause (i) of clause 10 of Part C of Schedule V of SEBI Listing Regulations 2015, stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is attached herewith as **Annexure-E**.

15. CONFIRMATION FROM BOARD OF DIRECTORS

The Board of Directors confirmed that the Independent Directors fulfill the conditions specified in Regulation 16 of SEBI Listing Regulations and are independent of the Management.

16. TOTAL FEES PAID TO STATUTORY AUDITORS

In accordance with sub clause (k) of clause 10 of Part C of Schedule V of SEBI Listing Regulations, the audit fees of Rs. 46,000/- has been provided to be paid to the statutory auditors for the financial year 2018-19.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure & Developments: Pharma Industry as such is progressing, though competitive, but due to paucity of funds the Company cannot avail any benefit therefrom.

Opportunities & Threats: Due to continued losses, the company has paucity of funds to carry on business of the company properly.

Product-Wise Performance : Business activity of the company was closed during the year 2011-12; and therefore, no product was sold during the year.

Outlook: The Company has paucity of funds and is searching for a partner or collaborator for financial assistance to come out from such situation.

Risks & Concern : Company has no funds even to meet minimum required expenses; and therefore it has to find a financial partner/ Collaborator/amalgamator.

Internal Control Systems & their Adequacy : Welcure has been having strong and adequate internal audit and control systems over financial reporting. Independence of the audit and compliance function is ensured by direct reporting of the Internal Auditor to the Audit Committee of the Board.

Operational vis-a-vis Financial Performance: Company did not have sufficient funds to carry on business activity in the company. However, Company has made profit of Rs.0.39 Lakh during this year.

Material Developments In Human Resources / Industrial Relations Front: Presently no employee has been on the pay roll of the company.

Cautionary statement: Statements in this Report are based on reasonable assumptions and the Management does not guarantee the accuracy of the assumptions.

For & on behalf of the Board of Directors

Sudhir Chandra

Mg. Director

(DIN:00323545)

M. L. Bhateja

Director & CFO

(DIN:00323523)

Place: Delhi

Date: 29th April, 2019

WELCURE DRUGS & PHARMACEUTICALS LIMITED

14. GENERAL SHAREHOLDER INFORMATION

AGM: Date, Time & Venue	29th July 2019 ; 9.00 A.M.: Delhi											
Financial Calendar	01-04-2018 to 31-03-2019											
Date of Book Closure	23.07.2019 to 29.07.2019 (both days inclusive)											
Dividend Payment Date	No Dividend proposed											
Stock Exchange Listing	Bombay Stock Exchange Ltd. ;											
Stock Code	Bombay – 524661											
Market Price Data & Performance Comparison												
Particulars	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19
Low	1.21	1.05	0.83	0.70	0.62	0.59	0.54	0.50	0.50	0.54	0.60	0.53
High	1.40	1.27	1.00	0.80	0.68	0.62	0.58	0.58	0.58	0.59	0.65	0.65
Registrar & Transfer Agent	Link Intime India Pvt. Ltd., Noble Heights, 1 st Floor, Plot NH-2, C-1 Block, LSC, Janakpuri, New Delhi-110028.											
Share Transfer System	All orderly received transfers are processed & returned within 30 days											
Dematerialization of Shares and Liquidity	Trading in a dematerialised form w.e.f. 27-02-2001 Connectivity with CDSL & NSDL 15-11-2000. ISIN No. INE331C01017 Shares traded at Bombay Stock Exchange, Mumbai, (BSE).											
Distribution of Share Holding as on AGM held on 30.07.2018	Promoter Director 1908400 Shares 14.12% Individual (Public Shareholding) 9815754 Shares 72.64% Bodies Corporate 1479155 Shares 10.95% Non resident Indians 194007 Shares 1.44% Others 114784 Shares 0.85%											
Nominal Value of Shares (as on 30.07.2018)			No of shareholders		% to Total Shareholders		Shares		% to Total Share Capital			
Up to Rs. 500			14786		88.07		2780356		20.58			
501 1000			1221		7.27		1005501		7.44			
1001 2000			469		2.79		726341		5.38			
2001 3000			122		0.73		311924		2.31			
3001 4000			50		0.30		179498		1.33			
4001 5000			40		0.24		191708		1.42			
5001 10000			55		0.33		392143		2.90			
10001 & above			46		0.27		7924629		58.65			
Total			16789		100.00		135121000		100.00			
Pending GDRs, ADRs etc.	Nil											
Plant Location (2012-13)	N.A.											
Correspondence Address	Regarding Shares: Link Intime India Pvt. Ltd., Noble Heights, 1 st Floor, Plot NH-2, C-1 Block, LSC, Janakpuri, New Delhi-110028. Of the Company: Welcure Drugs & Pharmaceuticals Ltd., B-9 & 10, Laxmi Towers II, Block-C, Saraswati Vihar, Delhi-110034. CIN No. L24232DLI996PLC227773											

Place: Delhi
Date: 29th April, 2019

For & on behalf of Board of Directors
Sudhir Chandra, **M. L. Bhateja**
Mg. Director **Director & CFO**
(DIN:00323545) **(DIN:00323523)**

CERTIFICATE OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V PART C CLAUSE 10(i) OF SEBI(LODR) REGULATIONS FOR THE YEAR ENDED MARCH 31, 2019.

On the basis of information, representation & explanation provided by Welcure Drugs & Pharmaceuticals Limited (CIN: L24232DL1996PLC227773) having its Registered Office at B-9&10, Laxmi Towers, LSC, C-Block, Saraswati Vihar, Delhi-110034 (Hereinafter referred to as the Company) and as per information available on Ministry of Corporate Affairs site and BSE Limited, we hereby certify that none of the Directors on the Board of Company have been debarred or disqualified from being Appointed or continue their appointment as directors of Company bt the SEBI/Ministry of Corporate Affairs on any such Statutory Authority(ies)

Place: New Delhi.
Date : 29.04.2019

For **A.K. NANDWANI & ASSOCIATES** (Company Secretaries)
Meenu Sharma, Partner
ACS-32806, CP-20929

WELCURE DRUGS & PHARMACEUTICALS LIMITED

Form NO. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31.03.2019

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To, The Members,

Welcure Drugs & Pharmaceuticals Limited

B-9&10, Laxmi Towers, Lsc, C-Block, Saraswati Vihar, Delhi-34.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Welcure Drugs & Pharmaceuticals Limited (hereinafter called the company). The secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31.03.2019 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.3.2019 according to the provisions of:

- (i) The Companies Act, 2013 and the rules made thereunder;
- (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 thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; to the extent applicable.
- (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 as amended from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 & The Securities Exchange Board of India (Shares Based Employee Benefits) Regulation 2014; (Not applicable on the Company during the Audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable on 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 on the Company during the Audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and (Not applicable on the Company during the Audit.
 - (i) SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.
- (vi) The Drugs and Cosmetics Act, 1940

We 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 Agreement entered into by the Company with the BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has not provided E-Voting facility to the members and also not published newspaper advertisement for notice(s) of Board Meeting(s) held due to cost as the Company has huge losses for the past many years.
2. The Board of Directors re-appointed Mr. Murari Lal Bhateja as Independent Director w.e.f. 01.04.2019 for a further period of 5 years in their meeting held on 12.01.2019 subject to the approval of shareholders.
3. The Company has not get itself registered on the FIRMS RBI portal. The Company has submit the details with Designated Depository.
4. The Company has not sent letters to shareholders to update their Bank and other details as per SEBI circular on "Strengthening the Guidelines and Raising Industry standards for RTA, Issuer Companies and Banker to an Issue in respect of SEBI Circular no. SEBI/HO/MIRSD/-/DOPI/CIR/P/2018/73 dated 20.04.2018 and 16.07.2018 as the Company has been suffering from financial constraint & has no liquid cash and the same involve huge amount of cash payment. However, the Company has published the relevant information in newspaper alongwith Financial Results.
5. The Company has changed the designation of Mr. Sudhir Chandra from Independent Director (honorary Managing Director) to Executive Director w.e.f. 08.10.2018. However, the Company could not file form DIR-12 as his designation is already a Managing Director on site of Ministry of Corporate Affairs. We further report that:

1. As explained and undertaken by the management, the Board of Directors of the Company comprises of an optimum combination of Executive Directors, Non-Executive Directors and Independent Directors. Mr. Murari Lal Bhateja was independent Director and appointed as CFO w.e.f. 17.01.2015. Mr. Sudhir Chandra was acting as Independent Director & re-appointed as Managing Director on 07.01.2017. They are working as KMP of the Company but not drawing any remuneration from the company. However, Mr. Sudhir Chandra ceases to be independent Director w.e.f. 08.10.2018 and started drawing remuneration w.e.f. 08.10.2018. The Company has appointed Mr. Nitin Singhal as Independent Director w.e.f. 08.10.2018 who is also Regular Chairman of the Board w.e.f. 12.01.2019.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within the stipulated time, 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.
3. Majority decision is carried through while the dissenting members' views (if any) are captured and recorded as part of the minutes.

We 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.

We further report that, the compliance by the Company of applicable financial laws like direct & indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For A.K.Nandwani & Associates

Company Secretaries

Kavita Partner

FCS 9115 CP No.: 10641

Place: New Delhi
Date: 29.04.2019

"Annexure A"

The Members, Welcure Drugs & Pharmaceuticals Ltd., B-9 & 10, Laxmi Towers, LSC, C-Block, Saraswati Vihar, Delhi-110034

Our report of even dated is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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 efficiency or effectiveness with which management has conducted the affairs of the company.

Place : New Delhi.
Date : 29.04.2019

For A.K. NANDWANI & ASSOCIATES (Company Secretaries)

Kavita, Partner

FCS-9115, CP-10641