

**24TH ANNUAL REPORT
2015-2016**



HINDUSTAN BIO SCIENCES LIMITED

CORRIGENDUM

The following dates can be considered as correct in place of dates mentioned in this Annual Report for the purpose mentioned below.

S.NO.	PARTICULARS	DATE
1.	Cut-off/Record date for data uploading	23-09-2016
2.	E-voting period	27-09-2016 to 29-09-2016
3.	Book closure dates	24-09-2016 to 30-09-2016

HINDUSTAN BIO SCIENCES LIMITED**Board Of Directors:**

- 1) Sri. J.V.R. Mohan Raju – Managing Director
- 2) Smt J. Uma – Director
- 3) Mr. J. Varun Varma – Whole-time Director
- 4) Sri A.V.V.Satyanarayana – Director (Resigned w e f 31-10-2015)
- 5) Sri. B.R.Rao – Director
- 6) Sri K. Rama Chandra Raju – Director
- 7) Sri M. Satyanarayana Raju – Director

Registered &**Administrative Office**

- H.No.8-2-269/S, Plot No.31,
Sagar Co-Operative Housing Society,
Road No.2, Banjara Hills,
Hyderabad – 500 034

Company Identification Number

- L26942TG1991PLC013564

Bankers

- Axis Bank Ltd,
Begumpet Branch,
Hyderabad

Auditors

- M/s. VASG AND ASSOCIATES
503/1, 5th Floor, Kubera Towers,
Narayanaguda, Hyderabad-500 029.

**Share Transfer Agents For
Demat Shares**

- M/s. Venture Capital & Corporate
Investments Private Limited.
12-10-167, Bharat Nagar,
Hyderabad – 500 018.

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of the Company will be held on Friday the 30th September, 2016 at 10.00 A.M at H.No.8-2-269/S, Plot No.31, Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500 034, Telangana to transact the following.

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit and Loss account for the year ended 31st March, 2016 and the Directors and Auditors Report thereon.
2. To appoint a Director in place of J Varun Varma (DIN00515430), who retires by rotation and being eligible, offers him-self for re-appointment.
3. To ratify the appointment of auditors of the Company to hold office until the conclusion of the Annual general Meeting for Financial year 2016-17 and the payment of remuneration as fixed by the board of directors and to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made there under, including statutory modifications thereto or re-enactments thereof for the time being in force, and pursuant to the recommendations of the audit committee of the Board of Directors, the appointment of M/s. VASG & ASSOCIATES, chartered Accountants, Hyderabad (Firm Number 006070S) which was made AGM 2014 for Three Consecutive Audit-years ending on the conclusion of AGM for FY 2016-17 be and is hereby ratified and confirmed for the remaining audit period on such remuneration as fixed by the board of directors"

"RESOLVED FURTHER THAT the directors of the Company jointly and severally be and are hereby authorised to do all such acts, matters and things as may be necessary to give effect to the above resolution and to certify and upload the e-forms.."

SPECIAL BUSINESS:

4. Reduction of Share Capital:

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

"RESOLVED THAT pursuant to the Articles of Association of the Company, Section 100 and such other applicable provisions of the Companies Act, 1956, (Section 66 of the Companies Act, 2013) subject to the sanctions and approvals of the appropriate authorities as may be required, subject to the

confirmation by the Hon'ble High Court of Andhra Pradesh and Telangana at Hyderabad and subject to such terms, conditions or modifications if any, as may be prescribed by such authorities while granting the such approvals, consents or permissions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board' which expression shall be deemed to include any Committee of Directors constituted by the Board), the Company's issued, subscribed and paid up equity share capital of Rs.10,25,08,000/- (consisting of 10250800 equity shares of Rs.10/- each fully paid up) be reduced to Rs.5,12,54,000/- (consisting of 10250800 issued, subscribed and paid-up equity shares of Rs.5/- each fully paid up), so as to bring back the paid-up capital in purity with and making it representative of the residue of the value of the assets at present held by the company, being the assets as per the valuation made by the Company.

"RESOLVED FURTHER THAT upon extinguishment of such share capital, the issued, subscribed and paid-up equity share capital of the Company shall stand reduced to the extent of the face of equity shares so extinguished on the Record date."

"RESOLVED FORTHER THAT reduction of share capital the face value of each share will be Rs.5/- and the Board is authorized to issue revised certificates in lieu of the cancelled certificates.

"RESOLVED FURTHER THAT consequential amendments be made in the capital clause of the Memorandum of Association and the Articles of Association of the Company after the said reduction becomes operative and effective."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as they may at their absolute discretion deem necessary or desirable for effectively implementation of the resolution and to settle any questions, difficulties or doubts that may arise in this regard as they may in their absolute discretion deem fit."

The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 with regard to the special resolution mentioned above is enclosed.

For and on behalf of the Board
For **Hindustan Bio Sciences Limited**

J.V.R.Mohan Raju
Chairman

Place : Hyderabad
Date : 30.07.2016

Notes:

1. A member entitled to attend the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of him and the proxy need not be a member of the company.
2. Proxies in order to be effective must be deposited at the registered office of the company at Plot No: 31, Sagar Co-Operative Housing Society, Road No: 2, Banjara Hills, Hyderabad - 500 034 at least 48 hours before the commencement of the meeting.
3. The Register of members and the share transfer books of the company will remain closed from 21st September, 2016 to 30th September, 2016(both days inclusive).
4. Members are requested to quote ledger folio number/ De-mat account number in all their correspondence to avoid delay in communication.
5. Members are requested to bring their copy of the Annual Report and the attendance slips with them to the Annual General Meeting.
6. The company shares are listed on Bombay Stock Exchange Limited. The listing fee for the year 2016-17 is paid.
7. Voting through electronic means;
 - A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
 - B. The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select the Hindustan Bio Sciences Limited from the drop down menu and click on "SUBMIT"
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in De-mat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in De-mat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both De-mat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your De-mat account or in the company records for the said De-mat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your De-mat account or in the company records for the said De-mat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in De-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the De-mat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Hindustan Bio Sciences Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If De-mat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- (C) The e-voting period commences on 24th September 2016 (9:00 am) and ends on 26th September 2016 (6:00 pm). During this period shareholders' of the company, holding shares either in physical form or in De-materialized form, as on the cut-off i.e. 20.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e 20.09.2016.

Mr. V.B.S.S. Prasad, a Practicing Company Secretary (Membership # 4139) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

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

- (xviii) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (09:00 am to 05:00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Rule 11 of the Companies (Accounts) Rules, 2014, permits circulation of Annual Report through electronic means to such of the members whose e-mail addresses are registered with NSDL or CDSL (DPs) or with the Company to receive the documents in electronic form and physical copies to those shareholders whose email addresses have not been either registered with the Company or with the DPs.

To support this green initiative of the Government, members are requested to register their e-mail addresses and also intimate changes, if any, with the DPs, in case shares are held in De-materialized form and with STA, in case the shares are held in physical form.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

ITEM NO. 2

Name of the Director	J VARUN VARMA
Date of Birth	21-08-1985
Address	H.No.6, Daffodils Block, Nectar Garden, Madhapur, Hyderabad, Telangana
Shareholding	2100
Qualification	M S (Industrial Engineering)
Experience	2 years experience as Business Analyst in USA
Other Directorships	4

Mr. J.Varun Varma, Being Appointee and he is son of JVR Mohan Raju, Managing Director and J. Uma Directors are interested. None of the other directors and key managerial personnel of the company and their relatives are concerned or interested, financial or otherwise in the resolution set out at item No.2.

Your directors recommended the resolution for approval as Ordinary Resolutions.

ITEM NO. 4

The Company incurred huge losses. Now the loss amounts to Rs.5,43,04,280/- as per the balance sheet 2015-16. so as to bring back the paid-up capital in purity with and making it representative of the residue of the value of the assets, the Board proposed to reduce the Paid-up share capital by Rs.5,12,54,000/- which is not represented by assets of the Company. As this resolution requires to be passed as special resolution, Board recommends for your approval.

The proposed restructuring will not cause any prejudice to the creditors of the Company since it does not involve any financial outlay / outgo on the part of the Company. Further, the proposed restructuring would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honor its commitments or to pay its debts in the ordinary course of business.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

For and on behalf of the Board
For Hindustan Bio Sciences Limited

Place : Hyderabad
Date : 30.07.2016

J.V.R.Mohan Raju
Chairman

DIRECTOR'S REPORT

To

The Members,

Your directors are pleased to present their report along with the Audited accounts for the year ended 31-03-2016.

Financial Results:**Rs. In Lakhs**

Particulars	2015-2016	2014-2015
Gross Sales	126.01	75.75
Less: Excise Duty & Sales Tax	0	0
Net Sales	126.01	75.75
Total Expenditure	138.45	199.50
Other Income	0	0
Operating Profit (PBDIT)	(12.44)	(123.75)
Interest	2.45	2.61
Cash Profit	(14.89)	(126.36)
Depreciation and Amortization	1.10	18.45
Profit before Exceptional Item	(15.99)	(144.81)
Exceptional Item	192.30	0
Profit after Exceptional Item	(208.29)	(144.81)
Provision for Taxation		
i) Current Year	0	0
ii) Deferred Taxation	(0.49)	(0.72)
Net Profit before Extraordinary Item	(208.78)	(145.52)
Extraordinary Item	0	0
Profit after Extraordinary Item	(208.78)	(145.52)

Note: Previous year figures have been regrouped wherever necessary.

Operations:

During the year the company has sales revenue of Rs.126.01 Lakhs as against last year sales revenue of Rs.75.75 Lakhs, an increase of about 66.34% in rupee terms. The management is expecting get good revenues from the second half of the financial year 2016-17 with the introduction of 10000 IU potency of Erythropoietin into the market.

Directors:

Mr. J. Varun Varma, Directors retiring by rotation and being eligible offers himself for reappointment.

The Board placed its appreciation for the services rendered by Mr. A.V.V.Satyanarayana, who has resigned from the Board on 31st October, 2015

Directors Responsibility Statement:

Pursuant to Section 134 of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- In the participation of Annual Accounts the applicable accounting standards have been followed and that there have been no 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 as at March 31, 2016 and the profit and loss account to 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 the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors had prepared the Annual accounts on a going concern basis and
- The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- 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.
- The Company's Internal Auditors have conducted periodic audit to provide reasonable assurance that the Company's established policies and procedures have been followed. The Audit Committee of the Board meets once in a quarter with Internal Auditors to review internal control and financial reporting issues.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee consists of the following Directors namely Mr.B.R.Rao, Chairperson Mr.K.Ramachandra Raju, Member and Mr.M.Satyanarayana Raju Member.

Brief description of terms of reference:

Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;

Carry on the evaluation of every director's performance;

Formulation of the criteria for determining qualifications, positive attributes and independence of a director;

Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

Formulation of criteria for evaluation of independent Directors and the Board;

Devising a policy on Board diversity; and

Any other matter as the Board may decide from time to time.

Nomination and Remuneration policy**The objective of the Policy-**

To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.

To determine remuneration based on the Company's size and financial positions and trends and practices on remuneration prevailing in peer companies.

To carry evaluation of the performance of Directors

To provide them rewards linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and to create competitive advantage.

Particulars of Loans, Guarantees & Investments under Section 186:

The company has neither issued any Loans, Guarantees nor made any investments during the Financial Year.

Particulars of Contracts or Arrangements with Related Parties Referred to Sec. 188(1):

The Company has not entered into any contracts or arrangements with related parties referred pursuant to section 188(1) during the Financial Year

Extract Of Annual Return:

The Extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 and the same is enclosed as Annexure – A to this report.

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to provisions of Sec. 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

Information with respect to the conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to provisions of Sec. 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is prepared and annexed as Annexure – B to this report.

Statutory Auditors:

At the Annual General Meeting held on 30-09-2014 M/s VASG and Associates, Chartered Accountants, were appointed as statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the Financial Year 2017. In terms of 1st proviso to section 139(1) of the Companies Act, 2013, the appointment of auditors shall be placed for ratification at every Annual General Meeting. Accordingly appointment of M/s. VASG and Associates, Chartered Accountants is placed for ratification by shareholders. In the regard, the Company has received a certificate from the Auditors to the effect, if they are appointed, it will be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Audit Committee:

Composition Audit Committee included in Corporate Governance report.

Corporate Governance:

A separate report on Corporate Governance is annexed as part of the Annual Report along with the Auditor's Certificate on its compliance as Annexure – C.

Whistle Mechanism:

The Board of Directors have adopted whistle Blower policy. The Whistle Blower policy aims for conducting the affairs in the fair and transparent manner by adopting highest standards of professionalism, honest, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the chairperson of the audit committee in exceptional cases.

Company Secretary:

The company is not making sufficient profits and hence not able to appoint a company secretary but utilizing the services of Sri V.B.S.S.Prasad practicing Company Secretary to look after legal compliances.

Secretarial Audit Report:

As per the provisions of Section 204 of the Companies Act, 2013 the Board of Directors have appointed Mr. V.B.S.S.Prasad, Practicing Company Secretary (C.P. No: 4605) as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial year ended on 31st March, 2016.

Secretarial Audit Report issued by Mr. V B S S Prasad, Practicing Company Secretary in form MR-3 is enclosed as Annexure – D to this Annual Report.

There are no qualifications in Secretarial Audit Report.

Particulars of Employees:

No employee of the company is in receipt of remuneration of Rs.60 Lakhs per annum, and no employees is in receipt of Rs.5 Lakhs per month, for any part of the financial year whose particulars are required to be disclosed pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Change in Nature of Business:

There is no change in the Company's nature of business during the financial year ending March 31st, 2016.

Significant and Material Orders Passed By Regulators:

No such orders have been received.

Material Changes and Commitments:

There are no Material changes and commitments in the business operations of the Company from the Financial Year ended 31st March, 2016 to the date of signing of the Director's Report.

Acknowledgements:

The board wishes to place its deep sense of gratitude to all the employees for their valuable co-operation and contribution. The board also thanks all Government/statutory organizations for their support extended to the company. During the Financial year ended 31st march, 2016, the company has not received any Complaints pertaining to Sexual Harassment.

The board is also grateful to Banks and all those associated with the company for their co-operation and help.

For and on behalf of the Board
For **Hindustan Bio Sciences Limited**

Place : Hyderabad
Date : 30.07.2016

J.V.R.Mohan Raju
Chairman

**Annexure 'A' to the Director's Report
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)
of the Company (Management & Administration) Rules, 2014.**

FORM NO. MGT 9

I. REGISTRATION & OTHER DETAILS:	
1 CIN	L26942TG1991PLC013564
2 Registration Date	16-12-1991
3 Name of the Company	HINDUSTAN BIO SCIENCES LIMITED
4 Category/Sub-category of the Company	Public Company Limited by Shares
5 Address of the Registered office & contact details	H.No.8-2-269/S, Plot No.31, Sagar Co-Operative Housing Society, Road No.2, Banjara Hills, Hyderabad -500 034. Tel: 040-23555161, 23555181, Email : pharma.hindustanbio@gmail.com
6 Whether listed company	YES
7 Name, Address & contact details of the Registrar & Transfer Agent, if any	M/s. Venture Capital & Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad-500 018.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	RECOMBINATE HUMAN ERYTHROPOIETIN	24	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	"% of shares" "held"	Applicable "Section"
1	NIL	NIL	NIL	NIL	NIL

IV. SHARE HOLDING PATTERN
(Equity share capital breakup as percentage of total equity)
(i) Category-wise Share Holding

Category of Share holders	"No. of Shares held at beginning of the year [As on 31-March-2015]				"No. of Shares held at end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	869,800	-	869,800	8.49%	854,900	-	854,900	8.34%	-1.71%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	284,715	-	284,715	2.78%	284,715	-	284,715	2.78%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	1,154,515	-	1,154,515	11.26%	1,139,615	-	1,139,615	11.12%	-1.29%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	1,154,515	-	1,154,515	11.26%	1,139,615	-	1,139,615	11.12%	-1.29%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%

Category of Share holders	"No. of Shares held at beginning of the year [As on 31-March-2015]				"No. of Shares held at end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	516052	0	516,052	5.03%	467496	0	467,496	4.56%	-9.41%
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual share holders holding nominal share capital upto Rs. 1 lakh	6,110,669	65,306	6,175,975	60.25%	6005745	7506	6,013,251	58.66%	-2.63%
ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh	1,711,040	527,400	2,238,440	21.84%	1857413	585200	2,442,613	23.83%	9.12%
c) Others (specify)									
NRI	116,541		116,541	1.14%	126238		126,238	1.23%	8.32%
CLEARING MEMBER	49,277		49,277	0.48%	61587		61,587	0.60%	24.98%
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies-D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	8,503,579	592,706	9,096,285	88.74%	8,518,479	592,706	9,111,185	88.88%	0.16%
Total Public (B)	8,503,579	592,706	9,096,285	88.74%	8,518,479	592,706	9,111,185	88.88%	0.16%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	9,658,094	592,706	10,250,800	100.00%	9,658,094	592,706	10,250,800	100.00%	-1.13%

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged encumbered to total shares	No. of Shares Share of the	% of total Shares Pledged / company	% of Shares encumbered to total shares	
1	J V R MOHAN RAJU	852200	8.31%	0	852200	8.31%	0	0.00%
2	I SURESH	14900	0.15%	0	0	0.00%	0	-100.00%
3	J UMA	600	0.01%	0	600	0.01%	0	0.00%
4	SUPER SOLUTIONS (I) PVT LTD.	284715	2.78%	0	284715	2.78%	0	0.00%
5	J VARUN VARMA	2100	0.02%	0	2100	0.02%	0	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	At the beginning of the year			1,154,515	11.26%	1,139,615	11.12%
2	Changes during the year				0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
3	At the end of the year			1,154,515	11.26%	1,139,615	11.12%

(iv) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For each of the Top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Chintalapati Deepika			140849	1.37%	140849	1.37%
2	Danlaw Systems India Ltd			133732	1.30%	133732	1.30%
3	K Satya Sai			0	0.00%	100000	0.98%
4	Vijayadurga Chintalapati			0	0.00%	93300	0.91%
5	G Arjuna Raju			0	0.00%	84900	0.83%

S. No.	For each of the Top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
6	Uma Lakshmi Guntapalli			0	0.00%	77700	0.76%
7	Bodeddula Nagireddy			0	0.00%	74800	0.73%
8	Subba Rao Guntupallil			0	0.00%	71900	0.70%
9	Punjabhhi Keshavbhai Kadcchha			50000	0.49%	60000	0.59%
10	A.K. Chordia			51052	0.50%	51052	0.50%
	At the end of the year				0.00%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each key managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	J V R MOHAN RAJU (Managing Director)			852,200	8.31%	852,200	8.31%
2	J UMA (Director)			600	0.01%	600	0.01%
3	J VARUN VARMA (Director)			2,100	0.02%	2,100	0.02%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Amt. Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		9,598,537.00		9,598,537.00
ii) Interest due but not paid		54,000.00		54,000.00
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	9,652,537.00	-	9,652,537.00
Change in Indebtedness during the financial year				
* Addition		6,015,988.16		6,015,988.16
* Reduction		6,256,845.00		6,256,845.00
Net Change	-	(240,856.84)	-	(240,856.84)
Indebtedness at the end of the financial year				
i) Principal Amount		9,357,680.16		9,357,680.16
ii) Interest due but not paid		54,000.00		54,000.00
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	9,411,680.16	-	9,411,680.16

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs)
		Name : J V R MOHAN RAJU Desig : Managing Director	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	600,000.00	600,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission - as % of profit - others, specify		- -
5	Others, please specify		-
	Total (A)	600,000.00	600,000.00
	Ceiling as per the Act		

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
		J UMA	B R RAO, M S RAJU	K R C RAJU	
1	Independent Directors Fee for attending board/ committee meetings	10,000.00	20,000.00	10,000.00	40,000.00
	Commission				-
	Others, please specify				-
	Total (1)	10,000.00	20,000.00	10,000.00	40,000.00
2	Other Non-Executive Directors Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	10,000.00	20,000.00	10,000.00	40,000.00
	Total Managerial Remuneration Overall Ceiling as per the Act				640,000.00

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		CEO	CFO	CS	
	Name				
	Designation				
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS					
IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure 'B' to the Director's Report

The conservation of energy, Technology absorption, Foreign Exchange earnings and outgo pursuant to the provisions of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A. Details of Conservation of Energy:

The operations of the Company are not energy intensive. However, adequate measure have been taken to conserve and reduce the energy consumption by using energy efficient computer monitors and other equipment's, air-conditioners are used only when required and air-conditioned areas have been treated with heat resistant material like sun control film to reduce heat absorption. We believe energy saved is energy produced.

B. Technology Absorption, Adaptation and Innovation

The company is taking up only marketing activity of certain biotechnology products. So no specific technology absorption is took place.

(i). Foreign Exchange Earnings and Outgo.

Particulars	Rs. In Lakhs	
	2015-16	2014-15
Foreign exchange earnings	NIL	NIL
Foreign exchange outgo	72.60	75.42

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT:

Industry Structure and Development :

The Bio Pharma Industry, especially the r-DNA products being imported to India are facing a tough competition of late. Though our company has got it's standing in selling erythropoietin, we could able to sell good quantity, as compared to last year. We could exceed last year turnover by 66.59% in terms of quantity (Erythropoietin) compared to last year. hence, the company could achieve exceed 66.34% in terms of price realization due to reduction of prices to some extent to be in the market.

Opportunities and Threats, Product wise Performance and Outlook :

The Industry is growing exponentially and so is the competition. Heavy competition is a major threat to our business. The management of our company is pursuing various options to overcome this threat. The following are a few steps that the company is taking to face the competition.

- Increasing the quantity and reducing the prices to compete with others.
- The company got license for higher potency i.e., for 10000IU and is planning to launch the same in the market soon.
- The company is trading cautiously while introducing new products due to the increased cost of launching new product, challenges faced in getting the necessary approvals and complications in conducting clinical trials.

The company is presently importing and marketing 'Recombinant Human Erythropoietin' with the brand names EPOVIN and EPOSINO. The turnover of the company can be further increased as the company will be introducing 10000 IU also in the market.

Risks & Concerns

- 1) The competition in the existing product portfolio has increased over the years which are affecting the profits of the company.
- 2) Increase in the custom duty from this financial year which is almost 50% of the order value is also affecting the profits of the company.
- 3) The cost & time for getting approvals for new products have become unpredictable and there is no guarantee that the company will get the approvals, for new products.
- 4) The DCGI is insisting clinical trials for every product, even though it is marketed in many countries after successful clinical trials in other countries. The conduct of clinical trials involves huge amount of money and time and thus reduces the competitiveness of the product in terms of price.

Internal Control systems and their adequacy

The internal control systems are adequate to the size and nature of operations of the company.

Discussion on financial performance with respect to operational performance:

During the year the company has sales revenue of Rs.126.01 Lakhs as against last year sales revenue of Rs.75.75 Lakhs, an increase about 66.34% in rupee terms. The management is expecting get good revenues from the second half of the financial year 2016-17 with the introduction of 10000 IU potency of Erythropoietin into the market.

ANNEXURE -C

Report On Corporate Governance

The following is a report on the steps taken by the company for implementation of Corporate Governance.

Adoption of Code of Corporate Governance by the Company

Corporate Governance is the road map, which guides and directs the Board of Directors to govern the affairs of the Company in a manner most beneficial to all the shareholders, the Creditors, the Government and the society at large. It ensures the accountability of the Board in its decisions.

Corporate Governance is indispensable to resilient and vibrant capital markets and is an important instrument of investor protection.

Corporate Governance, in its true sense, is deeply embedded in the corporate Philosophy of your company.

BOARD OF DIRECTORS:

The Board of Directors comprising One Managing Director, one Whole Time Director, One Non Executive Non Independent Director and Four Independent Directors. The composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

During the year, there was no pecuniary relationship or business transaction by the Company with any non-executive Director, other than the sitting fee for attending the Board/Committee meetings.

- | | | |
|------------------------------|---|--------------------------------------|
| 1. Sri J.V.R.Mohan Raju | - | Chairman & Managing Director |
| 2. Mr. J Varun Varma | - | Whole time Director |
| 3. Sri B.R.Rao | - | Director |
| 4. Sri A.V.V.Satyanarayana | - | Director (Resigned w e f 31-10-2015) |
| 5. Smt. J.Uma | - | Director |
| 6. Sri K.Rama Chandra Raju | - | Director |
| 7. Sri M. Satyanarayana Raju | - | Director |

Board Meetings:

The board of directors met 4 (Four) times during the financial year on 30-05-2015, 31-07-2015, 31-10-2015 & 30-01-2016.

Name of the Director	Category	No. of Board Meetings Attended	Attendance at Last AGM	No. of out side Directorships held
1. J.V.R.Mohan Raju	MD	4	Yes	3
2. J. Uma	NED	4	Yes	1
3. J. Varun Varma	ED	4	Yes	4
4. B.R. Rao	ID	4	Yes	NIL
5. A.V.V. Satyanarayana (Resigned w e f 31-10-2015)	ID	-	No	NIL
6. K. Rama Chandra Raju	ID	4	Yes	NIL
7. M. Satyanarayana Raju	ID	4	Yes	2

MD – Managing Director, NED – Non-Executive Director, ED – Executive Director, ID – Independent Director

Remuneration to Directors

The details of remuneration and sitting fee paid to following directors for the year 2015–2016 are:

Non Executive Directors: (Sitting Fee only)

a. Smt. J. Uma	–	Rs. 10,000/-
b. Sri B.R.Rao	–	Rs. 10,000/-
c. Sri K. Rama Chandra Raju	–	Rs. 10,000/-
d. Sri M. Satyanarayana Raju	–	Rs. 10,000/-

Executive Directors :

Sri J.V.R.Mohan Raju	–	Rs. 6,00,000/-
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Audit Committee :

The audit committee as on 31st March, 2016 consists of

1) Sri B.R.Rao	–	Chairperson
2) Mr. M Satyanarayana Raju	–	Member
3) Mr. K Ramachandra Raju	–	Member

All the above members are non-executive Independent directors. Sri B.R.Rao possesses expert knowledge in the area of finance and accounting.

In accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and also Section 177 of the Companies Act 2013, the terms of reference stipulated by the Board to the Audit Committee are as follows:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement (s)/are correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with the management the annual financial statements before submissions to the Board.
- Reviewing with the management, external auditors and the adequacy of internal control systems.
- Discussions with external auditors before the audit commences regarding the nature and scope of audit as well as to have post audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.

During the year, Audit Committee met on 30-05-2015, 31-07-2015, 31-10-2015 & 30-01-2016 all the members attended the meeting.

The audit committee reviewed the concurrent audit reports and follow up including internal control systems prevailing in the company. Committee expressed its satisfaction on Accounts.

Stakeholders Relationship, Grievance and Share Transfer Committee:

All the directors of the board are the members of investor's grievance committee, Sri. B.R.Rao is the chairman of the committee. The Committee met twice during the year. The dates on which the Committee meetings were held are: 31-10-2015 & 30-01-2016.

Reconciliation of Share capital Audit

As required by the Regulations of the Securities and Exchange Board of India (SEBI), the issued and listed capital of the company is reconciled with the aggregate of the number of shares held by investors in physical mode and in the De-mat mode. A Certificate is being obtained on a quarterly basis to this effect from a Practicing Company Secretary and submitted to the Stock Exchanges where the Company's shares are listed. No discrepancies were found or reported by the Secretarial Auditor between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories for the financial year 2015-16.

Compliance Officer:

Sri JVR Mohan Raju, Managing Director of the Company is the Compliance Officer.

The company has attended to most of the investor's grievances/correspondence within a period of 15 days from the date of receipt. Almost all the rest of the grievances were attended within the maximum period of 30 days. All Transfers were completed within the maximum period of 30 days.

In view of SEBI's new regulations, a series of steps have been taken to put in place appropriate corporate governance policies for your Company as reported below:

In view of SEBI's new regulations, a series of steps have been taken to put in place appropriate corporate governance policies for your Company as reported below:

- 1) The Board of Directors had met 4 times during the year 2015-2016 and the gap between any two successive meetings in not more than 120 days.
- 2) The Board has six members comprising of one Managing Director and one Executive Director and four Non-Executive Directors.
- 3) Share transfer/Transmissions are being processed and approved promptly through Circular Resolutions of the Share Transfer Committee ratified subsequently by the Board at its regular meetings.
- 4) There are no outstanding major complaints received from the share holders.
- 5) The Board is pleased to inform that during the financial year 2015-2016 no penalties/strictures have been imposed on the company by the stock exchanges, Registrar of companies, SEBI or any statutory authority in any manner related to capital market.
- 6) The Listing fees to Bombay Stock Exchange Limited, Mumbai for the year 2016-2017 is paid.

- 7) The Company has complied with the requirements of allowing shareholders to hold the shares in electronic form and appointed M/s. Venture Capital & Corporate Investments Ltd., as Registrars for De-mat shares. So far 10159194 shares have been De-materialized.
- 8) The Company has complied with the requirements of the stock exchanges like holding Board meetings for consideration of Un-Audited Financial Results, obtaining a limited review report from the auditors and the half yearly accounts (Un-Audited for the half year ended 30-09-2015) and sent a copy of the same to the stock exchanges as stipulated in the Listing Agreement with the stock exchanges.

Nomination Remuneration Committee:

The remuneration committee consists of the following Directors.

- 1). Sri. B.R.Rao – Chairman
- 2). Sri K.Ramachandra Raju – Member
- 3). Sri M.Satyanarayana Raju – Member

The committee had met on 31-10-2015 during the financial year 2015-16.

Postal Ballot :

No special Resolutions were required to be passed through postal ballot last year.

GENERAL SHAREHOLDER INFORMATION:

1. Book Closure Date : 21.09.2016 to 30.09.2016 (both days inclusive)
2. Date, Time and Venue of the 24th Annual General Meeting : 30.09.2016 at 10.00 A.M. at H.No. 8-2-269/S, Plot No. 31 Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500 034.
3. Listing On Stock Exchanges : Bombay Stock Exchange Limited
4. Listing Fee : Listing Fees for the year 2016-17 has been paid to the Bombay Stock Exchange Ltd.
5. Registered Office : H.No: 8-2-269/S, Plot No: 31, Sagar Co-Operative Housing Society, Road No: 2, Banjara Hills, Hyderabad – 500 034.
Ph.No: 23555161, Fax: 40205171
Email: pharma.hindustanbio@gmail.com

6. Place Where Share Transfers are to be lodged : Secretarial Dept. at Regd Office.
7. Investors' Correspondence & Share Transfers (in Physical Form) : Compliance Officer.
HINDUSTAN BIO SCIENCES LIMITED
 H.No: 8-2-269/S, Plot No: 31,
 Sagar Co-Operative Housing Society,
 Road No: 2, Banjara Hills,
 Hyderabad - 500 034.
 Ph.No: 23555161, Fax: 40205171
 Email: pharma.hindustanbio@gmail.com
 (Share transfers in physical form are processed In house by Secretarial Department of the Company)
- For Electronic Mode : M/s. Venture Capital & Corporate Investments Private Limited.,
 12-10-167,
 Bharat Nagar,
 Hyderabad - 500 018.
8. Company's ISIN No. : INE 597C01013
9. Trading in shares (Electronic Form) : Compulsory De-mat
10. Dividend Declared in earlier years : The Company has not declared dividend so far
11. Publication of Unaudited/Audited Financial Results in the press : Normally Published

12. Date & Venue of the last Three Annual General Meetings	Date	Venue	Special Resolution passed
Twenty First Annual General Meeting	29-09-2013	Plot No.31, Sagar Society Road No: 2, Banjara Hills, Hyderabad - 500 034.	Appointment J. Varun Varma as a Director
Twenty Second Annual General Meeting	30-09-2014	Plot No.31, Sagar Society Road No: 2, Banjara Hills, Hyderabad - 500 034.	Nil
Twenty Thrid Annual General Meeting	30-09-2015	Plot No.31, Sagar Society Road No: 2, Banjara Hills, Hyderabad - 500 034.	Nil

**Market price data on company's scrip on Bombay Stock Exchange Ltd
for the Financial Year 2015-2016**

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
Apr-15	1.56	07-04-15	1.41	16-04-15
May-15	1.34	21-05-15	1.28	26-05-15
Jun-15	1.22	25-06-15	1.22	25-06-15
Jul-15	1.61	31-07-15	1.28	02-07-15
Aug-15	2.23	12-08-15	1.45	28-08-15
Sep-15	2.75	24-09-15	1.52	02-09-15
Oct-15	2.60	07-10-15	2.36	28-10-15
Nov-15	3.06	30-11-15	2.21	13-11-15
Dec-15	3.97	08-12-15	3.21	01-12-15
Jan-16	5.10	12-01-16	3.43	29-01-16
Feb-16	3.60	01-02-16	2.28	29-02-16
Mar-16	2.80	21-03-16	2.04	03-03-16

Pattern of Shareholding as on 31.03.2013

Description	No. of Shareholders	%	No. of Shares	%
INDIVIDUAL	6587	97.63	9310764	90.83
FI	-	-	-	-
FII	-	-	-	-
NRI	31	0.46	126238	1.23
Bodies Corporate	103	1.53	752211	7.34
Clearing Member	26	0.39	61587	0.60
Foreign National	-	-	-	-
Mutual Funds	-	-	-	-
Trustees	-	-	-	-
Bank	-	-	-	-
Inter E Diary	-	-	-	-
TOTAL	6747	100	10250800	100

Distribution of Shareholding As on 31.03.2016

Range	No. of Shareholders	%	No. of Shares	%
UP TO 500	4012	59.46	1062174	10.36
501 TO 1000	1289	19.10	1163943	11.35
1001 TO 2000	678	10.05	1120005	10.93
2001 TO 3000	274	4.06	728389	7.11
3001 TO 4000	117	1.73	427101	4.17
4001 TO 5000	116	1.72	564367	5.51
5001 TO 10000	152	2.25	1182817	11.54
10001 & ABOVE	109	1.62	4002004	39.04
TOTAL	6747	100	10250800	100.00

Declaration on compliance with code of conduct

I declare that the company has received affirmation of compliance with the "Code of Business conduct for Directors and Senior Executives" laid down by the Board of Directors, from all the Directors and Senior Management personnel of the company, to whom the same is applicable, for the financial year ended 31st March, 2016.

Place : Hyderabad
Date : 30-07-2016

J.V.R. Mohan Raju
Chairman & Managing Director

ANNEXURE -D
SECRETARIAL AUDIT REPORT

Secretarial Audit Report as per Section 204 of the Companies Act, 2013:
FOR THE FINANCIAL YEAR ENDED 31.03.2016

FORM NO. MR.3

Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
M/s. Hindustan Bio Sciences Limited
Hyderabad.

1. We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Hindustan Bio Sciences Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.
2. The company is engaged in the trading of Pharmaceuticals.
3. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended 31st March, 2016 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.
4. WE have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Hindustan Bio Sciences Limited (hereinafter called as "the Company") for the financial year from 1st April 2015 and ended with 31st March, 2016 ("Audit Period") according to the provisions of :
 - i) The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the Rules made there under;
 - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') AND THE Rules made there under;
 - iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the 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 Inside Trading) Regulations, 1992;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme) Guidelines 1999.
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- f) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998;
- i) The following other laws as specifically applicable in the view of the Management.
 - (i) Income Tax act, 1961
 - (ii) Central Sales Tax Act, 1956
 - (iii) Telangana & Andhra Pradesh Value Added Tax
 - (iv) The payment of bonus Act, 1965
 - (v) Telangana & Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987
 - (vi) Customs Act, 1962
 - (vii) Finance Act, 1994 (Service Tax)
 - (viii) Factories Act, 1948
 - (ix) Industrial Disputes Act, 1947
 - (x) Minimum Wages Act, 1948
 - (xi) The Payment of Gratuity Act, 1972
 - (xii) The Payment of Wages Act, 1936
 - (xiii) The Maternity Benefit Act, 1961
 - (xiv) A.P Shops & Establishment Act, 1988
 - (xv) The National and Festival Holidays Act, 1963
 - (xvi) The Employees Provident fund and Miscellaneous provisions act, 1952
 - (xvii) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1956.

The Company do not have any factory and no production activity is being carried out. Hence several Industrial and Labour Laws are not applicable. Applicable Statutory provisions have been verified and found satisfactory.

- 5. We have also examined compliance of the applicable Clauses of the Listing Agreements entered into by the Company with the BSE Limited.
- 6. We further report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. Mentioned above. However, please note for the Audit period the Company being a closely held Limited company following Acts, Rules and Regulations are not applicable.
 - (i) SEBI (ICDR) Regulations, 2009 are not applicable, as there being no further issues of any securities.

- (ii) SEBI (ESOS & ESOP) Guidelines, 1999 are not applicable, as there being no schemes of the Company under the said Guidelines.
 - (iii) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable as there being no debt securities, which are listed on any of the recognized stock exchange.
 - (iv) SEBI (Delisting of Equity Shares) Regulations, 2009 are not applicable, as there being no instances of delisting of equity Shares except de-recognition of Delhi Stock Exchange by the SEBI.
 - (v) SEBI (Buyback of Securities) Regulations, 1998 are not applicable, as there being no instances of buy-back of shares
 - (vi) The Ministry of Corporate Affairs has not notified applicable Secretarial Standards under the Companies Act 2013, therefore, the same was not considered in the Audit.
 - (vii) The compliance of other specific applicable laws as listed in 4 (V) (i) above, were relied on the basis of representations and compliance certificates issued by the Managing Director compliance officers and other officials of respective / concerned Departments of the company.
7. We further report that:
- a. 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 compositions of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the act.
 - b. Adequate Notice is given to all the Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance.
 - c. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
 - d. Majority decision is carried through and there were not instances of dissenting members in the Board of Directors.
 - e. It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.
 - f. Required forms were filed with MCA, additional fee paid wherever required.
8. We further report that there exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
9. We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., referred to the above.

VBSS Prasad
Company Secretary
M.No. : F4139
CP No.: 4605

Place : Hyderabad
Date : 25-07-2016

Annexure to the Secretarial Audit Report

To
The Members,
M/s HINDUSTAN BIO SCIENCES LIMITED
Hyderabad – 500 016

Our Secretarial Audit Report of even date is to be read along with this letter:

1. It is the responsibility of the management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these Secretarial records, Standards and procedures followed by the Company with respect to secretarial compliance.
3. We believe that audit evidence and information obtained from the company's Management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representations about the compliance of laws, rules and regulations and happening of events etc.
5. 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

Place : Hyderabad
Date : 25-07-2016

VBSS Prasad
Company Secretary
M.No. : F4139
CP No.: 4605

Chairman & Managing Director's (CMD) Certification & Declaration

Pursuant to the provisions of SEBI (LODR) Regulations, 2015, it is hereby certified that for the financial year ended march 31, 2016:

- A. We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief, these statements:
 - 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) Together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we 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.
- D. We have indicated to the Auditors and the Audit Committee:
 - 1) Significant changes in internal control over financial reporting during the year;
 - 2) Significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud, if any, 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 : Hyderabad
Date : 30-07-2016

J.V.R. Mohan Raju
Chairman & Managing Director

Auditor's Certificate on compliance of conditions of Corporate Governance as per SEBI (LODR) Regulations 2015.

To
The Members of
Hindustan Bio Sciences Limited

We have examined the compliance of conditions of corporate governance by Hindustan Bio Sciences Limited, for the year ended 31-03-2016 as stipulated in SEBI (LODR) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause.

It is neither an audit nor an expression of opinion on the financial statements of the company.

No investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For VASG & ASSOCIATES
Chartered Accountants
FRN 006070S**

Place : Hyderabad
Date : 30-05-2016

(A. Viswanatha Rao)
Partner
Membership No. 29597

Independent Auditor's Report

To the Members of
Hindustan Bio-Sciences Limited.

Report on Financial Statements

1. We have audited the accompanying financial statements of Hindustan Bio Sciences Limited ("the Company") which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 to the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016
 - In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2016 ('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 statement on the matters specified in the paragraphs 3 and 4 of the Order.
8. As required by Section 143(3) of the Act, we report that:
- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - The Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - In our opinion, the Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164(2) of the Act;

For VASG & ASSOCIATES
Chartered Accountants
FRN 006070S

Place : Hyderabad
Date : 30-05-2016

(A. Viswanatha Rao)
Partner
Membership No. 029597

Annexure to the Independent Auditors' Report:

The Annexure referred to in our Independent Auditors' Report of even date to the members of Hindustan Bio-Sciences Limited on the accounts of the Company for the year ended 31st March, 2016, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company does not have any immovable property and hence reporting on the same does not arise.
- ii. The inventory of the Company contains stock of pharmaceutical drugs. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies were observed.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted unsecured interest free loans to a Company and a proprietorship covered in the register maintained under Section 189 of the Act.
- iv. The Company has not granted any loans, made any investment, given any guarantee or security. Accordingly, paragraph 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- vii. (a) According to the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2016 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no amounts payable in respect of income tax, service tax, sales tax, duty of customs or duty of excise which have not been deposited on account of any disputes.

- viii. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- ix. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and on the basis of our examination of the books of account, managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transaction with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For VASG & ASSOCIATES
Chartered Accountants
FRN 006070S

Place : Hyderabad
Date : 30-05-2016

(A. Viswanatha Rao)
Partner
Membership No. 029597

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Notes	As on 31-03-2016 Rs.	As on 31-03-2015 Rs.
I. EQUITY AND LIABILITIES :			
(1) Shareholder's funds			
(a) Share Capital	1	102,508,000	102,508,000
(b) Reserves and Surplus	2	(54,304,280)	(33,426,450)
Non Current Liabilities			
(1) Long Term Borrowings	3	3,635,692	9,652,537
(2) Current Liabilities			
(a) Short Term Borrowings	4	5,775,988	-
(b) Trade Payables	5	906,168	1,426,285
(c) Short-Term Provisions	6	255,410	372,066
Total Equity & Liabilities:		58,776,978	80,532,438
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(i) Gross Block	7	5,273,064	24,478,978
(ii) Depreciation		4,566,272	4,456,068
(iii) Net Block		706,792	20,022,910
(b) Deferred Tax Asset	8	382,890	431,596
(c) Long Term Loans and Advances	9	52,688,053	53,984,620
(2) Current Assets			
(a) Inventory		10,975	903,192
(b) Trade Receivables	10	4,725,400	3,208,451
(c) Cash and cash equivalents	11	251,201	1,981,669
(d) Short-term loans and advances	12	11,667	-
Total Assets		58,776,978	80,532,438

Notes to Accounts

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Schedules referred to above and notes attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.

For **VASG & ASSOCIATES**For **HINDUSTAN BIO SCIENCES LIMITED**

Chartered Accountants

FRN: 006070S

(A.Viswanatha Rao)

Partner

Member Ship No. 029597

Place: Hyderabad

Date : 30-05-2016

J.V.R.Mohan Raju
Chairman & Managing Director

J.Uma
Director

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2016

Sr. No	Particulars	Notes	AS ON 31-3-2016 Rs.	AS ON 31-3-2015 Rs.
I	Revenue from operations	13	12,600,780	7,575,356
II	Total Revenue		12,600,780	7,575,356
III	Expenses:			
	Cost of materials consumed	14	8,579,139	13,059,218
	Employee Benefit Expenses	15	2,779,516	2,536,142
	Financial Costs	16	259,950	312,847
	Depreciation and Amortization Expenses	17	110,204	1,845,460
	Other Administrative Expenses	18	2,304,058	3,611,728
	Selling Expenses	19	167,523	690,608
	Total Expenses (IV)		14,200,390	22,056,003
V	Profit/(Loss) before exceptional and extraordinary items and tax	(I - IV)	(1,599,610)	(14,480,647)
VI	Exceptional Items		19,229,514	-
VII	Profit/(Loss) before extraordinary items and tax	(V - VI)	(20,829,124)	(14,480,647)
VIII	Extraordinary Items		0	-
IX	Profit/(Loss) before tax	(VII - VIII)	(20,829,124)	(14,480,647)
X	Tax expenses:			
	(1) Current tax		-	-
	(2) Deferred tax		(48,706)	(71,752)
XI	Profit(Loss) for the period from continuing operations	(IX-X)	(20,877,830)	(14,552,399)
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(Loss) from Discontinuing operations	(XII-XIII)	-	-
XV	Profit/(Loss) for the period	(XI+XIV)	(20,877,830)	(14,552,399)
XVI	Earning per equity share:			
	(1) Basic		(2.04)	(1.42)
	(2) Diluted		(2.04)	(1.42)

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement
This is the Profit & Loss Statement referred to in our Report of even date.

For VASG & ASSOCIATES

Chartered Accountants

FRN: 006070S

(A.Viswanatha Rao)

Partner

Member Ship No. 029597

Place: Hyderabad

Date : 30-05-2016

For HINDUSTAN BIO SCIENCES LIMITED

J.V.R.Mohan Raju

Chairman & Managing Director

J.Uma

Director

Notes Forming Integral part of the Balance Sheet as at 31st March, 2016

Notes : 1 Share Capital

Sr. No.	Particulars	31-Mar-2016 Rs.	31-Mar-2015 Rs.
1.	AUTHORIZED CAPITAL (1,10,00,000 Equity Shares of Rs. 10/- each)	110,000,000	110,000,000
		110,000,000	110,000,000
2.	ISSUED, SUBSCRIBED & FULLY PAID UP CAPITAL 10250800 Equity shares of Rs. 10/- each)	102,508,000	102,508,000
	Total ISSUED, SUBSCRIBED AND FULLY PAID UP CAPITAL	102,508,000	102,508,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

	As at 31st March 2016		As at 31st March 2015	
	No. of shares	Amount Rs.	No. of shares	Amount Rs.
At the beginning of the period	10250800	102508000	10250800	102508000
Issued during the year	----	-----	----	-----
Outstanding at the end of the period	10250800	102508000	10250800	102508000

A. Terms \Rights attached to Equity Shares

The company has only one class of Equity Shares having at par value of Rs.10/- each. Each holder of Equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

B. Details of shareholders holding more than 5% Shares in the company

Sl.No.	Particulars	No. of shares	% of share holding
1.	JVR Mohan Raju	852,200	8.31

Notes : 2 Reserves & Surplus

Sr.No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1.	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	(33,426,450)	(18,322,761)
	Excess Depreciation claimed due to Schedule II	0	551,289
	Add : Loss for the period	(20,877,830)	(14,552,399)
	Total Reserves & Surplus	(54,304,280)	(33,426,450)

Notes : 3 Long Term Borrowings

Sr.No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1.	Loans -Others	3,635,692	9,652,537
	Total Long Term Borrowings	3,635,692	9,652,537

The Loan-others included unsecured loan taken from V Rangaiah during the year 2011-12 and carries interest @24%p.a.

Notes : 4 Short Term Borrowings

Sr.No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1.	Hindustan Overseas Corporation	5,775,988	-
	Total Short Term Borrowings	5,775,988	-

Notes : 5 Trade Payables

Sr.No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
	Sundry Creditors	906,168	1,426,285
	Total Trade Payables	906,168	1,426,285

Notes : 6 Short Term Provisions

Sr.No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	CST Payable	0	16,128
2	Salaries Payable	153,430	116,193
3	Rent Payable	24,300	69,770
4	Professional Tax Payable	1,250	850
5	TDS Payable	0	84,527
6	Audit Fee payable	56,430	54,598
7	TDS on Salaries	20,000	0
8	Professional charges payable	0	30,000
	Total Short Term Provisions	255,410	372,066

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2016
Notes : 7 Fixed Assets
(Amount in Rs.)

Sr. No	Particulars	Gross Block			Depreciation			Net Block			
		Value at the beginning	Addition during the period	Deduction during the period	Value at the end	Value at the beginning	Addition during the period	Deduction during the period	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
1	Tangible Assets										
1	COMPUTERS	160350			160350	18468	0	133864	26486	44954	
2	FURNITURE & FIXTURES	510905			510905	0	0	485360	25545	25545	
3	OFFICE EQUIPMENT	415809			415809	864	0	394154	21655	22519	
4	VEHICLES	2702736			2702736	46329	0	2379532	323204	369533	
5	CAPITAL WIP	19229514		19229514	0	0	0	0	0	19229514	
6	AIR CONDITIONER	250652			250652	13415	0	158999	91653	109068	
7	REFRIGERATOR	86098			86098	7088	0	81793	4305	11393	
8	NETWORKING(LAN)	45614			45614	43333	0	43333	2281	2281	
9	ELECTRICAL INSTALLATION	76200	23600		99800	8196	0	30094	69706	54302	
10	TELEVISION	115300			115300	8503	0	67019	48281	56784	
11	WEBSITE	40000			40000	0	0	40000	0	0	
12	EPBX	42800			42800	0	0	40660	2140	2140	
13	WALK IN COOLER	213000			213000	7341	0	150964	62036	69377	
14	FITNESS EQUIPMENT	590000			590000	0	0	560500	29500	29500	
	Total	24478978	23600	19229514	5273064	110204	0	4566272	706792	20022910	
		24478978	23600	19229514	5273064	110204	0	4566272	706792	20022910	
	previous year	24,730,533	98,300	349,855	24,478,978	3,934,420	551,289.00	4,456,068	20,022,910	20,796,113	

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2016

Notes : 8 Deferred Tax Asset

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1.	Timing Difference of Depreciation on Assets	382,890	431,596
	Total Deferred Tax Asset	382,890	431,596

Being the Impact of difference between tax depreciation and Depreciation charged for the financial reporting on Fixed Assets as per AS-22.

Notes : 9 Long Term Loans and Advances

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
I)	Capital Assets		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
II)	Security Deposit		
	a) Secured, Considered Good :		
	Earnest Money Deposit	-	-
	Other Deposit	180,618	225,340
	b) Unsecured, Considered Good :		
	c) Doubtful		
III)	Loans & Advances to related parties		
	Unsecured, Considered good	0	1,251,845
IV)	Advances recoverable in cash or kind		
	Unsecured Considered good	2,200,000	2,200,000
V)	Other Loans & Advances	50,307,435	50,307,435
	Total Long Term Loans and Advances	52,688,053	53,984,620

9(iii).Loans & Advances to related parties

As at 31-Mar-2016

As at 31-Mar-2015

(Amount in Rs.)

(Amount in Rs.)

Due from Basix Infotech India Private Limited in which
Managing Director is a Director

0

1,251,845

9 (v) The other Loans and Advances relates to the amount received during the tenure of previous management, which are subject to confirmation.

Notes : 10 Trade Receivables

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Outstanding for more than six months		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others		
	a) Secured, Considered Good :	4,725,400	3,208,451
	b) Unsecured, Considered Good :		-
	c) Doubtful		-
	Total Trade Receivables	4,725,400	3,208,451

Notes : 11 Cash & Cash Equivalent

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Cash-in-Hand		
	Cash Balance	205151	982,303
	Petty Cash Balance	-	-
	Sub Total (A)	205,151	982,303
2	Bank Balance		
	With Axis Bank	23439	976,526
	With HDFC Bank	22611	22,839
	Sub Total (B)	46,050	999,365
3	Cheques on Hand(C)		
		-	-
	Total (A+B+C)	251,201	1,981,669

Notes : 12 Short Term Loans and Advances

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Loans & Advances to related parties		
	a) Secured, Considered Good :		
	Advance to Associate Concerns	-	-
	b) Unsecured, Considered Good :		
	c) Doubtful	-	-
2	Others		
	Advance Recoverable in cash or in kind or for value to be considered good		
	Pre paid Insurance	11,667	
	Total Short Term Loans and Advances	11,667	-

Schedules Forming part of the Profit & Loss Account as at 31st March, 2016

Notes : 13 Revenue from Operations

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Sales- Imported materials	12,600,780	7,521,170
	Sales Domestic Direct	0	13,026
	Difference in Foreign Currency	0	41,160
	Total Revenue from Operations	12,600,780	7,575,356

Notes : 14 Cost of Material Consumed

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Purchases	8,579,139	13,059,218
	Total Cost of Material Consumed	8,579,139	13,059,218
A	DETAILS OF PURCHASES		
	Opening Stock	0	1,220,738
	Purchases-Indigenious	0	0
	Sales Returns - Consignment& Domestic	0	6,892,563
	Packing Materials	0	0
	Cylinder Charges	0	0
		0	8,113,301
	Less: Closing Stock	0	0
	A	0	8,113,301
B	Purchases-Imports		
	Opening stock	903,192	518,004
	Material-Erythroprieten	7,141,719	4,969,353
	Difference in Foreign Exchange	118,420	-
	Customs Duty	369,022	261,103
	Carriage Inwards	8,400	6,250
	Handling & Demurrage	38,834	79,175
	Service Charges	10,527	15,224
		8,590,114	5,849,109
	Less: Closing Stock	10,975	903,192
	B	8,579,139	4,945,917
	Total (A+B)	8,579,139	13,059,218

Notes : 15 Employee Benefit Expenses

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Salaries, Bonus, PF & ESIC	2,050,718	2,094,989
2	Directors Remuneration	600,000	300,000
3	Staff Welfare	128,798	141,153
	Total Employment Benefit Expenses	2,779,516	2,536,142

Remuneration paid to Managing Director Mr.J.V.R.Mohan Raju.

Notes : 16 Financial Cost

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Bank Charges	14,737	52,076
2	Interest	245,213	260,771
	Total Financial Cost	259,950	312,847

Notes : 17 Depreciation & Amortization Expenses

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Depreciation	110,204	91,935
2	Preliminary Expenses W/O	0	1,753,525
	Total Depreciation & Amortization Expenses	110,204	1,845,460

Notes : 18 Other Administrative Expenses

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Audit Fee	62,700	60,665
2	Office maintenance	52,584	80,608
3	Printing & stationery	58,951	163,731
4	Rent Rates & Taxes	619,164	495,325
5	Telephone, Postage & Telegrams	195,947	194,107
6	General Expenses	42,899	28,500
7	Director's sitting fee	40,000	40,000
8	Repairs & Maintenance	67,353	46,130
9	Vehicle Maintenance	205,091	273,756
10	Professional Charges	229,461	169,678
11	Bad Debts Written Off	39,722	531,919
12	Travelling & conveyance	461,418	814,581
13	Advertisement	44,400	43,000
14	Electricity Charges	68,272	55,525
15	Business Promotion	79,981	195,344
16	Subscription	36,115	44,080
17	Expired Goods destroying charges		115,000
18	Loss on Sale of Assets		136,279
19	Vat		77,208
20	Testing charges		46,292
	Total Other Administrative Expenses	2,304,058	3,611,728

Notes : 19 Selling Expenses

Sr. No.	Particulars	As at 31-Mar-2016 Rs.	As at 31-Mar-2015 Rs.
1	Carriage Outwards	167,523	151,373
2	Sales Commission	-	500,615
3	Conv.& other Allowances to M.R's & ABM's	-	38,620
	Total Selling Expenses	167,523	690,608

Schedule: 20

Notes forming part of accounts

A) Significant Accounting Policies:**1) Basis of preparation of Financial Statements:**

- i. The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 2013
- ii. Financial Statements are based on historical cost and are prepared on accrual basis

2) Fixed Assets

Fixed Assets are stated at original cost less accumulated depreciation. Cost includes invoice price and wherever applicable freight, duties and taxes, related interest on specific borrowings upto the date of acquisition / installation and expenses incidental to acquisition and installation but exclude recoveries.

3) Depreciation:

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives.

An Amount of Rs. 192.30 Lakhs being the Capital WIP is written off as Exceptional item during the year.

4) Stock In Trade:

The Closing stock is valued at cost or net realizable value whichever is lower.

5) Revenue Recognition:

The income from activities is recognized as income on the date of sale. The Company Provides for all expenses on accrual basis. Expenditure, the benefit of which accrues over a number of years are treated as deferred revenue expenses and is written off equally over the number of years during which such benefits accrued in installments over a period of ten years during which such benefits accrued to the Company.

6) Taxes on Income:

Tax expense comprises of both current and deferred tax at the applicable enacted / substantively enacted rates. Current tax represents the amount of income – tax payable / recoverable in respect of the taxable income / loss for the reporting period. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and capable of reversal in one or more subsequent periods.

7) Current liabilities include Rs. NIL payable to small scale and Ancillary industrial undertakings to the extent such parties have been identified from the available documents.

8) Quantitative Details of purchases and sales during the year are as follows:

a) Imports

Injections	Opening Stock	Purchase Units	Sales Units	Sample Units	Expired Units	Closing Stock
2000IU	4194	29000	33089	34	32	39
4000IU	3152	25000	28079	34	0	39
6000IU	36	0	0	0	36	0

Vide our report of even date
For **VASG & ASSOCIATES**
Chartered Accountants
FRN: 006070S

For **HINDUSTAN BIO SCIENCES LIMITED**

(A.Viswanatha Rao)
Partner

J.V.R.Mohan Raju
Chairman & Managing Director

J.Uma
Director

Member Ship No. 029597

Place: Hyderabad
Date : 30-05-2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
Profit (Loss) before tax from continuing operations	(1,599,610)	(14,480,647)
Profit (Loss) before tax from discontinuing operations	0	0
Profit (Loss) before tax	(1,599,610)	(14,480,647)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	110,204	1,845,460
(Profit)/loss on sale of fixed assets	0	136,279
Interest expenses	245,213	260,771
Operating profit (Loss) before working capital changes	(1,244,193)	(12,238,137)
Movements in working capital :		
Increase/(decrease) in trade payables	(520,117)	(2,614,172)
Increase/(decrease) in short-term provisions	(116,656)	(343,130)
Increase/(decrease) in other current liabilities	5,775,988	(1,374,700)
Decrease/(increase) in Trade receivables	(1,516,949)	9,264,122
Decrease/(increase) in inventories	892,217	835,550
Decrease/(increase) in long-term loans and advances	1,296,567	2,075,345
Decrease/(increase) in short-term loans and advances	(11,667)	1,677,351
Cash generated from /(used in) operations	4,555,191	(2,717,772)
Direct taxes paid (net of refund)	0	0
Net cash flow from/(used in) operating activities (A)	4,555,191	(2,717,772)
Cash flows from investing activities		
Purchase of fixed assets, including tangible assets	(23,600)	(98,300)
Proceeds from sale of fixed assets	0	92,000
Net cash flow from/(used in) Investing activities (B)	(23,600)	(6,300)
Cash flows from financing activities		
Proceeds from long-term borrowings	(6,016,845)	3,284,676
Interest paid	(245,213)	(260,771)
Net cash flow from/ (used in) financing activities (C)	(6,262,058)	3,023,905
Net increase/(decrease) in cash and cash equivalents(A+B+C)	(1,730,467)	299,833
Cash and cash equivalents at the beginning of the year	1,981,669	1,681,835
Cash and cash equivalents at the end of the year	251,202	1,981,669

For VASG & ASSOCIATES

Chartered Accountants

FRN: 006070S

(A.Viswanatha Rao)

Partner

Member Ship No. 029597

Place: Hyderabad

Date : 30-05-2016

For HINDUSTAN BIO SCIENCES LIMITED

J.V.R.Mohan Raju
Chairman & Managing Director**J.Uma**
Director

AUDITORS CERTIFICATE

We have examined the above cash flow statement of Hindustan Bio Sciences Limited for the year ended March 31st, 2016. The statement has been prepared by the company in accordance with the requirements of the listing agreement clause 32 with stock exchanges and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our report date to the members of the Company.

For VASG & ASSOCIATES
Chartered Accountants
FRN 006070S

(A.Viswanatha Rao)
Partner
Member Ship No. 029597

Place : Hyderabad
Date : 30-05-2016

ATTENDANCE SLIP

Name of the Company : **HINDUSTAN BIO SCIENCES LIMITED**

CIN: L26942TG1991PLC013564

Registered office: H.No.8-2-269/S, Plot No.31, Sagar Co-Operative Housing Society, Road No.2, BanjaraHills, Hyderabad - 500 034

24th Annual General Meeting, Friday, 30th September, 2016 at 10.00AM.

Regd. Folio No. /DP ID_____ Client ID/Ben. A/C_____ No. of shares held_____

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 24th Annual General Meeting of the Company on **Friday, 30th September, 2016 at 10.00AM.**

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

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]*

Name of the Company : **HINDUSTAN BIO SCIENCES LIMITED**

CIN: L26942TG1991PLC013564

Registered office: H.No.8-2-269/S, Plot No.31, Sagar Co-Operative Housing Society, Road No.2, BanjaraHills, Hyderabad - 500 034

Name of the Member	Email ID
Registered Address	Folio No./Client ID
No. of shares held	DP ID

I/ We being the member of, holding shares, hereby appoint

1. 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 24th Annual General Meeting of members of the Company, to be held on Friday, 30th September, 2016 at registered office of the Company at 10.00AM, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote	
		For	Against
1	Adoption of Audited Annual Accounts for the Financial year 2015-16		
2	Re appointment of Shri. J Varun Varma, Director retiring by rotation		
3	Ratification of Appointment of Auditors Appointment.		
4	Reduction of share capital		

Signed this day of..... 2016

Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

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.

**BOOK POST
PRINTED MATTER**

If undelivered please return to :

HINDUSTAN BIO SCIENCES LIMITED

H.No. 8-2-269/S, Plot No. 31,
Sagar Society, Road No. 2,
Banjara Hills, Hyderabad - 500 034.