



2023-24 ANNUAL REPORT



KMS MEDISURGI LIMITED



FACTORY ADDRESS

PLOT NO. 28 & 31, S NO. 984,
DANDEKAR IND. ESTATE, SHIRGAON,
PALGHAR - 401 407
GSTIN/UIN: 27AAACK9269Q1ZM
MAHARASHTRA, CODE : 27
E-MAIL : kmsmedi@yahoo.co.in



REGISTERED OFFICE

297/301, GROUND FLOOR, MAY BUILDING,
PRINCESS STREET, MARINE LINES (EAST),
MUMBAI 400 002.
CONTACT NO.: 022-66107722
EMAIL ID: info@kmsgroup.in
WEBSITE: www.kmsgroup.in

**BOARD OF DIRECTORS**

Mr. Siddharth Gaurang Kanakia
 Mrs. Rekha Devang Kanakia
 Mr. Rohan Devang Kanakia
 Ms. Monali Gaurang Kanakia
 Mr. Gaurang Prataprai Kanakia
 Mr. HardikRajnikant Bhatt
 Mr. Kamlesh Rajani Chunilal
 Mr. Pratik PravinTarpara

CORPORATE INFORMATION

Chairman & Managing Director (wef May 03, 2023)
 Chairman & Managing Director (upto May 03, 2023)
 Non-Executive Non Independent Director (wef May 03, 2023)
 Executive Director (wef May 03, 2023)
 Non-Executive Non Independent Director (wef May 03, 2023)
 Independent Director
 Independent Director
 Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Anand Prataprai Kanakia	Chief Financial Officer
Mr. Sunny Gupta	Company Secretary and Compliance Officer (upto February 28, 2024)
Mr. Pavan Kumar Gupta	Company Secretary and Compliance Officer (wef May 23, 2024)

SECURITIES LISTED ON
 BSE Limited (SME Platform)

CORPORATE IDENTITY NUMBER
 L51397MH1999PLC119118

SECRETARIAL AUDITORS

Naveen Karn & Co.
 104, Deewan Shopping Center,
 Dindayal Nagar, Manickpur,
 Vasai (w), Palghar-401202

STATUTORY AUDITORS

M./s. H.H. Dedhia & Associates
 22/24 Kazi Syed Street, Masjid Bunder (W),
 Mumbai – 400009 400009 (W.e.f.30.09.2023)

REGISTERED OFFICE

297/301, Ground Floor, May Building, Princess
 Street, Marine Lines (East), Mumbai 400 002.
 Contact No.: 022-66107722
 Email ID: info@kmsgroup.in
 Website: www.kmsgroup.in

REGISTRAR & SHARES TRANSFER AGENT

KFin Technologies Limited
 (formerly known as KFin Technologies Private Limited)
 Selenium Tower B, Plot Nos. 31 & 32 | Financial District
 Nanakramguda | Serilingampally Mandal | Hyderabad - 500032 | India
 Toll Free No. 1800 309 4001
 E-mail id: Einward.ris@kfintech.com
 Website : <https://www.kfintech.com/>



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 26th Annual General Meeting of the Members of KMS Medisurgi Limited will be held on Monday, September 30, 2024 at 3.00 p.m. at its Registered Office situated at 297/301 May Building, Gr. Floor Marine lines (East), Princess Street, Mumbai-400002 to transact the following business.

ORDINARY BUSINESS:**1. Adoption of Financial Statement**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.

2. Declaration of Dividend

To declare a final dividend of ₹ 0.05 (0.5%) per equity share for the Financial Year ended March 31, 2024.

3. Re- appointment of Ms. Monali Gaurang Kanakia (DIN: 10135949) as a Director liable to retire by rotation

To appoint a Director in place of Ms. Monali Gaurang Kanakia (DIN: 10135949), who retires by rotation and being eligible offers herself for reappointment.

SPECIAL BUSINESS:**4. To Ratify/Approve the Related Party Transaction of the Company for FY 2024-25:**

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 188 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended from time to time), the approval / ratification of the members of the Company, be hereby, accorded to all the transactions entered or to be entered by the Company with Related Parties in the financial year 2024-25, whether by way of continuation / extension / renewal / modification of earlier arrangements / transactions or otherwise, and entering into further contracts / arrangements / transactions with ‘Related Parties’ as defined under Section 2(76) of the Companies Act, 2013, exceeding the prescribed limits of Rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014 during the FY 2024-25 as set out in the Explanatory Statement.

Resolved further that the Board of Directors of the Company, be and is hereby, authorized to do, all such acts, matters, deeds and things, settle any queries / delegate such authority as may be deemed necessary and execute such addendum contracts / arrangements / transactions as may be considered necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental there to in the best interest of the Company.”



5. Waiver of recovery of excess Managerial remuneration paid to Managing Director for the year ended March 31, 2024.

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

“Resolved that pursuant to the recommendation of Nomination & Remuneration Committee and the Board of Directors of the Company and provisions of Sections 197, 198, and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s), thereof for the time being in force) (“the Act”) read with the Rules framed thereunder including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act, the Memorandum of Association and the Articles of Association of the Company; and all other applicable laws, acts, rules, regulations, guidelines, circulars, directions and notifications and subject to such other consent(s)/permission(s)/sanction(s) and subject to such approval as may be required, the approval of the Members of the Company be and is hereby accorded to waive off the recovery of excess managerial remuneration amounting to Rs. 5,88,000/- (Rupees Five Lakhs Eighty-Eight Thousand) paid to Mr. Siddharth Kanakia (DIN: 07595098), Managing Director for the year ended March 31, 2024, which was in excess of the limits approved by the shareholders at the Extra-Ordinary General Meeting held on May 29, 2023 pursuant to Section 197 of the Act in view of excess remuneration paid for the year ended March 31, 2024.

Resolved further that without prejudice to the generality of the above and for the purpose of giving effect to the above, the Board of Directors be and is hereby authorised to undertake all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution including but not limited to delegate any powers to any officials of the Company conferred upon the Board by this resolution and to settle all questions / doubts / queries / difficulties that may arise in this regard.

Resolved further that any Director or Company Secretary of the Company be and are hereby severally authorised to file the required returns/forms with the Registrar of Companies and other regulatory authorities and to do all such acts, things, deeds as may be required in this connection and to provide a certified true copy of this Resolution and any other related documents in this regard and the same be furnished to the concerned authorities and they be requested to act thereon.



6. Increase in Managerial Remuneration of Mr. Siddharth Kanakia (DIN: 07595098), Managing Director

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

“Resolved that further to the resolutions passed at the Extra-Ordinary General Meeting held on May 29, 2023 for appointment and remuneration payable to Mr. Siddharth Kanakia (DIN: 07595098), and pursuant to the provisions of Sections 188, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V of the Act, including any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, as may be required, and such other permissions, sanction(s) as may be required, the consent of the Members of the Company, be and is hereby accorded for revision in the maximum remuneration payable to Mr. Siddharth Kanakia, Managing Director of the Company with effect from 1st April, 2024 for the remaining period of his present term of appointment, including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period, as set out in the explanatory statement stated below, is hereby specifically sanctioned with the other terms and conditions of his appointment remaining the same, and with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or remuneration, in such manner as may be agreed to between the Board of Directors and Mr. Mr. Siddharth Kanakia within and in accordance with the Act or such other applicable provisions or any amendment thereto and, if necessary, as may be prescribed by the Central Government and agreed to between the Board of Directors and as may be acceptable to Mr. Mr. Siddharth Kanakia:

- a. Salary (including bonus) upto Rs. 17,00,000/- (Rupees Seventeen Lakhs only) per annum.
- b. Perquisites: None
- c. Company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

Resolved further that in the event of loss or inadequacy of profits in any financial year, Mr. Siddharth Kanakia shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

Resolved further that the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

Resolved further that all other existing terms and conditions of appointment of Siddharth Kanakia shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

Resolved further that in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Siddharth Kanakia be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.”



By Order of the Board of Directors
For KMS Medisurgi Limited

Sd/-
Pavan Kumar Gupta
Company Secretary and Compliance Officer
Membership no. ACS 34811

Date: 28.08.2024
Place: Mumbai



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company. Member holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.

The instrument of Proxy in order to be effective should be returned to the Registered Office of the Company, duly completed signed and stamped not less than 48 hours before the commencement of the.

Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. A Proxy form is sent herewith.

2. The Explanatory Statement pursuant to Section 102 of the Act in respect of the business under Item Nos. set out above and the relevant details of the Directors seeking appointment/ re-appointment at this AGM as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto. Requisite declarations have been received from the Directors seeking appointment/re-appointment.
3. The AGM Notice is being sent to the shareholders of the Company whose names appear on the Register of Members/List of Beneficial Owners as received from the Depositories as on Friday, August 30, 2024.
4. The Register of Members and Share Transfer Books will be closed from Tuesday, 24th September, 2024 to Monday, 30th September, 2024 (both days inclusive).
5. The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the company as on the cut-off date i.e. Monday, September 23, 2024.
6. Members are requested to send all communications relating to shares to our Registrar & Share Transfer Agent (R & T Agent) at the following address: KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Selenium Tower B, Plot Nos. 31 & 32 | Financial District Nanakramguda | Serilingampally Mandal | Hyderabad - 500032 | India Toll Free No. 1800 309 4001 E-mail id:Einward.ris@kfintech.com Website : <https://www.kfintech.com/>
7. Members/ Proxies are requested to bring the attendance slips duly filled in and copies of the Annual Report to the Meeting. The identity/signature of the members holding shares in electronic/demat form is liable for verification with specimen signatures as may be furnished by NSDL/CDSL to the Company. Such members are advised to bring relevant identity card, issued by the Depository Participant to attend the Annual General Meeting.



8. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative along with their specimen signature to attend and vote on their behalf at the meeting.
9. In case of joint holder, only joint holder who is higher in the order of names will be entitled to vote.
10. All the material documents referred to in the Resolutions are open for inspection at the Company's Registered Office 297/301 May Building, Gr. Floor Marine lines (East) Princess Street Mumbai-400002 on all working days, except Sundays, between 10.00 A.M. to 1.00 P.M. till September 30, 2024 and will also be available for inspection at the Meeting.
11. Shareholders can register their complaints, if any on cskms99@gmail.com.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit the PAN details to the Registrar and Share Transfer Agents/Company.
14. In compliance with Sections 108 and 110 of the Act and the rules made thereunder and the MCA Circulars, the Company has provided the facility to the shareholders to exercise their votes electronically and vote on the resolutions through the e-voting service facility arranged by KfinTech. The instructions for e-voting are provided as part of this AGM Notice.
15. The voting rights for Equity Shares are one vote per Equity Share, registered in the name of the members. Voting rights shall be reckoned on the paid-up value of Equity Shares registered in the name of the shareholders as on Monday, September 23, 2024. A person who is not a shareholder on the relevant date should treat this notice for information purpose only.

Shareholders desiring to exercise their vote through the e-voting process are requested to read the instructions in the Notes under the section "General information and instructions relating to e-voting" in this AGM Notice. Shareholders are requested to cast their vote through the e-voting process commencing from Friday, September 27, 2024 at 09.00 am and concluding on Sunday, September 29, 2024 at 05.00 pm to be eligible for being considered, failing which it will be strictly considered that no vote has been received from the shareholder.

Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commences Friday, September 27, 2024 at 09.00 am to Sunday, September 29, 2024 at 05.00 pm or eVoting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.



16. Electronic copy of the Notice of 26th Annual General Meeting and Annual Report for FY 2023-24 being sent to all the members whose Email IDs are registered with the Company/ Depositories. Members may please note that the Notice of 26th Annual General Meeting and Annual Report for FY 2023-24 will also be available on the Company's website at www.kmsgroup.in and on the website of Kfin Tech at <https://evoting.kfintech.com>. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days.
17. The Board vide its resolution passed on August 28, 2024 has appointed M/s. Naveen Kam & Co., Practising Company Secretary, as the scrutinizer to scrutinize both the remote e-voting as well as ballot voting during the AGM in a fair and transparent manner.
18. The Scrutinizer will submit their report to the Chairman or to any other person as may be authorized by the Chairman, after the completion of scrutiny, and the result of the voting through the e-voting process will be announced by the Chairman or any other person duly authorized by the Chairman, within 48 hours of conclusion of Annual General Meeting and will also be displayed on the website of the Company www.kmsgroup.in.
19. In terms of the requirements of the Secretarial Standards-2 on "General Meetings" issued by the Institute of the Company Secretaries of India and approved & notified by the Central Government, the Route Map of the venue of this AGM is placed below this Notice.

General information and instructions relating to e-voting:

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KfinTech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. E-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting facility will be available during the following period:
Commencement of e-voting: Friday, September 27, 2024 at 09.00 am
End of e-voting: Sunday, September 29, 2024 at 05.00 pm
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. Any person holding shares in physical form as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KfinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.



- vii. In case of Individual Shareholders holding securities in demat mode as on the cut-off date may follow steps mentioned below under “Login method for remote e-Voting” (Step 1).
- viii. In case of Individual Shareholders holding securities in physical mode as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting” (Step 2).
- ix. The details of the process and manner for remote e-Voting are explained herein below:
- Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2: Access to KFIN Tech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Details on Step 1 are mentioned below:

I) [Login method for remote e-Voting for Individual shareholders holding securities in demat mode.](#)

Type of shareholders	Login Method
<u>Individual Shareholders holding securities in demat mode with NSDL</u>	<ol style="list-style-type: none"> 1. User already registered for IDeAS facility: <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. User not registered for IDeAS e-Services <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1. 3. Alternatively by directly accessing the e-Voting website of NSDL <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
<u>Individual Shareholders holding securities in demat mode with CDSL</u>	<ol style="list-style-type: none"> 1. Existing user who have opted for Easi / Easiest <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote.



	<p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>II. Proceed with completing the required fields.</p> <p>III. Follow the steps given in point 1.</p> <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <p>I. Visit URL: www.cdslindia.com</p> <p>II. Provide your demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e KFIN Technologies where the e- Voting is in progress.</p>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>III. Click on options available against company name or e-Voting service provider – KfinTech and you will be redirected to e-Voting website of KfinTech for casting your vote during the remote e-Voting period without any further authentication.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from kFinTech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting the vote.
- After entering these details appropriately, click on "LOGIN".



- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the “EVSN” and click on “Submit”
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
 - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to cast its vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ID csnaveenkarn@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format “Corporate Name Even No.”
- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the AGM Notice and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the, AGM Notice and the e-voting instructions.
 - ii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.


Explanatory Statement in pursuance of section 102(1) of the Companies Act, 2013:
Item no. 4:

Pursuant to Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, approval of Shareholder is required where any contract or arrangement entered with Related Party is exceeding limits as prescribed for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

The Transactions related to sale, purchase or supply of any goods or materials entered/to be entered into individually or taken together with previous transactions during a FY 2024-25 exceeds 10% of the turnover of a company as per audited financial statements of FY 2023-24.

The Provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company being a SME Listed Company.

Hence, the approval of the Members will be required for the same. It is therefore proposed to obtain the Members approval for the following arrangements/transactions/ contracts which may be entered into by the Company with its related parties from time to time during FY 2024-25:

Name of Related Party	Name of Relationship	Nature of Transaction	Amount (in Rs.)*
Dermacare Surgicals Private Limited	Mr. Gaurang Kanakia, Director of the Company is Common Director	sale, purchase or supply of any goods or materials	4,00,00,000
KMS Manufacturing Company	Mr. Gaurang Kanakia, Director of the Company is Proprietor	sale, purchase or supply of any goods or materials	18,00,00,000
Shaperz India	Mr. Siddharth Kanakia, Mr. Rohan Kanakia and Ms. Monali Kanakia, Directors of the Company are Partners of the Firm	sale, purchase or supply of any goods or materials	500,00,000

**The ceiling on the amounts of the transactions specified as above would mean the transactions entered into and the remaining outstanding.*

The Audit Committee and Board have approved the aforesaid Related Party Transactions at their meetings held on August 28, 2024, and has recommended to the members for their approval. With respect to the above matter, the Shareholders/Members are requested to note following disclosures of Interest:

Sr. No.	Name of the Related Party	Nature of Concern or Interest
1	Dermacare Surgicals Private Limited	Mr. Gaurang Kanakia, Director of the Company is Common Director
2	KMS Manufacturing Company	Mr. Gaurang Kanakia, Director of the Company is Proprietor
3	Shaperz India	Mr. Siddharth Kanakia, Mr. Rohan Kanakia and Ms. Monali Kanakia, Directors of the Company are Partners of the Firm



Disclosure as per Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014:

Sr. No.	Particulars	(1)	(2)	(3)
(1)	name of the related party	Dermacare Surgicals Private Limited	KMS Manufacturing Company	Shaperz India
(2)	name of the director or key managerial personnel who is related, if any	Mr. Gaurang Kanakia, Director of the Company is Common Director	Mr. Gaurang Kanakia, Director of the Company is Proprietor	Mr. Siddharth Kanakia, Mr. Rohan Kanakia and Ms. Monali Kanakia, Directors of the Company are Partners of the Firm
(3)	nature of relationship	Common Director	Director of the Company is Proprietor	Directors of the Company are Partners of the Firm
(4)	nature, material terms, monetary value and particulars of the contract or arrangement	sale, purchase or supply of any goods or materials monetary value: Rs. 4,00,00,000	sale, purchase or supply of any goods or materials monetary value: Rs. 18,00,00,000	sale, purchase or supply of any goods or materials monetary value: Rs. 500,00,000
(5)	any other information relevant or important for the members to take a decision on the proposed resolution	-	-	-

The Board recommends the resolution set out in Item No. 4 of the AGM Notice to the Members for their consideration and approval, by way of Ordinary Resolution.

Except to the extent of shareholding of the Promoters / Directors their Relatives and Key Managerial Personnel in the above-mentioned related parties which is duly disclosed above, none of the other Directors/ Key Managerial Personnel/ their Relatives is, in any way, concerned or interested, financially or otherwise in the Ordinary Resolution set out at Item No. 4 respectively.

Item No. 5

Pursuant to the provisions of Section 196, 197, 203 read with Schedule V of the Companies Act, 2013, Mr. Siddharth Kanakia was appointed as Managing Director of the Company for the period of five (5) years and the same was approved, by means of Ordinary Resolution passed by the Members at the Extra-Ordinary General Meeting of the Company held on May 29, 2023 on the terms and conditions including payment of remuneration as mentioned therein.



For the financial year ended March 31, 2024, the excess remuneration of Managing Director is Rs. 5,88,000/-

However, in terms of Section 197(10) of the Companies Act, 2013, the Company with the approval of the Members of the Company, by way of a special resolution, can authorise the payment of remuneration exceeding the said limits and also waive off the recovery of excess managerial remuneration paid to Mr. Siddharth Kanakia.

The Nomination and Remuneration Committee, Audit Committee and the Board of directors at their respective meeting(s) held on August 28, 2024, subject to the approval of the members of the Company, accorded their approvals for waiving off the excess managerial remuneration paid by the Company to Mr. Siddharth Kanakia as per the resolution as set out in this Notice for approval of the Members.

The Members are requested approve and waive the recovery of the excess managerial remuneration amounting to Rs. 5,88,000/- paid to Mr. Siddharth Kanakia, Managing Director for the year ended March 31, 2024, in terms of Section 197 of the Act.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

Your Directors recommend the resolution at Item No. 5 of the accompanying Notice for approval of the Members of the Company by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. Siddharth Kanakia or his relatives are concerned or interested, financially or otherwise in the Resolution at item no. 5 of the Notice.

Item No. 6

Mr. Siddharth Kanakia was appointed and as Managing Director by way of an Ordinary resolution passed by the members at the Extra-Ordinary General Meeting (EOGM) of the Company held on May 29, 2023 commencing from the date of EGM i.e May 29, 2023 for period of five years.

The Members at the said EOGM approved payment of Remuneration to Mr. Siddharth Kanakia for an amount of Rs. 12,000/- pa. till expiring of this tenure as Managing Director, as approved and recommended by the Audit Committee, Nomination and Remuneration Committee and the Board.

The approval by members for payment of minimum remuneration to Mr. Siddharth Kanakia, in case of inadequacy of profits is valid expiring of this tenure as Managing Director.

The Managing Director has provided dedicated and meritorious services and significant contribution to the overall growth of the Company. Therefore the Board is of the view that the existing upper limit remuneration in respect of Mr. Siddharth Kanakia, Managing Director of the Company may not be sufficient enough to pay the increased remuneration over a period of balance 4 (Four) years of his term, therefore the approval of the members of the Company is sought for revision in the maximum limit of remuneration as provided in the resolution no. 06 as minimum remuneration with effect from



1st April, 204 for the remaining period of his appointment upto, in case of inadequacy or absence of profits, subject to the approval of the Central Government, if required.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. Siddharth Kanakia and his relatives are concerned or interested, financially or otherwise in the Resolution at item no. 6 of the Notice.

By Order of the Board of Directors
For KMS Medisurgi Limited

Sd/-
Pavan Kumar Gupta
Company Secretary and Compliance Officer
Membership no. ACS 34811

Date:28.08.2024

Place: Mumbai



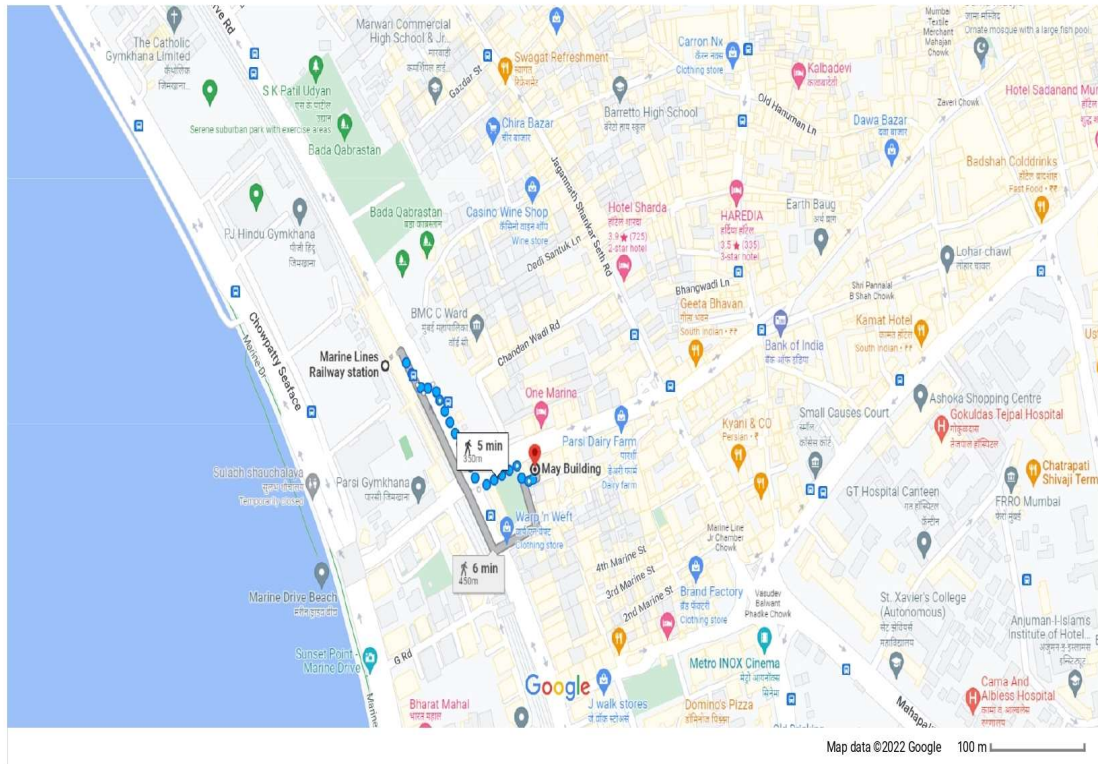
Brief profile and other details, in compliance with the Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended and secretarial standard issued by Institute of Company Secretaries of India, are as under:

Name of the Director (DIN)	Monali Gaurang Kanakia (DIN No. 10135949)
Brief Resume, Experience and Expertise in specific functional areas	<p>Monali Kanakia is a director at KMS Medisurgi limited. She was awarded the MDRT (Million Dollar Round Table) title through LIC in February 2020. She has won distinguished contributions awards in Health Insurance as well. Ms Kanakia also heads a make up aid brand since 2018.</p> <p>Monali Kanakia holds a masters degree in management from H.R college, Mumbai. She has completed her Bachelor's from H.R college of commerce & Economics.</p> <p>Monali Kanakia has more than 10 years of experience in the field of Finance & Investment. Monali Kanakia is an IRDA license holder since 2018. Monali Kanakia is also an AMFI registered mutual fund distributor.</p>
Date of Birth	04/11/1988
Terms and conditions of appointment/ re-appointment including remuneration	-
Details of remuneration last drawn	NIL
Date on which first appointed on the Board	03/05/2023
Details of shareholding in the Company directly or on beneficial basis	28,210 Equity Shares
Relationship with other Directors, Manager and Key Managerial Personnel (if any)	1) Mr. Gaurang Kanakia 2) Mr. Siddharth Kanakia
Number of Board meetings attended during the year	06
Board memberships of other Companies	Nil
Chairperson/Member of the Committee of the Board of Directors of Company	Nil
Chairperson/Member of the Committee of the Board of Directors of other Companies	Nil
Name of Listed Companies from which resigned during last Three (3) years	Nil



Route Map for AGM venue

297/301, May Building, Ground Floor, Princess Street, Marine Lines- (East), Mumbai- 400002





ATTENDANCE SLIP

KMS MEDISURGI LIMITED

297/301 May Building, Gr. Floor Marine lines(East) Princess Street Mumbai-400002

CIN: L51397MH1999PLC1191189

Ph-022-66107700/22,022-67498822,

Facsimile: +91-22-22061111,

Website: -www.kmsgroup.in,

E-mail Id:-info@kmsgroup.in

I hereby record my presence at the Annual General Meeting of the Company held on Monday, September 30, 2024 at 3.00 p.m. at its Registered Office situated at 297/301 May Building, Gr. Floor Marine lines (East) Princess Street Mumbai-400002.

Full name of the Shareholder (in block letters)

.....

Ledger Folio No. DP ID Client
ID.....

Number of Shares held.....

Full name of Proxy (in block letters)

.....

Signature of Shareholder or Proxy attending

Please provide full name of the 1st Joint Holder

.....

Notes: (1) Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the Meeting hall.

(2) Members are requested to bring their copy of Notice for reference at the Meeting.



Form No. MGT-11

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

KMS MEDISURGI LIMITED

297/301 May Building, Gr. Floor Marine lines(East) Princess Street Mumbai-400002

CIN: L51397MH1999PLC1191189

Ph-022-66107700/22,022-67498822,

Facsimile: +91-22-22061111, Website: -www.kmsgroup.in, E-mail Id:-info@kmsgroup.in

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:, or failing him

2. Name:

Address:

E-mail Id:

Signature:,

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on Monday, September 30, 2024 at 3.00 p.m. at its Registered Office situated at 297/301 May Building, Gr. Floor Marine lines (East) Princess Street Mumbai-400002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Adoption of Financial Statement
2. Declaration of Dividend
3. Re- appointment of Ms. Monali Gaurang Kanakia (DIN: 10135949) as a Director liable to retire by rotation
4. To Ratify/Approve the Related Party Transaction of the Company for FY 2024-25
5. Waiver of recovery of excess Managerial remuneration paid to Managing Director for the year ended March 31, 2024
6. Increase in Managerial Remuneration of Mr. Siddharth Kanakia (DIN: 07595098), Managing Director

Signed this day of..... 2024

Signature of Shareholder

Signature of Proxy holder(s)

Please
affix Re.
1/- revenue
stamp and
sign across

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the 26th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2024.

1. Financial Summary and Highlights:

The Company's financial performance for the year ended March 31, 2024:

(Rs. In Lacs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Revenue	1,388.46	1,102.73
Other Income	9.31	1.54
Total Revenue	1,397.77	1,104.26
Less: Total Expenses	1,337.34	1,038.41
Profit Before Tax (PBT)	60.42	65.85
Less: Provision for tax		
Current Tax	16.00	19.00
Deferred Tax	(0.80)	(11.32)
Prior year Tax Adjustment	(0.15)	0.88
Profit After Tax (PAT)	45.38	57.29

2. State of company's affairs & performance:

Your Company has seen increase in turnover during the year under review which accounted for Rs. 1,388.46 Lakhs as compared to Rs.1,102.73 Lakhs in FY 2022-23. The Company has incurred Net Profit of Rs. 45.38 Lakhs as compared to Net Profit of Rs. 57.29 Lakhs in FY 2022-23. Your Company is very much optimistic about the coming year. Since the Company is trying to reduce cost and expand its business, your directors are hopeful that the results will be more encouraging in near future.

3. Future prospects

Company is planning to expand the business by increasing the production capacity by adding new machinery & technologies increasing the product quality and making place more application that also make output for the components and automotive industry.

The Company is committed to expanding its operations by investing in advanced machinery and cutting-edge technologies to significantly enhance production capacity and elevate product quality. This strategic move aims to diversify our product offerings, catering to a broader range of applications, particularly in the components and automotive sectors.

We are confident that our expanded product range will drive increased sales and profitability, positioning the Company for sustained growth and success in the future. Company is optimistic that this new product range will help company to increase the sales and profits in future.



Opportunity and Future Prospects:

India is among the top-20 markets for the medical adhesives & Tapes in the world and the 4th largest market for medical devices in Asia. The market for automotive and Electrical industry is huge in India. The domestic industry has a huge potential to ramp up indigenous manufacturing and invest in R &D and reduce dependence on imports.

Our Strengths:

Your Company has a strong, committed and dedicated workforce, which is a key to its sustained success. The Company believes that motivation, sense of ownership and satisfaction of its people are the most important drivers for its continued growth. Good governance practices combined with strong leadership has been the inherent strength of the Company. On the manufacturing front, we continue to build our capabilities and strengthen our processes. Through our robust efforts in implementing important initiatives in Quality and Compliance, we now see consistent positive outcomes from regulatory inspections. Our audit programs and effective internal controls ensure our compliance of all existing rules and regulations.

Our Company's success is driven by a strong, committed, and dedicated workforce, whose motivation, sense of ownership, and satisfaction are the cornerstones of our continued growth. We believe that these values, along with sound governance practices and strong leadership, form the backbone of our organization.

On the manufacturing front, we are continuously enhancing our capabilities and refining our processes. Our focused initiatives in Quality and Compliance have resulted in consistently positive outcomes from regulatory inspections. With rigorous audit programs and effective internal controls, we ensure full compliance with all applicable rules and regulation

Competition:

The medical device industry is undergoing some major transformation with the latest technological advancements and the continuous influx of manufacturers entering the market. One of the biggest industries in healthcare, the medical device industry thrives on innovation and technology but currently witnesses strong competition in the market.

4. Dividend:

The Directors are pleased to recommend a dividend of Rs. 0.05 (0.5%) per Equity Share for the financial year ended March 31, 2024, for approval of the members.

5. Transfer To Reserve:

The Company has transferred Rs. 45.38 Lakhs to Reserve & Surplus and the same is in compliance with the applicable provisions prescribed under the Companies Act, 2013.

6. Share capital:

As on March 31, 2024, the authorized share capital of the Company is Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakhs) divided into 35,00,000 (Thirty-Five Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

As at March 31, 2024, the paid-up Equity Share Capital of the Company stood at Paid- up Share Capital is Rs. 3,30,00,000/- (Rupees Three Crore Thirty Lakhs) divided into 33,00,000 (Thirty-Three Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

7. Compliance With the Accounting Standards:

The Company prepares its accounts and other financial statements in accordance with the relevant accounting principles and also complies with the accounting standards issued by the Institute of Chartered Accountants of India.

**8. Subsidiaries, Joint Ventures and associate Companies:**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

9. Transfer to unclaimed dividend to investor education and protection fund:

The Company does not have any unclaimed or unpaid dividend as on 31st March, 2024.

10. Directors And Key Managerial Personnel:**i) Retire by Rotation:**

In accordance with the provisions of Section 152 of the Act, and that of Articles of Association of the Company, Ms. Monali Gaurang Kanakia (DIN: 10135949), Director of the Company retires by rotation at this Annual General Meeting of the Company and being eligible, offers herself for reappointment.

ii) Change in Directors and Key Managerial Personnel's:

The following changes took place at the position of Directors and Key Managerial Personnel of the Company during FY 2023-24:

Name of Director/ Key Managerial Personnel	Designation	Nature of Change	Date of Event
Mrs. Rekha Devang Kanakia	Managing Director	Resignation	May 03, 2023
Mr. Siddharth Gaurang Kanakia	Managing Director	Appointment	May 03, 2023
Mr. Rohan Devang Kanakia	Non-Executive Non-Independent Director	Re-designated	May 03, 2023
Mr. Gaurang Prataprai Kanakia	Non-Executive Non-Independent Director	Appointment	May 03, 2023
Ms. Monali Gaurang Kanakia	Executive Director	Appointment	May 03, 2023
Mr. Sunny Sharma	Company Secretary & Compliance Officer	Resignation	February 28, 2024


iii) Composition of Board of Directors and Key Managerial Personnel's:

As on March 31, 2024, your Company's Board of Directors comprises of the following Directors:

Name of the Director	Director Identification Number (DIN)	Category
Mr. Siddharth Gaurang Kanakia*	07595098	Managing Director
Mr. Rohan Devang Kanakia**	09220915	Non-Executive Non-Independent Director
Mr. Gaurang Prataprai Kanakia*	00346180	Non-Executive Non-Independent Director
Ms. Monali Kanakia*	10135949	Executive Director
Mr. Hardik Rajnikant Bhatt	07566870	Independent Director
Mr. Kamlesh Rajani Chunilal	07588417	Independent Director
Mr. Pratik Pravin Tarpara	08689556	Independent Director

* Appointed wef May 03, 2023

** Re-designated wef May 03, 2023

As on March 31, 2024, your Company's Key Managerial Personnel are as follows:

Name of KMP	Designation
Mr. Anand Prataprai Kanakia	Chief Financial Officer

iv) Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

Meetings of the Board:

During the year under review the Board of Directors have duly met 7 times to transact the business of the Company:

1st - May 03, 2023

2nd - May 30, 2023

3rd - August 31, 2023

4th - September 30, 2023

5th - October 23, 2023

6th - November 11, 2023

7th - March 07, 2024



The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The names, designation & categories of the Directors on the Board, their attendance at respective Board Meetings held during the year and last Annual General Meeting and total number of Shares held by them in the Company are as under:

Name of Directors	Category	No of Board meeting attended	Last AGM attended	No of Directors hip in other Company	Committee positions		No of Shares as on 31 st March 2024
					Member	Chairman	
Mr. Siddharth Gaurang Kanakia	Chairman and Managing Director	7/7	Yes	1	0	0	50,000
Mr. Rohan Devang Kanakia	Non-Executive Non-Independent Director	7/7	Yes	0	0	0	NIL
Mr. Gaurang Prataprai Kanakia	Non-Executive Non-Independent Director	7/7	Yes	6	2	0	3,28,180
Ms. Monali Kanakia	Executive Director	7/7	Yes	0	0	0	28,210
Mr. Hardik Rajnikant Bhatt	Independent Director	7/7	Yes	0	2	0	NIL
Mr. Kamlesh Rajan Chunilal	Independent Director	7/7	Yes	0	2	2	NIL
Mr. Pratik Pravin Tarpara	Independent Director	3/7	Yes	0	0	0	NIL



v) Committees of the Board:

At present, there are Two (2) Committees of Board, i.e. Audit Committee and Nomination & Remuneration Committee. The Company is not mandated to form Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The Composition and other details related to the Committees are as follows.

Audit Committee

The audit committee of the Company is constituted in line with the provisions of Section 177 of the companies Act, 2013.

The terms of reference of the Audit committee are broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered;
4. Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - Changes if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of related party transactions
 - Qualifications/Modified opinion on draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
6. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions with related parties;
8. Scrutiny of inter-corporate loans and investments.
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with internal auditors of any significant findings and follow up there on;



14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or failure of internal control systems of a material change and reporting the same to board.
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.
18. To review the functioning of whistle blower mechanism.
19. The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
20. Appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
21. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
22. Oversee financial reporting controls and process for material subsidiaries;
23. The Audit Committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.
24. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision. – Not Applicable

The Composition of Audit Committee is as follows:

Name	Category	No of meetings attended
Mr. Kamlesh Chunilal Rajani	Independent Director- Member	6/6
Mr. Hardik Rajnikant Bhatt	Independent Director- Chairman	6/6
Mr. Siddharth Kanakia*	Managing Director	1/1
Mr. Gaurang Prataprai Kanakia**	Non-Independent Non-Executive Director-Member	5/5

**Mr. Siddharth Kanakia ceased to be Member wef May 03, 2023*

*** Mr. Gaurang Prataprai Kanakia appointed to be Member wef May 03, 2023*

Six audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows: May 03, 2023, May 30, 2023, August 31, 2023, October 23, 2023, November 11, 2023 and March 07, 2024.



Nomination and Remuneration Committee

The Company had a Nomination and Remuneration Committee of directors. The Committee's constitution and terms of reference is in compliance with the provisions of Section 178 of the Companies Act, 2013. The Committee comprises of 3 (three) members of the Board, the details of the member are as follows:

Name	Category	No of meetings attended
Mr. Kamlesh Chunilal Rajani	Independent Director- Chairman	1/1
Mr. Hardik Rajnikant Bhatt	Independent Director- Member	1/1
Mr. Siddharth Kanakia*	Managing Director	1/1
Mr. Gaurang Prataprai Kanakia	Non-Independent Non-Executive Director-Member	NA

*Mr. Siddharth Kanakia ceased to be Member wef May 03, 2023

** Mr. Gaurang Prataprai Kanakia appointed to be Member wef May 03, 2023

During the year, under review, one meeting of Nomination and Remuneration Committee was held on May 03, 2023.

Term of reference of the Committee, inter-alia, includes the following:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- To identify persons, who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board of Directors their appointment and removal.
- To carry out evaluation of Directors performance
- To devise a Policy on Board Diversity.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.



Investor Complaints

Details of Investor Complaints received and redressed during the Financial Year 2023-24 are as follows:

Opening Balance	Received during the Year	Resolved during the Year	Closing Balance
NIL	NIL	NIL	NIL

No Complaints were outstanding as on 31st March 2024.

Declaration of Independence from Independent Directors:

All Independent Directors of your Company have individually and severally given a declaration pursuant to Section 149(7) of the Companies Act, 2013 affirming compliance to the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013. Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified in the Companies Act, 2013, rules made thereunder as well as applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

During the year under review, the independent Directors met on November 11, 2023 inter-alia to discuss:

- Evaluation of performance of Non-Independent Directors.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- Evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

11. Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm that:

- In the preparation of the annual accounts, the applicable accounting standards 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 at the end of the financial year and of the profit and loss of the company for that period;
- 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;



- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- 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.

12. Change in the nature of business:

During the period under review, there is no change in the nature of business of the Company. The Company continues to operate in the Manufacturing of Surgical Equipment's.

13. Annual return:

A copy of the annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013 ('the Act'), in the prescribed form, is hosted on the Company's website and can be accessed at <https://kmsgroup.in>

14. Particulars of contracts/ arrangements with related party:

All related party transactions that were entered into by the Company during the financial year under review were on arms' length basis and in the ordinary course of business. There are no material significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large. Details are annexed in Form AOC-2 "Annexure-A". The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website www.kmsgroup.in.

15. Listing with Stock Exchange

The shares of the Company are listed on BSE Limited. The Annual Listing fee payable to the said stock exchanges for the FY 2023-2024, has been duly paid.

16. Statutory Auditors & Their Report:

M/s. H H Dedhia & Associates, Chartered Accountants, (Firm Registration No.: 148213W), are appointed as Statutory Auditors of the Company for a period of 5 (Five) years, from the conclusion of 25th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company.

The report of the M/s. H H Dedhia & Associates, Chartered Accountants, on Financial Statements for the FY 2023-24 forms part of the Annual Report.



The Statutory Auditors have given following qualified opinion in their Audit Report as on March 31, 2024:

Sr. No.	Opinion	explanations or comments
1.	<i>As described in notes 13 to the accounts, the Company has commenced maintaining certain stock records of material items from mid of the year under report. The Company is in process of reconciling these stock records with books of accounts. The closing stock as on year-end has been physically verified and valued by the management and accordingly accounted in the books of accounts.</i>	The company is in the process of streamlining stock records. Many new types raw materials were added and due to the nature of stock it was difficult to segregate cost for every identifiable item of stock and hence the record for any excess shortage will be identified by the company as and when such discrepancies are evaluated by the management, but the stock value has been done properly as per rules and there has been no discrepancies about it

17. Secretarial Audit Report:

In terms of Section 204 of the Act and Rules made there under, Mr. Naveen Maheshwar Karn, Practicing Company Secretary was appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure-B** to this report.

The Secretarial Auditors have given following remarks in their Secretarial Audit Report as on March 31, 2024:

Sr. No.	Opinion	explanations or comments
1.	<i>Company has not complied with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 wrt registration of Independent Directors under Independent Director's Databank.</i>	Company is in process of registration of Independent Directors under Independent Directors Databank
2.	<i>During the FY 2023-24, Company has paid Managerial Remuneration to Mr. Siddharth Kanakia, Managing Director in excess of the approval obtained from Shareholder.</i>	Company shall at the ensuing Annual General Meeting is proposing to pass resolution to waive off excess remuneration paid to Managing Director subject to approval of shareholders.

18. Cost Auditor:

Pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time your Company is not required to appoint Cost Auditor for the financial year 2022-23.

19. Internal Auditor:

The provision of Section 138 of The Companies Act, 2013 applicable to company and company has appointed M/s. K D Shah & Associates LLP, Chartered Accountant, as an internal auditor of the Company, to carry out internal Audit for the financial year 2023-24 based on the recommendation of the Audit Committee.

**20. Risk management:**

Risk Management is a risk-based approach to manage an enterprise, identifying events that may affect the entity and manage risks to provide reasonable assurance regarding achievement of entity's objective. The risk management process consists of risk identification, risk assessment, risk prioritization, risk treatment or mitigation, risk monitoring and documenting the new risks. The Company has laid a comprehensive Risk Assessment and Minimization Procedure, which is reviewed by the Audit committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. In the opinion of your Board, none of the risks which have been identified may threaten the existence of the Company.

21. Internal Control Systems and Their Adequacy:

The Company has in place an adequate budgetary control system and internal financial controls with reference to financial statements. No reportable material weaknesses were observed in the system during the previous fiscal. Further, the Company has laid down internal financial control policies and procedures which ensure accuracy and completeness of the accounting records and the same are adequate for safeguarding of its assets and for prevention and detection of frauds and errors, commensurate with the size and nature of operations of the Company. The policies and procedures are also adequate for orderly and efficient conduct of business of the Company.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

22. Deposits:

The Company has not accepted any deposit from the general public within the meaning of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

23. Particulars of loans, guarantees or investments by the company under Section 186 of the Companies Act, 2013:

The company has not given any loans or guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 during the Financial Year 2023-24.

24. Material changes affecting the financial position of the company:

During the year ended March 31, 2024, there were no material changes and commitments affecting the financial position of the Company have occurred between the period ended March 31, 2024 to which financial results relate and the date of the Report.

**25. Corporate social responsibility:**

Since the provisions as laid down in the Section 135 of the Companies Act, 2013 is not applicable to the Company, hence no such Committee has been formed. However, Company had always tried in its best possible ways to involve itself in social development activities.

26. Significant and material orders passed by the regulators or courts:

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

27. Management discussion and analysis:

The Management Discussion and Analysis Report on the operations of the Company, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report as **Annexure-C**.

28. Corporate Governance:

The Company is listed on SME Exchange, hence Corporate Governance Report is not applicable.

29. Vigil Mechanism/Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct.

The Whistle Blower Policy and Vigil Mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The policy is available on the Company's website: www.kmsgroup.in.

30. Familiarization programs for independent directors:

Pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the familiarization program aims to provide Independent Directors with the industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner.



The familiarization program also seeks to update the Directors on the roles, responsibilities, rights and duties under The Companies Act, 2013 and other statutes. The Chairman and Managing Director also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's the detail of the familiarization program.

31. Performance evaluation

Pursuant to the provisions of Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of all the Committees of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

32. Code Of Conduct:

Regulation 17(5) of the SEBI Listing Regulations, 2015 requires listed Companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. Your Company has adopted and laid down a code of conduct for all Board members and Senior Management of the company pursuant to Clause 49 of the erstwhile listing agreement. The code of conduct is available on the website of the company. All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by the Managing Director is given in this Annual Report.

33. Reconciliation of share capital audit:

As stipulated by Securities and Exchange Board of India (SEBI), Mr. Naveen Maheshwar Karn, Practicing Company Secretary carried out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to Stock Exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

34. Insider Trading

The Company has adopted a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. The policy lays down procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of the consequences of violations. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, is available on the Company's website.

**35. Disclosure Of Material Transactions:**

Under regulation 26(5) of SEBI Listing Regulations, 2015, Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. None of the independent directors have any material pecuniary relationship or transactions with its Promoters, its Directors, its senior management or its subsidiaries which may affect their independence and have received a declaration from them to this effect.

36. Particulars of employees:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2023-24. The statement of Disclosure of Remuneration under Section 197(12) of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules'), is annexed as **Annexure-D** and forms an integral part of this Report.

37. Conservation of energy, technology absorption and foreign exchange earning& outgo:

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134[3][m] of the Act read with the Companies [Accounts] Rules, 2014, are provided in the **Annexure E** and forms part of this Report.

38. Prevention of sexual harassment at workplace:

The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rule made thereunder. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.

39. Secretarial standards:

During the Financial Year 2023-24, the company is in compliance with the applicable Secretarial Standards issued by the Institute of Companies of India with respect to Board and General meetings.



40. Acknowledgement:

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Bankers, Business Associates and the Government and other regulatory authorities and thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

For and on behalf of the board of directors
Sd/-

Date: 28.08.2024
Place: Mumbai

Siddharth Gaurang Kanakia
Chairman & Managing Director
DIN: 07595098

**Annexure - A****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

Name of Related Party and nature of relationship	Nature of contracts /arrangements/ transaction	Duration of the contracts/ arrangements / transaction	Salient terms of the contracts or Arrangements or transaction including the value, if any
KMS Manufacturing Co., Common Director	Sale of Goods	FY 2023-24	-
Shaperz India, Directors are Partners in the Firm	Sale of Goods	FY 2023-24	-
Dermacare Surgicals Pvt Ltd., Common Director	Purchases of Goods	FY 2023-24	-
KMS Manufacturing Co. Common Director	Purchases of Goods	FY 2023-24	-
Siddharth Kanakia, Managing Director	Remuneration	FY 2023-24	-
Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid As advances, if any	Date on which the Ordinary resolution was passed in general meeting
-	May 03, 2023	-	September 30, 2023
-	May 03, 2023	-	Not Applicable
-	May 03, 2023	-	Not Applicable
-	May 03, 2023	-	Not Applicable
-	May 03, 2023	-	Not Applicable



1. Details of material contracts or arrangement or transactions at arm's length basis:

Name of Related Party	Nature of contracts /arrangements/ transaction	Duration of the contracts/ arrangement nts/ transaction	Salient terms of the contracts or Arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid As advances, if any
-	-	-	-	-	-
-	-	-	-	-	-

For and on behalf of the board of directors

Sd/-

Siddharth Gaurang Kanakia
Chairman & Managing Director
DIN: 07595098

Date: 28.08.2024

Place: Mumbai



Annexure-B
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
KMS Medisurgi Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KMS Medisurgi Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon.

Based on my verification of the KMS Medisurgi Limited's 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (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 extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- (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, 2018; **(Not applicable to the Company during the audit period)**



- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to 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, 2021; **(Not applicable to the Company during the audit period)** and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; **(Not applicable to the Company during the audit period)**

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- a) ***Company has not complied with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 wrt registration of Independent Directors under Independent Director's Databank.***
- b) ***During the FY 2023-24, Company has paid Managerial Remuneration to Mr. Siddharth Kanakia, Managing Director in excess of the approval obtained from Shareholders.***

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the respective meetings of the Board or Committee thereof.

I 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.



I further report that during the audit period, there was no other event/action having major bearing on affairs of the Company.

For **Naveen Karn & Co.**
Practicing Company Secretary

Sd/-
Naveen Karn
C.P. No.: 22655
Membership No.: 60273
UDIN: A060273F001058292

Place: Vasai
Date: 28.08.2024

This report is to be read with Annexure A which forms an integral part of this report.



Annexure A

To,
KMS Medisurgi Limited
297/301 May Building, Gr. Floor,
Marine lines(East) Princess Street,
Mumbai-400002

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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 efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Naveen Karn & Co.**
Practicing Company Secretary

Sd/-
Naveen Karn
C.P. No.: 22655
Membership No.: 60273
UDIN: A060273F001058292

Place: Vasai
Date: 28.08.2024



Annexure - C**MANAGEMENT'S DISCUSSION AND ANALYSIS*****Healthcare Sector: A Snapshot***

The healthcare sector is among one of the most important and fastest growing sectors worldwide. Key growth drivers are demographic trends (population growth and ageing), medical progress and the resulting innovations, rising prosperity (especially in emerging markets), and improved access to medical products and services. In addition, there is a great need for new therapies for a steadily increasing number of diseases. Innovation in products, services and business models remains strong.

Over \$7.8 trillion is spent on healthcare globally. With the healthcare sector growing significantly faster than the overall global economy, these numbers will certainly be much bigger by the end of the decade. In the emerging markets, rising prosperity is further generating above-average growth. Moreover, there is still a great need for new and efficient drugs and therapies.

Healthcare has become one of India's largest sectors – both in terms of revenue and employment. Healthcare comprises of hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. Indian healthcare delivery system is categorized into two major components.

1. Public
2. Private

The Government, i.e. public healthcare system comprises of limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centres (PHCs) in rural areas.

The private sector provides majority of secondary, tertiary and quaternary care with a major concentration in metros, tier I and tier II cities.

India is also cost competitive compared to its peers in Asia and Western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. India ranks 145th among 195 countries in terms of quality and accessibility of healthcare.

Our business overview:

Our Company was incorporated at Mumbai as "KMS Medisurgi Private Limited" on 25th March, 1999. We have been converted in to a Public Limited Company and consequently name was changed to "KMS Medisurgi Limited" on 15th June, 2016.



We manufacture & undertake job work of coating of various substrates like non-woven fabrics, PU films, cotton fabrics, and taffeta silk fabrics with adhesive. We are engaged into the business of ethical marketing and distribution of Surgical Disposable, Haemostat, Medical Devices, Urology Equipment's, Surgery Equipment's, Orthopedic/Physiotherapy Equipment's, Blood Banking Equipment's and other such Surgical Equipment's in India.

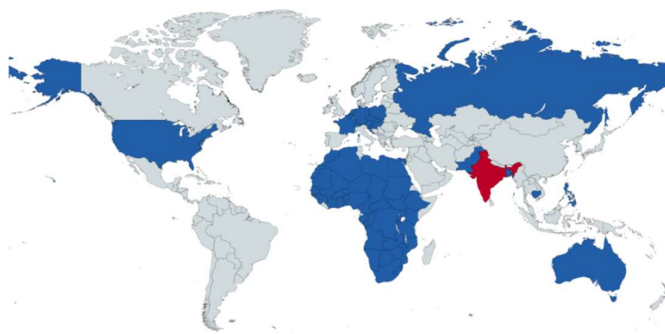
We have been established in 1999 as surgical equipment company and since then we have been successfully launching new concepts through which have helped the Indian Healthcare industry. We bridge the gap between the world technological advancements and Indian Healthcare industry. We are government approved suppliers throughout India.

Our Mission is "To become a leading Medical Device Company specializing in the supply of value-added products contributing to public healthcare and focusing on leading surgical products with a technological edge, at competitive rates". Our target is "To serve our customers at our very best, constantly improve and upgrade the quality of our production and organizational skills and to develop products." To facilitate growth, our company has a well-established distribution and export system throughout the world.

The Quality of our products has always been our priority, thanks to our highly qualified and dedicated staff, we have maintained those standards and we will strive towards excellence in future. We are Government approved supplier. We are representing the World Leaders in Surgical Disposables, Medical & Surgical Equipment's for India as their Exclusive Distributors. We also undertake job work of coating of various substrates like non-woven fabrics, PU films, cotton fabrics, taffeta silk fabrics with adhesive.

Our international presence:

- Dubai
- Europe
- India
- Bangladesh
- USA



Growth Drivers for Indian Medical Industry:

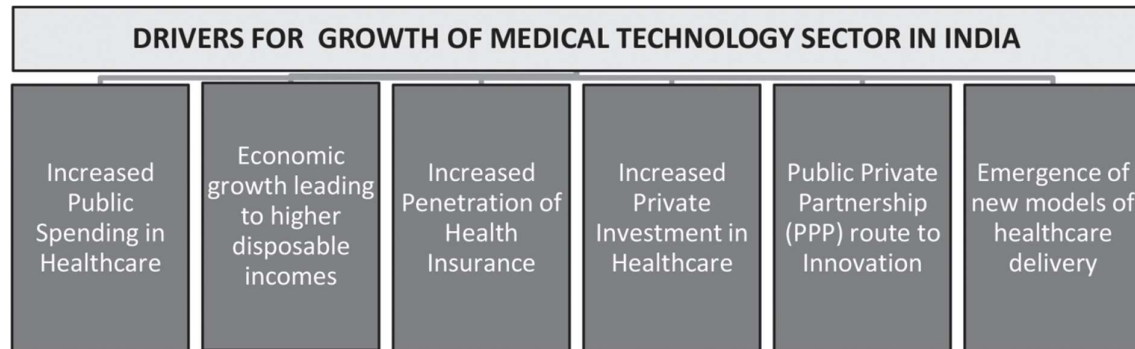
Having seen tremendous improvement since independence, healthcare in India is still a critical subject and we have a long way to attain universal healthcare beyond the country's demographic, geographic and socio-economic diversity. Several targeted government initiatives have been able to achieve reduction in mortality rates and control widespread communicable diseases; however, burden of Non-Communicable Diseases (NCDs) is ever increasing.

Public sector investment on healthcare in India is one of the lowest globally, accounting for only 30% of the total healthcare expenditure in the country. Out-of-pocket expenditure accounts for 62% of the total healthcare spending against a global average of 18%. Though only 27% of the Indian population is covered by health insurance at present, penetration of the health insurance has been increasing over



the years. (Source:<http://www.ficci.in/sector-details.asp?sectorid=108>).

The country needs to address the rural-urban divide in concentration of healthcare services, access to basic primary healthcare services, shortage of beds and skilled medical professionals, increasing burden of NCDs and quality concerns in healthcare, on priority. India is also witnessing the emergence of conscious, informed and tech-savvy healthcare consumers and consequently, the healthcare ecosystem needs to adapt to a patient-centric model to demonstrate greater sensitivity, understand patient expectations, engage with them and provide customized services.



Wound Care Market In INDIA:

Wound care is categorized into two types namely traditional wound care (TWC) and advanced wound care (AWC). Advanced wound care products (AWC) are designed for treating acute & chronic wounds. Chronic wounds take longer to heal and are expensive to treat.

Modern wound care is emerging as a standard treatment option for chronic wounds. Traditional wound care products are being increasingly replaced with advanced wound care products due to their efficiency & effectiveness in healing. The advanced wound care market is segmented on the basis of product, application, end-user, and region to give an in-depth analysis.

Trends influencing the Advanced Wound Care Market Size:

- Significant increase in the prevalence of chronic diseases such as diabetes and obesity, increase in the geriatric population, technological advances, problems associated with conventional wound healing procedures, and a boom in the adoption of evidence-based chronic wound therapies drive the growth of the advanced wound care industry.
- In addition, expanded education campaigns for advanced diagnosis & management of wound care, attempts to reduce the length of hospital stay to lower healthcare expenses, and increased propensity toward wound care products that improve clinical outcomes are other factors that contribute to market growth.
- The geriatric population is growing at a significant rate, globally. There is a direct correlation between aging and wound healing process — with age, decreased cellular activity reduces the natural ability of the body to close and repair wounds. Hence this raise in geriatric population is invariable impacting the market growth of the Advanced wound care market.



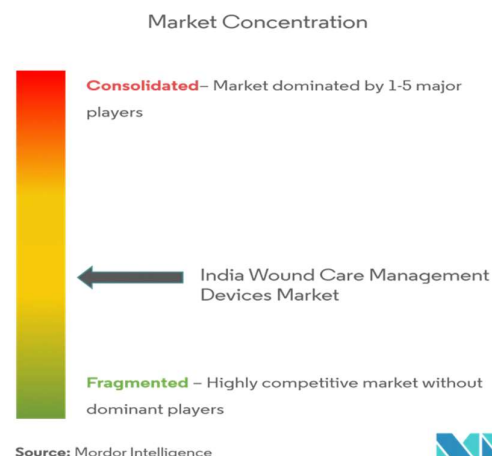
Covid-19 and Indian Woundcare Market:

The spread of COVID-19 rapidly developed into a pandemic, causing serious disruptions to health services, including the care of wounded patients. Due to the need, the delivery of wound care, which should be considered an important medical service, has changed. The main objectives of wound care during this time were to prevent major wound complications to reduce hospitalization and surgery, where possible, rather than eliminate wound healing. Before the pandemic, wound care aims to heal patients' wounds with a combination of smart antibiotics, adequate dressing, and proper loading. As this requires regular visits to the hospital, management's focus has shifted to focus on preventing the development of ulcer problems and hospitalization during COVID-19 times in India according to the article published by AvicaAtri, Christian Medical College & Hospital, Vellore, Tamil Nadu India, in 2020.

Recently, due to the COVID-19 pandemic, the number of operations cancelled in India is estimated at 48,728 per week or about 585,000 over 12 weeks, as per a 2020 report published in the British Journal of Surgery. They include elective surgeries, such as bariatric, for severe obesity, and metabolic, for type-2 diabetes. Therefore, these number of surgeries are yet to be performed and after the outbreak of COVID-19, which is expected to boost the market in India.

Competitive landscape:

India is a developing country. As result, there is an increasing demand for wound care management devices. This has, in turn, helped in the growth of the wound care management devices market. This has made the market more lucrative. This will encourage the global players to make their presence felt in India. Some of the major players in the country are 3M, Coloplast, Medtronic, and some local players like Centaur Pharma, Axiobioslutions.



Risks Management Framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework. The Board of Directors have adopted a Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. The Management reviews the Risk management policies and systems on a regular basis to reflect changes in market conditions and the Company's activities, and the same is reported to the Board of Directors periodically.

Further, the Company, in order to deal with the future risks, has in place various methods / processes which have been imbibed in its organizational structure and proper internal controls are in place to keep a check on lapses, and the same has been modified in accordance with the regular requirements.



The Company has robust risk management procedures to identify and evaluate risks on an ongoing basis. Risks are inherent in business activities and to effectively and efficiently mitigate risks, the Company has implemented a frame work: -

- Strategic Risks
- Compliance Risks
- Operational Risks
- Reporting obligations and Environment, Health and Safety Risks
- IT Governance & Enterprise Risk Management
- Management of Risks relating to Sensitive Information Leakage
- Business Continuity and disaster recovery

The identified risks are integrated into the business plan and detailed action plan is laid out to to mitigate the identified business risks and concerns.

Internal Control System & Adequacy

The Company is conscious of the importance of the internal processes and controls. The Company has a robust business planning & review mechanism and has adequate internal control systems commensurate with the nature of its business and size. These systems are regularly reviewed and improved upon. The Key Management has certified to the Board on matters relating to financial reporting and related disclosures, compliance with relevant statutes, Accounting Standards and adequacy of internal control systems. The Company has a detailed budgetary control system and actual performance is reviewed periodically and decisions are taken accordingly.

Environment Health and Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources. Safety awareness has been enhanced by way of training on hazard identification and risk assessment. Continuous trainings are provided to all employees. Mock drills on emergency preparedness are conducted regularly.

Opportunity and Future Prospects:

India is among the top-20 markets for the medical adhesives & Tapes in the world and the 4th largest market for medical devices in Asia. The domestic industry has a huge potential to ramp up indigenous manufacturing and invest in R&D and reduce dependence on imports.

Our Strengths:

Your Company has a strong, committed and dedicated workforce, which is a key to its sustained success. The Company believes that motivation, sense of ownership and satisfaction of its people are the most important drivers for its continued growth. Good governance practices combined with strong leadership has been the inherent strength of the Company. On the manufacturing front, we continue to build our capabilities and strengthen our processes. Through our robust efforts in implementing important initiatives in Quality and Compliance, we now see consistent positive outcomes from



regulatory inspections. Our audit programs and effective internal controls ensure our compliance of all existing rules and regulations.

Competition:

The medical device industry is undergoing some major transformation with the latest technological advancements and the continuous influx of manufacturers entering the market. One of the biggest industries in healthcare, the medical device industry thrives on innovation and technology but currently witnesses strong competition in the market.



Annexure-D
APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL.

1. The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

NAME	RATIO
Mr. Siddharth Gaurang Kanakia	1.45
Mr. HardikRajnikant Bhatt	-
Mr. Kamlesh Chunilal Rajani	-
Mr. Pratik Pravin Tarpara	-
Mr. Rohan Devang Kanakia	-
Mr. Gaurang Prataprai Kanakia	-
Ms. Monali Kanakia	-

For this purpose, sitting fees paid to the directors has not been considered as remuneration.

2. The percentage decrease in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary if any, in the financial year:

Name	Designation	% Decrease
Mr. Siddharth Gaurang Kanakia	Managing Director	-
Mr. Rohan Devang Kanakia	Non-Executive Non-Independent Director	-
Mr. Gaurang Prataprai Kanakia	Non-Executive Non-Independent Director	-
Ms. Monali Kanakia	Executive Director	-
Mr. Anand Prataprai Kanakia	Chief Finance Officer	-
Mr. Pavan Kumar Gupta	Company Secretary	-

3. The percentage increase in the median remuneration of employees in the financial year: 36.03%.
4. The number of permanent employees in the Company as on 31st March, 2024: 19
5. Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the remuneration paid to Directors
6. Key Managerial Personnel and other senior management is as per the remuneration policy of the company.
7. Disclosure under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
8. A) Name of top ten employees in terms of remuneration –

Name	Gross Salary (In Rs.)
Aman Nilesh Shah	11,70,000
Anilkumar J. Nair	5,88,158
Bhau S. Ghavat	4,67,851
Dhruv Dinesh Bhuva	6,50,000
Mehul Bharat Shah	4,85,000
Rekha Devang Kanakia	11,06,000
Sanjiv Shah	11,70,000
Sunderlal S. Awasthi	9,49,208
Shubhangi khadbe	6,45,000
Siddharth Kanakia	6,00,000



B) Name of every employee who -

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees one crore and two lakh rupees - None
- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month eight lakh and fifty thousand rupees per month – None
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company – None

For and on behalf of the board of directors

Sd/-

Siddharth Kanakia
Chairman & Managing Director
DIN: 07595098

Date: 28.08.2024

Place: Mumbai



Annexure-E

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING& OUTGO:

A. Conservation of Energy

We strongly feel towards our responsibility and contribution to preserve our environment.

The Company has considered sustainability as one of the strategic priority across all process. The company has been consciously making efforts year on year towards improving the energy performance. Energy efficiency improvement Initiatives have been implemented across all the Plants and Offices

During the year, the Company has taken the following initiatives for conservation of energy:

- Reduction of water consumption, recycling of waste water and rain water harvesting.
- Turbo Ventilators installed in place of electric exhaust fans to reduce energy consumption.
- Adoption of higher cavitation moulds to provide higher output enabling lower energy consumption.
- Replacement of conventional lamps/lights with LED lamps/lights.
- Voltage optimization and power factor improvements to reduce energy consumption.
- Improving machine efficiency through continuous improvement in technology.

Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:

- Installation of energy efficient Chillers to reduce energy consumption
- Inefficient pumps replaced with new generation energy saving pumps.
- Inefficient motors replaced with new generation energy saving motors.
- Improving production efficiency through Standardization of process.

The above measures helped in reduction of power, fuel, air and water consumption and made the company more sustainable.

B. Technology Absorption Efforts made in technology absorption:

Specific Area in which R&D carried out by the Company

- Development of new design, processes and products based on customer/market requirements.
- Development of new equipment's for process improvement.
- Carrying out ongoing research
- Research work to reduce plastic consumption for manufacturing of medical devices and reduce cycle time of moulds to make the products more cost effective
- Quality up-gradation of existing medical devices
- Optimization of products and processes to minimize waste generation and reduce safety concerns Development of new analytical tools & methods
- Import substitution and identification, testing and validation of new raw materials from indigenous suppliers.



Benefits derived as a result of the above R&D:

- Constant up-gradation and adoption of new technology for better productivity, yield and quality
- Reduction of cycle time in manufacturing process and material consumption
- Achieving competitive prices and product quality
- Improving Productivity and Process efficiencies
- Significant quality improvement in existing products
- Enhanced Global presence/visibility
- Development and commercialization of new products.

Technology Absorption, Adaption and Innovation Efforts in brief made towards technology absorption, adaption and innovation:

The Company's Research and Development division is continuously engaged in Research and Development of new & existing products and processes. The Company has also developed indigenous technologies and testing of products. It is the philosophy of the Company to continuously upgrade the technology and products in accordance with global standards.

In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial Year), following information may be furnished:

a)	Technology Imported.	No Imported Technology
b)	Year of Import.	
c)	Has the technology been fully absorbed.	
d)	If not fully absorbed, areas where these has not being taken place, reasons thereof and future plans of action.	

C. Foreign Exchange Earnings and Outgo:

The Company continues to keep its focus on widening of new geographical area to augment its exports. The Company is regularly participating in major overseas conferences and trade shows, which are helpful in improving the visibility of various products in international markets and widening its customer base. The Company does not have any foreign earnings.

For and on behalf of the board of directors

Sd/-

Siddharth Gaurang Kanakia
Chairman & Managing Director
DIN: 07595098

Date: 28.08.2024

Place: Mumbai



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To,
The Members,
KMS Medisurgi Limited,
297/301 May Building, Gr. Floor,
Marine lines(East) Princess Street,
Mumbai-400002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KMS Medisurgi Limited having CIN: L51397MH1999PLC119118 and having registered office at 297/301 May Building, Gr. Floor, Marine lines(East) Princess Street, Mumbai-400002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Names of Director	DIN	Date of appointment
1	Siddharth Gaurang Kanakia	07595098	02/05/2018
2	Pratik Pravin Tarpara	08689556	12/02/2020
3	Kamlesh Chunilal Rajani	07588417	11/08/2016
4	Hardik Rajnikant Bhatt	07566870	14/07/2016
5	Rohan Devang Kanakia	09220915	29/06/2021
6	Gaurang Prataprai Kanakia	00346180	03/05/2023
7	Monali Gaurang Kanakia	10135949	03/05/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Naveen Karn & Co.**
Practicing Company Secretary

Sd/-
Naveen Karn
C.P. No.: 22655
Membership No.: 60273
UDIN: A060273F001058281

Place: Vasai
Date: 28.08.2024



DECLARATION BY THE MANAGING DIRECTOR REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

To,
The Members of KMS MEDISURGI LIMITED

In accordance with Clause D of Schedule V of the SEBI (LODR) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel including me, have affirmed compliance to their respective Codes of Conduct, as applicable for the financial year ended March 31, 2023.

By Order of the Board of Directors
For KMS Medisurgi Limited

Sd/-
Siddharth Kanakia
Managing Director
DIN:07595098

Date:28.08.2024
Place: Mumbai



MD/CFO CERTIFICATION

To,
The Board of Directors,
KMS Medisurgi Limited

We hereby certify the following as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that:

- 1) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2023 and that to the best of our knowledge and belief :
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal controls systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) We further certify that:
 - a. there have been no significant changes in internal control over financial reporting during the period under review;
 - b. there have been no significant changes in accounting policies made during the period and that the same have been disclosed in the notes to the financial statements; and
 - c. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over Financial Reporting.

Place: Mumbai
Date: 28.08.2024

Sd/-
(Anand Kanakia)
Chief Financial Officer

Sd/-
(Siddharth Kanakia)
Managing Director
(DIN:07595098)

INDEPENDENT AUDITOR'S REPORT
To the Members of KMS MEDISURGI LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of KMS MEDISURGI LIMITED ("the Company"), which comprise the balance sheet as at 31 March, 2024, the statement of profit and loss, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the "basis of qualified opinion" section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2024, and its profit, and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The company has provided for Post-Employment Benefits and other long term employee benefits under Defined Benefit Plans on accrual basis on the basis of group gratuity report provided by LIC. This method of accounting of Post-Employment Benefits and other long term employee benefits under Defined Benefit Plans constitutes a departure from AS - 15 on Employee Benefits. As there is no actuarial report or basis of calculation available with the management of such Post-Employment Benefits and other long term employee benefits, the quantum of deviation cannot be ascertained.

As described in notes 13 to the accounts, the Company has commenced maintaining certain stock records for material items from mid of the year under report. The Company is in process of reconciling these stock records with books of accounts. The closing stock as on year end has been physically verified and valued by the management and accordingly accounted in the books of accounts. Shortage and excess, if any, compared to the book stock will be accounted in the year in which discrepancies are identified. Accordingly, we are unable to comment on the movement of stock and value of closing stock of Rs. 208.94 (in 'lacs) as on year end.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report as per section 134 of the act, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India, in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and except for the matter described in the Basis for Qualified paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, and rules made thereunder, as applicable.
 - e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may not have an adverse effect on the functioning of the Company;

- f) On the basis of the written representations received from the directors as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- h) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.
- i) In our opinion and according to the information and explanation provided to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. Though the dividend payment was delayed beyond 30 days, it was transferred to the beneficiaries account and hence as explained to us, no amount is payable to Investor's Education Fund.
 - iv.
 - a) The management has represented that to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The management has represented that to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), other than as disclosed in the notes to the accounts, with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate

Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on our audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v. During the year, the proposed dividend for FY 2022-23 of Rs. 0.05 per share was declared; the sum whereof transferred to a separate designated account after 5 days and it was paid to registered shareholders of the company belatedly i.e. after expiry of 30 days which is not within timelines prescribed under section 123 of the Companies Act, 2013
- vi. Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As per the provisions to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

For H H Dedhia & Associates

Chartered Accountants

(FRN - 148213W)

Sd/-

Harsh H. Dedhia

Proprietor

(M No: 141494)

UDIN: 24141494BKEOFO2422

Mumbai, 30th May 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of the Company)

- I
 - a
 - A The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (‘PPE’);
 - B The Company does not hold any intangible assets and hence paragraphs 3(i)(a) of the Order is not applicable;
 - b As explained to us, property, plant and equipment are physically verified by the Management which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - c According to the information and explanations given to us, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company as at the balance sheet date.
 - d As explained to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or both during the year.
 - e No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- li
 - a In our opinion and according to the information and explanations given to us, the physical verification of inventory has been conducted at reasonable intervals by the management. However, in view of improper inventory records as mentioned in Note 13 of the financial statement, we are unable to comment on the coverage, procedure of such verification, discrepancies during the physical verification.
 - b The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company;
- lii
 - a During the year the company has provided loans to staff however has not provided any advances in the nature of loans, or stood guarantee, or provided security to any other entity.
 - A No loans or advances and guarantees or security has been granted to subsidiaries, joint ventures and associates;
 - B During the year the Company has granted loan of Rs. 2.36 (in lacs) to staff and balance outstanding at the balance sheet date amounted to Rs. 1.73. (in lacs).
 - b In our opinion and according to the information and explanation given to us, Investments made during the year are not prejudicial to the company’s interest. Further during the year no guarantees are provided or security given.
 - c In our opinion and according to the information and explanations given to us, In respect of loans to staff the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.
 - d There is no amount overdue in respect of loans granted during the year.

- e There are no loans or advances in the nature of loan granted which has fallen due during the year and has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- f According to the information and explanations given to us and based on our audit procedures performed, the Company has not granted any loans or advances in the nature of loans to Promoters/ Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment during the year
- iv In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.
- v In our opinion, and according to the information and explanations given to us, The Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii a According to the records of the company, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, customs duty, Value Added Tax, Goods & Service Tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us, there are no undisputed statutory dues as referred to above outstanding as at March 31, 2024 for a period more than six months from the date they become payable except for the following:

Name of the Statute	Nature of the dues	Amount (Rs.)	Due Date	Date of Payment
The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Profession Tax	50,000	31.03.2023	Not paid
The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Profession Tax	52,575	31.03.2024	Not paid

- b According to the records of the company and information and explanation given to us, there are no dues of provident fund, employees' state insurance, income-tax, custom duty, value added tax, Goods and Services Tax, cess and any other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- viii According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix
- a According to the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.
- b According to the information and explanation given to us, the company has not been declared wilful defaulter by any bank or financial institution or government or any other lenders;
- c The Company has not taken any term loan during the year. Hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f The Company does not hold any investment in subsidiaries or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- X
- a As explained to us, the Company has not raised any funds by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b As explained to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- Xi
- a To the best of our knowledge and according to the information and explanations given to us, there has been no fraud by the company or any fraud on the company has been noticed or reported during the year, accordingly clause xi(a) to (c) of the order is not applicable to the Company.
- xii
- a In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence clause xii (a) to (c) is not applicable to the Company
- xiii
- a In our opinion and according to the information and explanations given to us, all transactions entered into with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the

financial statements, etc., as required by the applicable accounting standards, Related Party Disclosures specified in Companies (Accounting Standards) Rules 2014 as prescribed under section 133 of the Act;

- xiv a In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
 - b We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- Xv According to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi a The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934), accordingly clause (xvi) of the report is not applicable to the Company.
- xvii The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xviii There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors;
- xix According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;
- xx According to the information and explanations given to us, the Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company;
- xxi The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For H H Dedhia & Associates

Chartered Accountants

(FRN - 148213W)

Sd/-

Harsh H. Dedhia

Proprietor

(M No: 141494)

UDIN: 24141494BKEOFO2422

Mumbai, 30th May 2024

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of the Company)

Report On the Internal Financial Controls Under Clause (i) Of Sub-Section 3 of Section 143 of the Act

Qualified Opinion

We have audited the internal financial controls over financial reporting of KMS MEDISURGI LIMITED (“the Company”) as of 31 March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Based on limited audit procedure performed by us, during the course of our audit, the following material weakness were identified in the operating effectiveness of the Company’s internal financial control over financial reporting as on 31st March 2024.

- a. As described in notes 13 to the accounts, the Company has commenced maintaining certain stock records of material items from mid of the year under report. The Company is in process of reconciling these stock records with books of accounts. The closing stock as on year-end has been physically verified and valued by the management and accordingly accounted in the books of accounts.

Material weakness is a deficiency or a combination of deficiencies in internal financial control over financial reporting, such that there is a reasonable possibility that a material mis-statement of the Company’s Annual or interim financial statement will not be prevented or detected on timely basis.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company and these material weaknesses have affected our opinion on the financial statement of the Company and we have issued a qualified opinion on the financial statements.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on

Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For H H Dedhia & Associates

Chartered Accountants

(FRN - 148213W)

Sd/-

Harsh H. Dedhia

Proprietor

(M No: 141494)

UDIN: 24141494BKEOF02422

Mumbai, 30th May 2024

KMS MEDISURGI LIMITED
CIN L51397MH1999PLC119118
Balance Sheet as on 31 March 2024

Amount in Rs. lacs

	Notes	31st March, 2024	31st March, 2023
I. EQUITY AND LIABILITIES			
(1) Share Holders Funds			
(a) Share Capital	2	330.00	330.00
(b) Reserves & Surplus	3	436.25	392.52
		<u>766.25</u>	<u>722.52</u>
(2) Share Application Money pending allotment			
(3) Non Current Liabilities			
(a) Long-term borrowings	4	54.01	99.07
		<u>54.01</u>	<u>99.07</u>
(4) Current Liabilities			
(a) Trade Payables	5		
Outstanding due of Micro and Small enterprises.		34.71	4.52
Outstanding due of other than Micro and Small enterprises.		215.81	122.29
(b) Other Current Liabilities	6	14.42	14.88
(c) Short Term Provisions	7	-	8.90
		<u>264.94</u>	<u>150.59</u>
Total Rs		<u><u>1,085.20</u></u>	<u><u>972.19</u></u>
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment and Intangible Assets	8		
(i) Property, Plant and Equipment		164.59	182.41
(b) Non-current investments	9	0.16	0.16
(c) Deferred tax Asset / (liabilities) (Net)	10	12.12	11.32
(b) Long-term loans and advances	11	10.46	-
(e) Other non-current assets	12	5.54	5.74
		<u>192.87</u>	<u>199.62</u>
(2) Current Assets			
(a) Inventories	13	208.94	91.97
(b) Trade Receivables	14	578.07	653.55
(c) Cash and Cash Equivalents	15	41.91	19.05
(d) Short Term Loans and Advances	16	56.14	7.31
(e) Other current assets	17	7.27	0.69
Total Rs		<u>892.33</u>	<u>772.57</u>
Total Rs		<u><u>1,085.20</u></u>	<u><u>972.19</u></u>
		-	-

Significant Accounting Policies and Accompanying Notes form 1 to 48
integral part of the Financial Statements

As Per our Report of even date attached :

For H H Dedhia & Associates

Chartered Accountants

FRN 148213W

Sd/-

Harsh H. Dedhia

Partner

M. No 141494

Mumbai, 30th May 2024

For and on behalf of the Board

Sd/-

Siddharth Kanakia

Managing Director

DIN: 07595098

Place: Mumbai

Sd/-

Gaurang Kanakia

Director

DIN: 00346180

Place: Mumbai

Sd/-

Anand Kanakia

CFO

DIN: 00285357

Place: Mumbai

Sd/-

Pavan Gupta

Company Secretary

Mem. No.:A34811

Place: Mumbai

KMS MEDISURGI LIMITED
CIN: L51397MH1999PLC119118

Statement of Profit & Loss for the Year ended

Amount in Rs. lacs

Particulars	Notes	31st March, 2024	31st March, 2023
<u>Income</u>			
Revenue from Operations	18	1,388.46	1,102.73
Other Income	19	9.31	1.54
Total Income		1,397.77	1,104.26
<u>Expenditure:</u>			
Cost of materials consumed	20	1,074.56	791.36
Employee Benefit Expense	21	123.76	106.12
Finance Costs	22	2.08	0.02
Depreciation and amortization expense	23	25.09	31.75
Other Expenses	24	111.85	109.16
Total Expenses		1,337.34	1,038.41
Profit before tax		60.43	65.85
Tax Expense:			
(1) Current Tax		16.00	19.00
(2) Deferred Tax Expenses / (Income)		(0.80)	(11.32)
(3) Prior year Tax Adjustment		(0.15)	0.88
Profit/(Loss) for the year after tax from continuing operations		45.38	57.29
Earnings Per Equity Share:			
Basic / Diluted		1.38	1.74
Significant Accounting Policies and Accompanying Notes form integral part of the Financial Statements	1 to 48		
As Per our Report of even date attached :			

For H H Dedhia & Associates
Chartered Accountants
FRN 148213W

Sd/-
Harsh H. Dedhia
Partner
M. No 141494
Mumbai, 30th May 2024

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
Siddharth Kanakia Managing Director DIN: 07595098 Place: Mumbai	Gaurang Kanakia Director DIN: 00346180 Place: Mumbai	Anand Kanakia CFO DIN: 00285357 Place: Mumbai	Pavan Gupta Company Secretary Mem. No.:A34811 Place: Mumbai

KMS MEDISURGI LIMITED
CIN L51397MH1999PLC119118

Cash Flow Statement for the Year ended on

Amount in Rs. lacs

Particulars	31st March, 2024	31st March, 2023
A. Cash Flow from Operating Activities		
Net Profit before Tax	60.43	65.85
Adjustment for		
Depreciation	25.09	31.75
Non cash expenses	6.05	
Interest Expenses	0.01	0.02
Interest Income	(0.77)	(0.84)
Operating profit before change in Working Capital	90.81	96.79
Adjustment for change in working capital		
(Increase) / Decrease in Inventory	(116.97)	4.63
(Increase) /Decrease in Trade receivables	75.48	0.88
(Increase) /Decrease in Other assets	(0.60)	30.01
Increase /(Decrease) in Trade payables	123.71	(87.10)
Increase /(Decrease) in Current Liabilities and Provision	(25.20)	11.34
Cash Generated from Operations	147.23	56.54
Taxes (Paid)/Refund	(26.37)	(10.71)
Cash generated from operating Activities	120.86	45.83
B. Cash Flow from Investing Activities		
Fixed Deposit with Maturity of more than 12 months	1.28	(0.14)
Capital Advances	(40.00)	
Purchase of Fixed Assets & Intangible Assets	(13.32)	(52.04)
Net Cash used in Investing Activities	(52.04)	(66.26)
C. Cash Flow from Financing Activities		
Interest Income	0.77	0.84
Interest Paid	(0.01)	(0.02)
Dividend Paid	(1.65)	(1.65)
Unsecured Loan repaid	(45.07)	(45.96)
Net Cash from Financing Activities	(45.96)	(0.83)
Net Decrease in cash and cash equivalents (A + B + C)	22.86	(21.26)
Cash and Cash equivalents as on beginning date	19.05	40.32
Cash and Cash equivalents as on closing date	41.91	19.05
Net Increase in cash and cash equivalents	22.86	(21.26)

Note:

1. The Cash Flow has been prepared under the " Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

This is the Cash Flow Statement referred to in our report of even date.

For H H Dedhia & Associates

Chartered Accountants
FRN 148213W

Sd/-

Harsh H. Dedhia

Partner

M. No 141494

Mumbai, 30th May 2024

For and on behalf of the Board

Sd/-

Siddharth Kanakia
Managing Director

DIN: 07595098

Place: Mumbai

Sd/-

Gaurang Kanakia
Director

DIN: 00346180

Place: Mumbai

Sd/-

Anand Kanakia
CFO

DIN: 00285357

Place: Mumbai

Sd/-

Pavan Gupta
Company Secretary

Mem. No.:A34811

Place: Mumbai

KMS MEDISURGI LIMITED
Notes to the financial statements for the year ended 31 March 2024

				Amount in Rs. lacs
31st March, 2024				31st March, 2023
Note: 2				
<u>SHARE CAPITAL</u>				
Authorised	No. of shares	Rs. lacs	No. of shares	Rs. lacs
Equity shares of Rs 10 each	35.00	350.00	35.00	350.00
Issued, Subscribed & Paid-Up				
Equity shares of Rs 10 each	33.00	330.00	33.00	330.00
Total		330.00		330.00

2.1 The details of Shareholders holding more than 5% Shares		31st March, 2024		31st March, 2023	
Name of the Shareholder	No of Shares	% Held	No of Shares	% Held	
Moni Diamonds Ltd	6,34,000	19.21%	6,34,000	19.21%	
Gaurang Kanakia	3,28,180	9.94%	3,28,180	9.94%	
Anand Kanakia	3,37,400	10.22%	3,37,400	10.22%	
Rekha Kanakia	4,42,000	13.39%	4,42,000	13.39%	
Sushila Kanakia	4,40,000	13.33%	4,40,000	13.33%	
Amrita Kanakia	1,68,000	5.09%	1,68,000	5.09%	
Yagnesh Manaharlal Joshi	1,92,000	5.82%	1,92,000	5.82%	
	25,41,580	77.00%	25,41,580	77.00%	

2.2 The Reconciliation of the number of Share and amount of Share Capital				Amount in Rs. lacs
Particulars	No of Shares	Amount Rs	No of Shares	Amount Rs
Equity Shares at the beginning of the year	33,00,000	330.00	33,00,000	330.00
Add: Shares issued during the year	-	-	-	-
Equity Shares at the End of the year	33,00,000	330.00	33,00,000	330.00

	31st March 2024	31st March 2023
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2.3 Aggregate number of shares allotted as fully paid-up by way of bonus shares in last 5 years

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2.4 Each Equity Share is entitled to one voting right only

2.5 In the event of liquidation,shareholders are entitled to receive assets remaining after remittance of preferentials dues.

2.6 Shares held by holding company or ultimate holding company

2.7 The details of promoter's shareholding:

Equity Shares held by promoters at the end of the year

Promoter name	No of Shares	% of total shares	% Change during the year	
Gaurang Kanakia	3,28,180	9.94%	-	
(Previous Year)	3,28,180	9.94%	-	
Anand Kanakia	3,37,400	10.22%	-	
(Previous Year)	3,37,400	10.22%	-	
Moni Diamonds Limited	6,34,000	19.21%	-	
(Previous Year)	6,34,000	19.21%	-	
Sushila Prataprai Kanakia	4,40,000	13.33%	-	
(Previous Year)	4,40,000	13.33%	-	
Amrita Gaurang Kanakia	1,68,000	5.09%	-	
(Previous Year)	1,68,000	5.09%	-	
Rekha Devang Kanakia	4,42,000	13.39%	-	
(Previous Year)	4,42,000	13.39%	-	
Monali Gaurang Kanakia	28,210	0.85%	-	
(Previous Year)	28,210	0.85%	-	
Kaushali Gaurang Kanakia	28,210	0.85%	-	
(Previous Year)	28,210	0.85%	-	
Siddharth Gaurang Kanakia	50,000	1.52%	-	
(Previous Year)	50,000	1.52%	-	
Total	24,56,000	74.40%		
Total (Previous Year)	24,56,000	74.40%		
				Amount in Rs. lacs
				31st March, 2024 31st March, 2023

Note: 3

RESERVES & SURPLUS

Securities Premium

As Per last Balance Sheet	188.06	188.06
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Surplus

As per last Balance Sheet	204.46	148.82
Add: Profit for the year	45.38	57.29
Less: Appropriation for the year - Dividend	(1.65)	(1.65)
	248.19	204.46
	436.25	392.52

		Amount in Rs. lacs
		31st March, 2024 31st March, 2023

Note: 4

Long-term borrowings

Secured / Unsecured

(a) Loans & advances from directors and related parties	54.01	99.07
	54.01	99.07

Terms and Conditions:

* All the above loans are interest free loans

KMS MEDISURGI LIMITED
Notes to the financial statements for the year ended 31 March 2024

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 5		
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	34.71	4.52
Total outstanding dues of Creditors other than micro enterprises and small enterprises	215.81	122.29
	250.52	126.81

Particulars (Trade Payable due for payment)	Outstanding for following periods from due date of payment				Total	not-due for payment
	Less than 1 Y	1-2 Y	2-3 Y	More than 3 Y		
(a) Undisputed due - MSME	34.43	-	0.28	-	34.71	-
(Previous Year)	4.24	0.28	-	-	4.52	-
(b) Undisputed due - Others	184.13	1.44	-	14.90	200.47	15.34
(Previous Year)	56.61	0.03	6.08	46.04	108.76	13.53
(c) Disputed dues –MSME	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-
(d) Disputed dues -Others	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-

Details relating to Micro, Small and Medium Enterprises:

(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	34.43	4.52
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year.	0.06	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 6		
Other Current Liabilities		
(a) Advance from customers	12.09	1.95
(b) Other payables - Statutory	2.33	12.93
	14.42	14.88

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 7		
Short-term provisions		
(a) Provision for Income Tax	-	8.90
(a) Provision for employee benefits	-	-
	-	8.90

KMS MEDISURGI LIMITED

Notes to the financial statements for the year ended 31 March 2024

Note: 8

Property, Plant and Equipment and Intangible assets

Description of Assets	Amount in Rs. lacs											
	Cost				Depreciation & Amortization					Net Value		
	As at 1st April 23	Additions during the year	Deduction during the year	Adjustments	As at 31st March 24	As at 1st April 23	During the year	Deduction during the year	Adjust- ments	As at 31st March 24	As at 31st March 24	As at 31st March 23
Property, plant and equipment												
Building	203.64	-	-		203.64	91.41	10.64		-	102.05	101.59	112.23
(Previous Year)	139.80	63.84	-		203.64	82.69	8.71			91.41	112.23	57.10
Office Equipment	14.20	1.22	-	(1.34)	14.08	10.69	1.29		(0.25)	11.72	2.36	3.51
(Previous Year)	12.21	1.99	-	-	14.20	9.71	0.98		-	10.69	3.51	2.50
Electrical Fitting	0.48	-	-		0.48	0.46	-		-	0.46	0.02	0.02
(Previous Year)	0.48				0.48	0.44	0.02			0.46	0.02	0.04
Furniture and Fixtures	3.63	-	-		3.63	3.32	0.04		-	3.36	0.27	0.30
(Previous Year)	3.63				3.63	3.26	0.06			3.32	0.30	0.36
Plant and Machinery	268.16	8.24	-	(3.40)	273.00	211.01	10.86		(3.40)	218.47	54.52	57.15
(Previous Year)	268.16	-	-	-	268.16	196.17	14.84		-	211.01	57.15	71.99
Computers	7.13	3.86	-	0.45	11.45	7.48	0.98		(0.63)	7.83	3.62	(0.34)
(Previous Year)	6.85	0.29	-	-	7.13	5.56	1.92		-	7.48	(0.34)	1.29
Motor Cars	96.16	-	88.26	9.53	17.43	86.62	1.28	82.22	9.53	15.22	2.21	9.54
(Previous Year)	96.16	-	-	-	96.16	81.39	5.23		-	86.62	9.54	14.77
TOTAL	593.39	13.32	88.26	5.25	523.70	410.99	25.09	82.22	5.25	359.11	164.59	182.41
(Previous Year)	527.28	66.11	-		593.39	379.23	31.75		-	410.99	182.41	148.05

KMS MEDISURGI LIMITED
Notes to the financial statements for the year ended 31 March 2024

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 9		
<u>Non-Current Investments</u>		
<u>Non Trade Investments, Quoted</u>		
Other non-current investments (NSC)	0.16	0.16
	0.16	0.16
Less: Provision in diminution in value of investments	-	-
	0.16	0.16
Aggregate cost of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate cost of unquoted investments	0.16	0.16
Aggregate provision for diminution in value of investments	-	-

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 10		
<u>Deferred Tax Asset / (Liabilities) (Net)</u>		
Deferred Tax Liability	-	-
<u>Deferred Tax Assets</u>		
On difference between book balance and tax balance of fixed assets	9.97	9.67
Unpaid Statutory Liabilities	2.15	1.65
On difference between book balance and tax balance of fixed assets	12.12	11.32

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 11		
<u>Long-term loans and advances</u>		
Unsecured, considered good		
(a) Taxes paid (net of provision for tax)	10.46	-
	10.46	-
Less: Provision for doubtful loans & advances	-	-
	10.46	-

* Loans & advances due from directors / officers of the company / firms and private companies respectively in which any director is a partner or a member

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 12		
<u>Other non-current assets</u>		
Secured / unsecured, considered good / doubtful		
(a) Security Deposits	5.54	4.46
(b) Others - Fixed deposits with maturity of more than 12 month	-	1.28
	5.54	5.74
Less: Provision for doubtful loans & advances	-	-
	5.54	5.74
*Earmarked balances with banks against deposits with various	-	1.28

KMS MEDISURGI LIMITED

Notes to the financial statements for the year ended 31 March 2024

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 13		
Inventories		
(a) Raw materials	208.94	91.97
	<u>208.94</u>	<u>91.97</u>

Note: The Company is in process of reconciling these stock records with books of accounts. The closing stock as on year end has been physically verified and valued by the management and accordingly accounted in the books of accounts. Shortage and excess if any will be accounted in the year in which discrepancies are identified.

The Company sells goods as and when material is ready, and hence there is no stock of Finished goods.

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 14		
Trade Receivables		
Undisputed Trade receivables – considered good	578.07	653.55
Undisputed Trade Receivables – considered doubtful	-	-
	<u>578.07</u>	<u>653.55</u>
Less: Provision	-	-
	<u>578.07</u>	<u>653.55</u>
Disputed Trade receivables – considered good	-	-
Disputed Trade Receivables – considered doubtful	-	-
	<u>-</u>	<u>-</u>
Less: Provision	-	-
	<u>-</u>	<u>-</u>
Unbilled	-	-
	<u>578.07</u>	<u>653.55</u>

* Debts due from directors / officers of the company / firms and private companies respectively in which any director is a partner or a member

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 M	6m - 1Y	1-2 Y	2-3 Y	More than 3 Y	
(a) Undisputed Trade receivables – considered good	401.24	166.49	0.02	2.19	8.13	578.07
(Previous Year)	518.31	123.75	8.13	-	3.36	653.55
(b) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-
(c) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-
(d) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-

KMS MEDISURGI LIMITED
Notes to the financial statements for the year ended 31 March 2024

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 15		
Cash and cash equivalents		
(a) Balances with banks		
-In Current accounts	16.73	10.48
-In Fixed Deposits	24.30	8.12
(b) Cash on hand	0.88	0.46
	<u>41.91</u>	<u>19.05</u>
Earmarked balances with banks against letter of credit and against deposits with various government authorities or Bank deposits with more than twelve months maturity	24.30	8.12
	-	1.28

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 16		
Short-term loans and advances		
Secured / unsecured, considered good / doubtful		
(a) Gratuity asset	3.24	2.38
(b) Others loans & advances	12.90	4.93
(c) Advance against capital expenditure	40.00	
	<u>56.14</u>	<u>7.31</u>
Less: Provision for doubtful loans & advances	-	-
	<u>56.14</u>	<u>7.31</u>
* Loans & advances due from directors / officers of the company / firms and private companies respectively in which any director is a partner or a member	-	-

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 17		
Other current assets		
Prepaid expenses	7.27	0.69
	<u>7.27</u>	<u>0.69</u>
	<u>7.27</u>	<u>0.69</u>

KMS MEDISURGI LIMITED

Notes to the financial statements for the year ended 31 March 2024

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 18		
Revenue from Operations		
Sale of products		
- Surgical products including surgical tapes etc.	1,388.46	1,102.41
Sale of services		
- Consultancy income	-	0.32
	<u>1,388.46</u>	<u>1,102.73</u>

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 19		
Other Income		
Interest Income		
- from fixed deposits with bank	0.77	0.84
Other non-operating income (net of expenses directly attributable to such income)	8.54	0.70
	<u>9.31</u>	<u>1.54</u>

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 20		
Cost of materials consumed		
Opening stock of raw material	91.97	96.60
Add: Purchases during the year	1,191.53	786.73
Less: Closing stock	208.94	91.97
	<u>1,074.56</u>	<u>791.36</u>

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 21		
Employee Benefit Expense		
Salaries and Wages	108.27	91.76
Contribution to Provident and Other Funds	7.39	2.01
Staff Welfare Expenses	1.35	2.61
Directors' Remuneration	6.75	9.75
	<u>123.76</u>	<u>106.12</u>

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 22		
Finance Costs		
Interest on loan	2.01	0.02
Interest on MSME late payment	0.06	-
Other interest	0.01	-
	<u>2.08</u>	<u>0.02</u>

KMS MEDISURGI LIMITED
Notes to the financial statements for the year ended 31 March 2024

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 23		
<u>Depreciation</u>		
On Property Plant and Equipment	25.09	31.75
	<u>25.09</u>	<u>31.75</u>

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 24		
<u>Other Expenses</u>		
Power and fuel	13.25	10.63
Repairs to buildings	1.87	0.24
Repairs to machinery	2.30	2.12
Repairs to Others	8.22	6.32
Rates and taxes, excluding, taxes on income	0.31	0.45
Audit Fees	0.80	0.25
Service charges	2.13	6.48
Loss on sale of fixed assets	6.05	-
Bank charges	3.22	2.77
Insurance Charges	1.66	0.96
Donation	0.43	1.79
Legal & Professional Charges	7.34	6.31
Job Work Charges	26.64	13.75
Communication Expenses	1.27	1.67
Commission & Brokerage	7.50	-
Delivery ,Handling & Transportation Charges	16.99	33.40
BSE Lisiting Fees	0.25	0.25
Printing & Stationery	0.35	0.23
Miscellaneous Expenses	6.55	9.70
Sundry Balance Written Off / Back - (Net)	0.24	1.97
Travelling and Conveyance	4.38	8.64
Advertising & Sales Promotion Expenses	0.10	1.24
	<u>111.85</u>	<u>109.16</u>

KMS MEDISURGI LIMITED
Notes to the financial statements for the year ended 31 March 2024

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
<u>Note: 25</u>		
<u>Payment to Auditors</u>		
Payment to auditor		
- as auditor	0.80	0.25
- for reimbursement of expenses	-	0.04
	<u>0.80</u>	<u>0.29</u>

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
<u>Note: 26</u>		
<u>Contingent liabilities and commitments (to the extent not provided for)</u>		
Contingent liabilities		
- Guarantees - Counter guarantee provided by bank on behalf of company	28.54	10.36
Commitments		
- Estimated amount of letter of credit issued by bank (USD 63,280 (P.Y. 54,264.51))	52.49	45.42
- Capital expenditure commitment (net of advance given)	120.00	-
	<u>201.03</u>	<u>55.77</u>

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
<u>Note: 27</u>		
<u>Earnings & Expenditure in Foreign Currency</u>		
<u>A. Earnings</u>		
Export of goods calculated on F.O.B. basis	-	1.14
<u>B. Expenditures</u>		
Travelling Expenses	0.39	3.20
Purchase of goods	0.01	0.00

KMS MEDISURGI LIMITED
Notes to the financial statements for the year ended 31 March 2024

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Note: 28		
CIF Value of Imports		
Raw material	565.55	380.71
	565.55	380.71

Particulars	Imported Goods			Indigenous Goods			Total
	Raw Materials	Spare Parts	Components	Raw Materials	Spare Parts	Components	
31st March 2024	565.55	-	-	625.98	-	-	1,191.53
	47%	-	-	53%	-	-	100%
31st March 2023	394.94	-	-	390.90	-	-	785.85
	50%	-	-	50%	-	-	100%

Note: 29
Related party disclosure
(a). List of Related Parties and Relationships

Name of Related Party	Relation
Key Management Personnel	
Ms. Rekha Kanakia	Managing Director (till 3rd May 2023)
Mr. Siddharth Kanakia	Managing Director (w.e.f. 3rd May 2023)
Mr. Gaurang Kanakia	Director
KMS Manufacturing Co. - Mr. Gaurang Kanakia	Proprietorship of Director
KMS Tours & Travel	Proprietorship of CFO
Mr. Rohan Kanakia	Director
Ms. Monali Kanakia	Director (w.e.f. 3rd May 2023)
Ms. Sushila Kanakia	Relative of Director
Mr. Anand Kanakia	CFO
Mr. Sunny Gupta (FY 22-23)	Company Secretary (till 27 Feb., 2024)

Other Related Parties (Where transactions have taken place during the year and previous year / balance outstanding)

Dermacare Surgicals Pvt Ltd	Enterprise having Common Management
Shaperz India	Enterprise having Common Management

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023

(b) Related Party Transactions
(A) Transactions during the year:
Sale of Goods

KMS Manufacturing Co.	993.12	797.77
Dermacare Surgicals Pvt Ltd	-	1.12
Shaperz India	0.55	-

Purchases of Goods

Dermacare Surgicals Pvt Ltd	71.10	8.82
KMS Manufacturing Co.	54.13	52.54

KMS MEDISURGI LIMITED**Notes to the financial statements for the year ended 31 March 2024**

	Amount in Rs. lacs	
	31st March, 2024	31st March, 2023
Expenditure		
Managing Directors Remuneration	6.75	9.75
Company Secretary Salary	1.41	1.02
Interest on Loan	2.01	-
Reimbursement of expenses	2.00	-
Salary	10.05	-
Loan taken		
Ms. Rekha Kanakia	20.00	-
Mr. Rohan Kanakia	2.50	-
Ms. Sushila Kanakia	25.00	-
Loan repaid		
Mr. Anand Kanakia	64.59	-
Mr. Gaurang Kanakia	34.49	-
Ms. Rekha Kanakia	0.30	-
Advance given		
Shaperz India	12.00	-
(B) Balance outstanding at the end of year:		
Trade Receivables		
KMS Manufacturing Co.	594.32	594.32
Shaperz India	0.55	-
Trade Payables		
Dermacare Surgicals Pvt Ltd	7.49	-
Other payables		
Mr. Siddharth Kanakia - Remuneration	1.00	-
Mr. Gaurang Kanakia - reimbursement of expenses	0.42	-
Ms. Rekha Kanakia - reimbursement of expenses	0.73	-
Advance given		
Shaperz India	12.00	-
Unsecured Loans		
Ms. Rekha Kanakia	20.50	-
Mr. Rohan Kanakia	2.60	-
Ms. Sushila Kanakia	25.91	-
Mr. Gaurang Kanakia	5.00	34.49
Mr. Anand Kanakia	-	64.59

KMS MEDISURGI LIMITED**Notes to the financial statements for the year ended 31 March 2024****Note: 31****Earnings Per Share****A. Key Managerial Personnel**

Basic earning per share has been calculated by dividing profit for the year, attributable to the equity share holders by the weighted average number of equity shares outstanding during the year. The Company has not issued any potential equity shares and accordingly the basic earning per share and the diluted earning per share is same. Earning per share is computed as follows.

	F.Y. 23-24	F.Y. 22-23
Profit for the year	45.38	57.29
Weighted Average no of Shares	33.00	33.00
Earning per Share	1.38	1.74

Note: 32**Preivous year**

Previous year's figures have been regrouped, reclassified and restated where necessary to correspond with the figures of the current year.

Previous year's figures have been audited by a firm of chartered accountants other than H H Dedhia & Associates

Note: 33**Internal audit**

The Company has an internal audit system commensurate with the size of the company. During the financial year the company has conducted internal audit as per the secition 138 of the Companies Act.

KMS MEDISURGI LIMITED

Notes to the financial statements for the year ended 31 March 2024

	Amount in	
	31st March, 2024	31st March, 2023

Note: 34

Employee Benefit Plans

The following table set out the status of the gratuity plan as required under AS 15 (Revised):

Reconciliation of Benefit Obligations and Plan Assets

Change in benefit obligation

Obligation at the beginning of the year	15.73	13.90
Interest cost	1.14	1.01
Current Service cost	1.71	2.01
Benefits paid	-	-
Actuarial (gain) / loss in obligations	(4.54)	(1.18)
Obligation at year end	23.12	15.73

Change in Fair value of plan assets

Fair value of plan assets at the beginning of the year	18.12	16.16
Expected return on the plan assets	1.41	1.20
Contributions by the employer	6.84	0.76
Benefits paid	-	-
Actuarial gain / (loss) on plan assets	-	-
Fair value of plan assets at year end	26.37	18.12

Expenses recognized in Profit & Loss Account

Current service cost	1.71	2.01
Interest Cost	1.14	1.01
Expected return on plan assets	(1.41)	(1.20)
Net actuarial (gain) / loss recognized during the year	(4.54)	(1.18)
Expenses recognized in Profit & Loss Account	5.97	0.64

Reconciliation or Present Value of the obligation and the Fair value of the plan assets

Liability at year end	23.12	15.73
Fair value of plan assets at year end	26.37	18.12
Funded Status	3.25	2.38
Asset / (Liability) recognized in the Balance Sheet	3.25	2.38

Assumptions

Discount Rate	7.25	7.25
Expected Rate of Return on Plan Assets	-	-
Salary Escalation Rate	5	5

Note: The company has adopted valuation as provided by LIC group gratuity. Further the company has obtained a new policy for the additional employees for which the disclosure report is not available.

KMS MEDISURGI LIMITED
Notes to the financial statements for the year ended 31 March 2024

Amount in Rs. lacs

31st March, 2024 31st March, 2023

Note: 35
(1) Ratio Analysis
A. Current Ratio

Current Assets	892.33	772.57
Current Liabilities	264.94	150.59
Current ratio	337%	513%
Increase / (Decrease) in ratio	-34%	
Reason for Increase / (Decrease) - The increase in current assets is more in proportion to increase in current liabilities, hence there is decrease in the ratio		

B. Debt Equity Ratio

Long term borrowings	54.01	99.07
Short term borrowings	-	-
Total Debt	54.01	99.07
Share Capital	330.00	330.00
Reserves & Surplus	436.25	392.52
Shareholder's Equity	766.25	722.52
Debt Equity Ratio	7%	14%
Increase / (Decrease) in ratio	-49%	
Reason for Increase / (Decrease) - Due to repayment in borrowings there is decrease in the ratio.		

C. Debt Service Coverage Ratio

Profit after taxes	45.38	57.29
Add: Interest	2.08	0.02
Depreciation & Amortization	25.09	31.75
Earnings available for debt service	72.55	89.06
Interest	2.08	0.02
Short term borrowings	-	-
Debt Service	2.08	0.02
Debt Service Coverage Ratio	35	5,136
Increase / (Decrease) in ratio	-99%	
Reason for Increase / (Decrease) - Since there are interest bearing borrowings made by company, there is decrease in the ratio.		

D. Return on equity

Net profit after taxes	45.38	57.29
Equity (As defined in Debt Equity Ratio)	766.25	722.52
Return on equity ratio	0.06	0.08
Increase / (Decrease) in ratio	-25%	
Reason for Increase / (Decrease) - Due to decrease in net profit there is increase in the ratio.		

E. Inventory Turnover Ratio

Cost of Goods Sold	1,074.56	791.36
Opening stock	91.97	96.60
Closing stock	208.94	91.97
Average Inventory	150.45	94.28

KMS MEDISURGI LIMITED**Notes to the financial statements for the year ended 31 March 2024**

Inventory Turnover Ratio	0.14	0.12
Increase / (Decrease) in ratio	18%	
Reason for Increase / (Decrease) - As there is increase in cost of goods sold there is increase in the ratio.		

F. Trade Receivables turnover Ratio

Revenue from Operations	1,388.46	1,102.73
Trade Receivables (Excluding unbilled revenue)	578.07	653.55
Trade Receivable Turnover ratio (in days)	2.40	1.69
Increase / (Decrease) in ratio	42%	
Reason for Increase / (Decrease) - As there is increase in turnover there is increase in the ratio.		

G. Trade Payables Turnover Ratio

Net Credit Purchases	1,191.53	786.73
Trade Payables	250.52	126.81
Trade Payables Turnover Ratio (in days)	4.76	6.20
Increase / (Decrease) in ratio	-23%	
Reason for Increase / (Decrease) - There increase in purchases is more in proportion to increase in trade payables hence there is decrease in the ratio .		

KMS MEDISURGI LIMITED**Notes to the financial statements for the year ended 31 March 2024****H. Net Capital turnover ratio**

Revenue from Operations	1,388.46	1,102.73
Current assets - Current Liabilities	627.39	621.98
Net Capital turnover ratio	2.21	1.77
Increase / (Decrease) in ratio	25%	
Reason for Increase / (Decrease) - As there is increase in turnover there is increase in the ratio.		

I. Net Profit Ratio

Net Profit	45.38	57.29
Revenue from Operations	1,388.46	1,102.73
Net Profit Ratio	0.03	0.05
Increase / (Decrease) in ratio	-37%	
Reason for Increase / (Decrease) - Due to decrease in net profit there is decrease in the ratio.		

J. Return on capital employed

Profit before taxes	60.43	65.85
Add: Interest	2.08	0.02
Profit before interest and taxes	<u>62.51</u>	<u>65.87</u>
Share Holders Funds	766.25	722.52
Add: Borrowings	<u>54.01</u>	<u>99.07</u>
Total Capital Employed	820.26	821.60
Return on capital employed	0.08	0.08
Increase / (Decrease) in ratio	-5%	
Reason for Increase / (Decrease) - Not applicable		

K. Return on Investment

Since company has no investments, this ratio is not applicable.

KMS MEDISURGI LIMITED

Notes to the financial statements for the year ended 31 March 2024

Note: 36

Undisclosed Income

The company has no undisclosed Income during the year, in the tax assessments conducted under the Income Tax Act, 1961 (Previous Year - NIL)

Note: 37

Crypto Currency or Virtual Currency

The Company does not deal in Crypto Currency or Virtual Currency.

Note: 38

Revaluation of assets

The Company has not revalued its Property, Plant and Equipment.

Note: 39

Company has not given any loans or advances to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) during the financial year 2023-2024.

Note: 40

Benami Property

There are no proceedings initiated / pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at March 31, 2024 and March 31, 2023.

Note: 41

Borrowing from Banks/Fl on the security of Current Assets

The company has not obtained any facility against the security of current assets of the company.

Note: 42

Wilful Defaulter

The Company has not been declared as a wilful defaulter by banks, financial institutions, Government or any other lender. Moreover, the company has not availed any loans from banks, financial institutions, Government or any other lender.

Note: 43

Relationship with Struck off Companies

During financial year 2023-24 and financial year 2022-23, the Company did not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note: 44

Compliance with number of layers of companies

The Company is not the holding Company. Hence disclosure requirements pertaining to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.

Note: 45

Compliance with approved Scheme(s) of Arrangements

During the year no scheme of arrangements have been entered into by the company.

Note: 46

Utilisation of Borrowed funds and share premium:

KMS MEDISURGI LIMITED**Notes to the financial statements for the year ended 31 March 2024**

I. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

II. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note: 47**Details of proposed dividend**

Particulars	Amount in Rs. lacs	
	31/03/2024	31/03/2023
Proposed dividend	1.65	1.65
Dividend per share (in Rs.)	0.05	0.05

Note: 48**Title deeds of Immovable Property not held in name of the Company**

The title deeds of immovable property are held in the name of the the company. Hence other disclosure requirements are not applicable.