

DIRECTORS REPORT

Dear Members,

Your directors have pleasure in presenting the 12th Annual report on the affairs of the Company together with the Audited standalone and consolidated Statement of Accounts for the financial year ended on 31st March, 2022.

1. FINANCIAL PERFORMANCE OF THE COMPANY:

(Figure In Lakh (₹))

PARTICULARS	STANDALONE		CONSOLIDATED	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	27,838.00	16,573.85	30,417.90	17,141.13
Other Income	136.99	44.37	141.20	44.37
Total Revenues	27,974.99	16,618.22	30,559.09	17,185.50
Profit before Financial Expenses, Preliminary expenses, Depreciation and Taxation	10,504.88	3,793.11	13,522.33	4360.04
Less: Financial expenses	300.49	243.27	300.49	243.27
Profit before Depreciation & Taxation	10,204.39	3,549.84	13,221.84	4,117.13
Less: Depreciation & amortization expenses	129.57	93.49	129.57	93.49
Operating Profit before Other expenses & Taxation	10,074.82	3,456.35	13,092.27	4,023.64
Less: Other expenses	3,703.95	1,567.26	5,964.16	2,170.79
Profit before Taxation	6,370.87	1,889.09	7,128.11	1,852.84
Less: Provision for Taxation				
Current Tax	1626.50	489.41	1626.50	480.29
Deferred Tax	(6.77)	(4.11)	-	4.11
Profit for the period	4,751.14	1,403.78	5,501.61	1,368.45

2. RESULT OF OPERATIONS AND STATE OF AFFAIRS

During the fiscal year 2021-22 the total Standalone revenue of the Company stood at ₹27,974.99 Lakh and consolidated revenue stood at ₹30,559.09 Lakh.

The standalone profit of the Company in fiscal year ending on March, 31, 2022 has been reported as ₹ 4,751.14 Lakh and the consolidated profit is ₹5,501.61 Lakh.

3. **TRANSFER TO RESERVES:**

The Company has transferred ₹9,318.82 Lakh to Reserve and Surplus account by the end of fiscal year 2022.

4. **DIVIDEND:**

The Board has not declared any Dividend during the financial year 2021-22.

5. **FINANCIAL STATEMENTS:**

The audited Financial Statements of the Company, which form a part of this Annual Report, have been prepared in accordance with the provisions of the Companies Act, 2013, prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

6. **MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:**

The Company has changed its Name to Q-Line Biotech Private Limited w.e.f. 23rd July, 2021 as per approval of shareholders and Ministry of Corporate Affairs.

Further, in terms of Section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

7. **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

8. **SUBSIDIARIES/JOINT VENTURE/ASSOCIATE COMPANY:**

As on March 31, 2022, the Company had the following subsidiaries/Associate/Joint Venture.

S.No.	Name of the Subsidiary/ Associate/Joint Venture	Relationship
1.	POCT Science House Pvt. Ltd.	Joint Venture

The company holds 50% equity stake in POCT Science House Pvt. Ltd., a joint venture entered with Science House Medicals Pvt. Ltd. for providing lab services on Wet Lease Basis Reagent Rental in Government Health facilities in Madhya Pradesh. The Company has reported total turnover of Rs. 51,68,20,402.21/-

9. **STATUTORY AUDITORS & AUDIT REPORT:**

M/s Mayank Mehrotra & Associates, Chartered Accountants, Lucknow (Firm Registration Number 022941C) were appointed as the Statutory Auditors of the Company to hold office for a term of 05 years from the conclusion of the 07th Annual General Meeting held on 30th September, 2017 until the conclusion of the ensuing Annual General Meeting of the Company. M/s Mayank Mehrotra & Associates, Chartered Accountants have expressed their willingness and eligibility under the provision of the Companies Act, 2013 to act as statutory auditors of the company for another term of 05 (Five) years, which is subject to Shareholders' approval. The Board of Directors has proposed the appointment of M/s Mayank Mehrotra & Associates, Chartered Accountants as the statutory Auditor of the company, subject to shareholder approval, to hold office up to the conclusion of the 17th AGM to be held in the year 2027, pursuant to section 139 of

the Companies Act, 2013 (subject to the ratification of their appointment at every Annual General Meeting of the company), to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company.

There are no qualifications or observations or remarks made by the Auditors in their Report. Hence, no comments are required to be made in the Directors Report.

10. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) & CHANGES IN THE BOARD OF DIRECTORS

No changes have taken place during the year 2021-22, in the Board of Company.

In view of the applicable provisions of the Companies Act, 2013, the Company is not mandatorily required to appoint any whole time KMPs.

11. NUMBER OF MEETING OF THE BOARD & CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

During the year 2021-22, the Board of Directors met twelve times (12) to transact the business of the Company. Two meetings of the Committee were held during Financial Year 2021-22.

12. DEPOSITS:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2022. There were no unclaimed or unpaid deposits as on March 31, 2022.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure-I".

14. CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to the requirement of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility ('CSR') committee has been formed by the Company. The CSR Committee of the Board has formed with three Directors that comprises Mr. Saurabh Garg, Mrs. Amita Garg and Mr. Abhay Agrawal, Directors of the Company.

Role of Corporate Social Responsibility Committee:

The role of the Corporate Social Responsibility Committee is as follows:

- (1) formulate and recommend to the Board, the Corporate Social Responsibility Policy and the activities to be undertaken by the Company, review the implementation and progress of the same from time to time.
- (2) recommend the amount of expenditure to be incurred on the activities
- (3) monitor the Corporate Social Responsibility Policy from time to time
- (4) discharge such duties and functions as indicated in the section 135 of the Companies Act, 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time.
- (5) take all necessary actions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise with regards to Corporate Social Responsibility activities/Policy of the Company.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The key focus areas of the CSR Policy are under;

- (i) **Education:** To work on several educational initiatives to provide quality education, training, skill enhancement for *improving* the quality of *living* and *livelihood*. Initiatives are aimed at:
 - a) Promoting primary and secondary education
 - b) Imparting Skill development and vocational training
 - c) Using sports as a tool for development of students in both urban and rural settings
 - d) Promoting higher education including setting up and supporting skill development centres, Industrial Training Centre.
- (ii) **Health:** To address issues around affordability and accessibility of quality healthcare and bring about improvement in awareness and health seeking behaviour in various parts of India, enabling a better living, through initiatives such as:
 - a) Upgrading Primary, secondary and tertiary care facilities
 - b) Conducting need-based health camps and providing consultation, medicines etc.
 - c) Working on maternal and child health
 - d) Improving healthcare delivery through innovative outreach programmes
 - g) Working in the areas of Communicable and non-communicable diseases
 - h) Using technology for training, competency evaluation and clinical decision support for medical professionals with a view to improve quality of healthcare.
- (iii) **Environment:** To enable enhanced livelihood and quality of life, promote environment sustainability through various initiatives for:
 - a) Ecological sustainability
 - b) Promoting biodiversity
 - c) Conservation of natural resources
 - d) Maintaining quality of soil, air and water
 - e) Promoting renewable energy
 - f) Developing gardens and river fronts
- (iv) **Other Initiatives:** To undertake other need-based initiatives in compliance with Schedule VII of the Companies Act, 2013.

The company is committed to conduct its business in a socially responsible, ethical and environment friendly manner and to continuously work towards improving quality of life of the communities in its operational areas as we believe that the sustainable development of our business is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially the communities we work with. As a responsible corporate citizen, we have a role to play in the integrated and inclusive development of the country, in partnership with government, corporates and civil society/community institutions. We also believe that our employees have the potential to contribute not just to our business, but also towards the goal of building strong communities.

The company is committed to comply with section 135 of the Act and the approach is focused on long term programmes aligned with community needs. CSR activities, as per the Companies Act, 2013, may be undertaken by the Company directly or through registered not for profit company, trust or a registered society.

The Annual report on CSR activities is annexed herewith marked as 'Annexure-II'

15. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors have 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 as at March 31, 2022 and of the Surplus and loss of the company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis; and
- e. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has in place a policy on Prevention of Sexual Harassment at Workplace. All employees, consultants, trainees, third parties and/or visitors at all business units or functions of the Company, its subsidiaries and/or its affiliated or group companies are covered by the said policy. The Company is in compliance with the provisions relating to the constitution of an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

17. DECLARATION BY INDEPENDENT DIRECTORS:

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

18. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

The Company, being a Private Limited Company under the Companies Act, 1956 (now the Companies Act, 2013) is not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments under the provisions of Section 186 of the Companies Act, 2013.

20. PARTICULARS OF EMPLOYEES:

Details of Remuneration of Directors and Employees pursuant to Rule 5(2) read with Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

S. No.	Name of Employee	Designation	Remuneration (In INR)	Nature of Employment	Qualification & Experience	Date of Employment	Age	Equity Shares held	Relation with Director
1	Saurabh Garg	Director	Rs 4,20,00,000	Permanent	Post-Graduate	10-11-2010	52	92.86%	NA
2	Amita Garg	Director	Rs 3,00,00,000	Permanent	Graduate	10-11-2010	46	1.90%	NA
3	Ajay Kumar Mahanty	Director	Rs 1,61,14,000	Permanent	Post-Graduate	12-01-2015	45	4.76%	NA

21. BUSINESS RISK MANAGEMENT:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 the company has not constituted a business risk management committee.

At present the company has not identified any element of risk which may threaten the existence of the company.

22. RELATED PARTY TRANSACTIONS:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 are mentioned in the form AOC-2:

23. ACKNOWLEDGMENT:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Members of the Company, Bankers and other Financial Institutions, Government of India, State Government, Local Bodies, Customers & Suppliers, of the Company for their valuable support and look forward to their continued co-operation in the years to come.

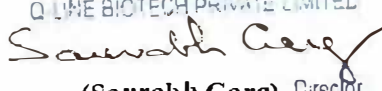
Your Directors acknowledge the support and co-operation received from the employees at all levels and consultants for their continuous co-operation and assistance in management and day to day operation of the Company.

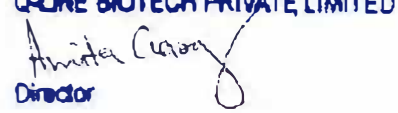
FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF

Q-LINE BIOTECH PRIVATE LIMITED

Date: 01.09.2022

Place: Lucknow

Q-LINE BIOTECH PRIVATE LIMITED

 (Saurabh Garg) Director
 Director
 DIN: 02891621

Q-LINE BIOTECH PRIVATE LIMITED

 Director
 (Amita Garg)
 Director
 DIN: 02891610

ANNEXURE – I

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy-

(i) The steps taken or impact on conservation of energy; The operations of your Company are not energy intensive. However, adequate measures have been initiated to reduce energy consumption.

(ii) The steps taken by the company for utilizing alternate sources of energy; The operations of your Company are not energy intensive.

(iii) the capital investment on energy conservation equipment; -Nil

(B) Technology absorption-

(i) the efforts made towards technology absorption: NIL

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

(iv) the expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

During the financial year 2021-22 the total foreign exchange outgo taken place in the ordinary course of business. NIL

FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF

Q-LINE BIOTECH PRIVATE LIMITED

Q-LINE BIOTECH PRIVATE LIMITED

Director

Date: 01.09.2022

Place: Lucknow

(Saurabh Garg)

Director

DIN: 02891621

Q-LINE BIOTECH PRIVATE LIMITED

Director

(Amita Garg)

Director

DIN: 02891610

ANNEXURE – II

CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs: ***Refer Point 14, i.e., Corporate Social Responsibility, of the Board report.***
2. The Composition of the CSR Committee: ***Refer Point 14, i.e., Corporate Social Responsibility, of the Board report.***
3. Average net profit of the company for last three financial years: ***Rs. 20,52,02,438.76/-***
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ***Rs. 41,04,048.78/-***
5. Deficit of CSR Expenditure of previous Financial Year 2020-2021: ***Rs. 5,10,391.09/-***
6. Details of CSR spent during the financial year.
 - a) Total amount spent for the financial year: ***Rs. 65,65,000/-***
 - b) Amount unspent, if any: ***NIL***
 - c) Surplus Amount to be carry forward: ***Rs. 19,50,560/-***
 - d) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs	Amount outlay (budget) project or programs wise (in Lacs)	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period (in Lacs)	Amount spent: Direct or through implementing agency*

Q-LINE BIOTECH PRIVATE LIMITED (Formerly known as "POCT Services Pvt. Ltd.")

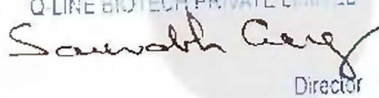
Corp. Office: 2DA (Basement), Main Shivaji Marg, Najafgarh Road, Near Moti Nagar Police Station, New Delhi-110015, INDIA. Tel.: 011-45577407
 Regd. Office: 29B-281, Transport Nagar, Kanpur Road, Adjacent Transport Nagar Metro Station, Lucknow-226012 (U.P.), INDIA. Tel.: 0522-2433023 E-mail: info@qlinebiotech.com | Website: www.qlinebiotech.com | CIN No.: U74120UP2010PT0042528

			was undertaken		(in Laes)		
1	Upgrading Healthcare facilities	Promoting Health Care & Medical Facilities	Uttar Pradesh- Lucknow	70.00	65.65	65.65	Direct
TOTAL				70.00	65.65	65.65	

7. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: NA
8. Responsibility Statement of the CSR Committee: The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF

Q-LINE BIOTECH PRIVATE LIMITED

Q-LINE BIOTECH PRIVATE LIMITED

 Director

Q-LINE BIOTECH PRIVATE LIMITED

 Director

Date: 01.09.2022
 Place: Lucknow

(Saurabh Garg)
 Director
 DIN: 02891621

(Amrita Garg)
 Director
 DIN: 02891610

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 E-mail: info@q-linebiotech.com | Website: www.q-linebiotech.com | CIN No.: U74120UP2010PTC0342528

FORM NO. AOC -2

(Pursuant to clause (b) 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 transaction under third proviso thereto.

- Details of contracts or arrangements or transactions not at Arm's length basis:** There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2022, which were not at arm's length basis.
- Details of contracts or arrangements or transactions at Arm's length basis:**

Name(s) of the related party	Nature of Relationship	Duration of contract	Salient terms	Dates of Approval by the Board	Amount Rs.	Amount paid as advances, if any
Nature of Contract: SALES OF GOODS						
Heidelco Medico Pvt. Ltd.	Associated Enterprise	NA	NA	NA	10,56,78,604.00	Nil
POCT Services	Associated Enterprise	NA	NA	NA	1,15,19,82,058.00	Nil
POCT Science House Pvt. Ltd.	Associated Enterprise	NA	NA	NA	1,05,68,237.00	Nil
Nature of Contract: RENT PAID						
Heidelco Medico Pvt. Ltd.	Associated Enterprise	NA	NA	NA	5,90,004.00	Nil
POCT Services	Associated Enterprise	NA	NA	NA	4,16,000	Nil
Nature of Contract: RENT INCOME						
POCT Quality & Skill Development Foundation	Associated Enterprise	NA	NA	NA	1,20,000	Nil
NATURE OF CONTRACT: SALARY, INCENTIVE & EXPENSES						
Saurabh Garg	Director	NA	NA	NA	4,20,00,000.00	Nil

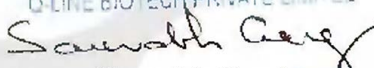
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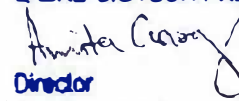
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Amita Garg	Director	NA	NA	NA	3,00,00,000.00	Nil
Kuldeep Chowdhry	Director	NA	NA	NA	37,02,691.00	Nil
Ajay Kumar Mahanty	Director	NA	NA	NA	1,64,50,365.00	Nil
Manisha Yadav	Director	NA	NA	NA	18,00,000.00	Nil
Ayush Garg	Relative	NA	NA	NA	93,34,196.00	Nil
Amit Agarwal	Relative	NA	NA	NA	24,98,159.00	NIL
Nature of Contract: PURCHASE OF GOODS						
Heidelco Medico Pvt. Ltd.	Associated Enterprise	NA	NA	NA	26,92,30,442.00	Nil
POCT Services	Associated Enterprise	NA	NA	NA	5,97,46,680.00	Nil

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF
Q-LINE BIOTECH PRIVATE LIMITED**

**Date: 01.09.2022
Place: Lucknow**

Q-LINE BIOTECH PRIVATE LIMITED

(Saurabh Garg) Director
DIN: 02891621

Q-LINE BIOTECH PRIVATE LIMITED

Director
(Amita Garg)
Director
DIN: 02891610

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