

19TH ANNUAL REPORT
2010-2011



HINDUSTAN BIO SCIENCES LIMITED

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

- 1) Sri. J.V.R. Mohan Raju - Managing Director
- 2) Smt J.Uma - Director
- 3) Kum. J. Tanuja Raju - Director
- 4) Sri. B.R.Rao - Director
- 5) Sri. A.V.V.Satyanarayana - 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

Bankers

- AXIS Bank Ltd.,
Begumpet Branch,
Hyderabad.

Auditors

- M/s. Rao & Sridhar
Flat No. 310 & 311
Kubera Towers, Narayanguda,
Hyderabad - 500 0029

**Share Transfer Agents For
Demat Shares**

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

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held on Friday, the 30th September, 2011 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, Andhra Pradesh 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, 2011 and the Directors and Auditors Report thereon.
2. To appoint a Director in place of Sri K. Ramachandra Raju, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Kum. J.Tanuja Raju, who retires by rotation and being eligible offers herself for reappointment.
4. To appoint M/s. Rao & Sridhar., Chartered Accountants as Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion next Annual General Meeting at a remuneration and out of pocket expenses to be fixed the Board.

Special Business:

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

5. Re Appointment of Managing Director:

"RESOLVED THAT pursuant to Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto as amended up to date and all guidelines for managerial remuneration issued by the Central Government from time to time, and subject to such approvals as there is necessary, the Company hereby approved the re appointment of Mr. J.V.R.Mohan Raju, Managing Director of the Company for a further period of 5 years with effect from 01-03-2011 To 28-02-2016 on the following terms and conditions and as recommended by the remuneration Committee in its meeting held on 25.01.2011, hereby approved with liberty to the Board of Directors to revise the remuneration from time to time within the limits provided for in the said Schedule XIII or any amendment thereof for the time being in force for a period of 3 years.

Salary: Rs. 2,00,000/- per month (Including Dearness Allowances).

Perquisites:

In addition to salary the following perquisites not exceeding the overall ceiling prescribed under Schedule XIII will be provided to the Managing Director.

A) Housing:

Rent free furnished accommodation along with benefits of gas, fuel, water, electricity, telephone and fax and also upkeep the maintenance of Company's furnished accommodation.

B) Medical Reimbursement:

Reimbursement of Medical for self and family, as per Rules of the company.

C) Leave Travel Allowance:

Leave Travel Allowance will be paid by the Company for himself and his family once in a year subject to ceiling of one and half month salary in a year.

D) Club Fees:

Reimbursement of club fees, subject to maximum of two clubs.

E) Personal Accident Insurance:

Personal Accident Insurance cover as applicable will be provided to him by the company. Premium payable shall not exceed Rs. 4,000/- per annum.

Apart from the above the Managing Director shall also be entitled to the following.

a) Provident Fund / Superannuation Fund:

Contribution to Provident fund / Superannuation Fund is in accordance with the rules of the company.

b) Gratuity:

Gratuity at a rate not exceeding half month salary for each completed year of services.

c) Company Car:

One car with the services with the driver to be maintained by the company for official use.

d) Reimbursement of entertainment, traveling and all other expenses incurred for the business of the company

e) Leave as per rules of the company.

In the event of loss or inadequacy of profits in any financial year, the managing Director's remuneration shall be governed by the limits prescribed under sec II of Part II of Schedule XIII of the Companies Act, 1956 including any statutory modification or reenactment thereof, as may, for the time being, be in force.

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

Place : Hyderabad

Date : 30.05.2011

J.V.R.Mohan Raju

Chairman

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 16th September, 2011 to 30th September, 2011 (both days inclusive).
4. Members are requested to quote ledger folio 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 2011-2012 is paid.
7. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to intimate their mail address to the company along with details such as Folio No, Name of the share holder address.

EXPLANATORY STATEMENT PURSUANT TO THE SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO.5:

The term of Mr. J.V.R.Mohan Raju, Managing Director expires on 28.02.2011 the board reappointed him with effect from 01.03.2011 for the term of 5 years subject to the approval of share holders.

<p>I. General Information :</p> <p>(1) Nature of industry</p> <p>(2) Date or expected date of commencement of commercial production</p> <p>(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.</p>	<p>Trading of Drug & Medicines</p> <p>N.A</p> <p>N.A</p>
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(4) Financial performance based on given indicators	NIL
(5) Export performance and net foreign exchange collaborations	N.A
(6) Foreign investments or collaborators, if any.	N.A
II. Information about the appointee :	
1) Background details	Mr.J.V.R.Mohan Raju is a Commerce Graduate and working as Managing Director of the company since 01.03.2001
2) Past remuneration	Rs. 1,00,000/-
3) Recognition or awards	N.A
4) Job profile and his suitability	He is already Managing Director of the company since 01-03-2001
5) Remuneration proposed	Rs. 2,00,000/-
6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	N.A
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mrs. J.Uma & Kumari J. Tanuja Raju are spouse & daughter of Sri J.V.R.Mohan Raju respectively
III. Other information :	
(1) Reasons of loss or inadequate profits	Loss occurred due to written off Miscellaneous Expenses
(2) Steps taken or proposed to be taken for improvement	Steps are being initiated for increase of sales
(3) Expected increase in productivity and profits in measurable terms.	Increase is expected to be 20%

None of the directors except the above are interested in the resolution.

INSPECTION OF DOCUMENTS:

The documents pertaining to special business are available for inspection at the Registered Office of the company between 10.30 a.m and 12.30 p.m on any working day prior to the meeting.

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

Place : Hyderabad
Date : 30.05.2011

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 31-03-2011.

1. Financial Results:

Rs. In Lakhs

Particulars	2010-2011	2009-2010
Operating Profit (Loss)	29.64	-7.68
Less: Depreciation	4.19	5.44
Less: Miscellaneous Expenditure Written off	22.27	8.25
Add: Excess Provision of Income Tax in previous year	0.00	0.88
Profit Before Tax	3.18	-20.49
Less: Provision for Taxation Income Tax	0.65	0.00
Add/Less: Deferred Tax Asset or Liability	-1.70	0.07
Profit after Tax	0.83	-20.42
Appropriations:		
Proposed Dividend	NIL	NIL
Balance carried forward to Balance Sheet	-3.63	-4.46

Note: Previous year figures have been regrouped wherever necessary.

2. Operations:

During the year under review, the company achieved a turnover of Rs. 373.49 lakhs and it is hopeful of achieving better results in the year ahead as the products are well accepted in the market.

3. Directors:

Sri K.Ramachandra Raju and Kum. J.Tanuja Raju, Directors retiring by rotation and being eligible offers themselves for reappointment.

4. Directors Responsibility Statement:

Your Directors would like to inform members that the audited accounts containing the Financial Statements for the year 2010-2011 are in full conformity with requirement of the Companies Act and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the company's financial condition and result of operations. These financial statements are audited by the statutory Auditors M/s. Rao & Sridhar. Your Directors further confirm that:

- (i). In the preparation of the annual accounts, applicable accounting standards have been followed.
- (ii). The accounting policies are consistently applied and reasonable, prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the company at the end of the financial year.
- (iii). That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv). That the directors had prepared the annual accounts on a going concern basis.

5. Auditors:

M/s. Rao & Sridhar., Chartered Accountants, Hyderabad, who has been appointed as an auditors of the company in the last Annual General Meeting retire at the conclusion of this Annual General Meeting and being eligible and have conveyed their consent to be reappointed.

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

7. Corporate Governance :

A note on corporate governance is enclosed.

8.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 section 217 (2A) of the Companies Act, 1956 and the companies (particulars of Employees) rules, 1975 as amended.

9. 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.

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 : 30.05.2011

J.V.R.Mohan Raju
Chairman

Annexure 'A' to the Director's Report

Particulars pursuant to Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

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
	2010-11
Foreign exchange earnings	NIL
Foreign exchange outgo	195.04

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT:**Industry Structure and Development :**

The Bio Pharma Industry which is a part of Biotech sector having rapid strides in becoming a leader in Global Biotechnology Market. Indian Biotech sector stands 4th in terms of volume and 13th in terms of value in the Global Biotech market. Our company exceeded last year turnover in terms of quantity, but less by 5.16% in terms of value, due to heavy competition. We hope to further increase the turnover, both in terms of quantity and value during the current year.

Opportunities and Threats, Product wise Performance and Outlook :

The Bio Pharma sector accounts for 60% of the total Biotech Industry, which is growing fast to become world leader. Our company is in the lookout for new Bio Pharma Products and Negotiating with Potential Contract manufacturers exclusively for the Indian Market.

As the Industry is growing, it is nothing but natural to face heavy competition, which is a major threat for the company. The management of our company is pursuing various options to overcome this threat. A few are, increasing the quantity and reducing the prices to compete with others, introducing new formulations (Products) for which there is lesser competition and negotiating with the custom manufacturers for a lesser price. Increased cost of launching new product, in terms of approvals and cost of clinical trials, is also posing a threat to the company's income. That is the reason the company is trading cautiously for introducing new products.

Presently we are importing and marketing 'Recombinant Human Erythropoietin' with brand names EPOVIN, EPOSINO, TRANSFER & NEPHRODIL. The turnover of the company can be further increased, if we get approval for higher potencies, which is still pending with DCCI.

Risks and Concerns :

- 1) The competition in the existing product portfolio has increased over the years which are affecting the profits of the company.
- 2) The cost & time for getting approvals for new products have become unpredictable and there is no guarantee that we get the approval.
- 3) The DCCI 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 revenue of Rs.373.49 Lakhs as against last year revenue of Rs.393.79 lakhs. The management is expecting that the revenues will increase during this year as we have four brands now in the market.

ANNEXURE -B
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 Two Non Executive Non Independent Directors and Four Independent Directors. The composition of the board is in conformity with clause 49 of the listing agreement. The details are given below.

- | | | |
|------------------------------|---|------------------------------|
| 1. Sri J.V.R.Mohan Raju | - | Chairman & Managing Director |
| 2. Kum. J. Tanuja Raju | - | Director |
| 3. Sri B.R.Rao | - | Director |
| 4. Sri A.V.V.Satyanarayana | - | Director |
| 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 31-5-2010, 27-07-2010, 30-10-2010 & 25-01-2011.

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. Tanuja Raju	NED		No	NIL
4. B.R. Rao	NED	4	Yes	NIL
5. A.V.V. Satyanarayana	NED		No	NIL
6. K. Rama Chandra Raju	NED	4	Yes	NIL
7. M. Satyanarayana Raju	NED	1	No	2

Remuneration to Directors

The details of remuneration paid to all the directors for the year 2010-2011 are:

1. Non Executive Directors: (Sitting Fee only)

a. Smt. J. Uma	-	Rs.	8000/-
b. Kum. J.Tanuja Raju	-		Nil
c. Sri B.R.Rao	-	Rs.	8000/-
d. Sri A.V.V.Satyanarayana	-		NIL
e. Sri K. Rama Chandra Raju	-	Rs.	8,000/-
f. Sri M. Satyanarayana Raju	-	Rs.	2,000/-

2. Executive Directors :

Sri J.V.R.Mohan Raju	-	Rs.	12,00,000/-
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3. Audit Committee :

The audit committee as on 31st March, 2011 consists of

- 1) Sri B.R.Rao, Chairman
- 2) Kum. J. Tanuja Raju
- 3) Smt J.Uma.

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

In accordance with Clause 49 of the Listing Agreement and also Section 292A of the Companies Act, 1956, 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 31-05-2010, 27-07-2010, 30-10-2010, and 25-01-2011 and all the members attended the meeting under the chairmanship of Sri B.R.Rao

The audit committee has not made any specific recommendations.

4. Investor Grievance Committee :

All the directors of the board are the members of investors 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:

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. At most all the rest of the grievances was 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:

- 1) The Board of Directors had met 4 times during the year 2010-2011 and the gap between any two successive meetings did not exceed four months.
- 2) The Board has Seven members comprising of One Managing Director and Six 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 2010-2011 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 2011-2012 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 Demat shares. So far 9658094 shares have been dematerialized.
- 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 30-09-2010) and sent a copy of the same to the stock exchanges as stipulated in the Listing Agreement with the stock exchanges.

5. Remuneration Committee:

The remuneration committee consists of the following Directors.

- 1) Sri B.R.Rao, Chairman
- 2) Kum. J. Tanuja Raju
- 3) Smt J.Uma

The committee had no occasion to meet during the financial year 2010-11

Postal Ballot :

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

GENERAL SHAREHOLDER INFORMATION:

1. Book Closure Date : 16.09.2011 to 30.09.2011 (both days inclusive)
2. Date, Time and Venue of the 19th Annual General Meeting : 30.09.2011 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 2011-12 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 Pvt. Limited.,
 12-10-167,
 Bharat Nagar,
 Hyderabad - 500 018.

8. Company's ISIN No. : INE 597C01013
9. Trading in shares (Electronic Form) : Compulsory Demat
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
Sixteenth Annual General Meeting	27-09-2008	Pride Inn, H.No. 8-2-289/8/1, Road No. 14, Banjara Hills, Hyderabad - 500 034.	Nil	
Seventeenth Annual General Meeting	30-09-2009	Pride Inn, H.No. 8-2-289/8/1, Road No: 14, Banjara Hills, Hyderabad - 500 034.	Authorisation to sell, lease or dispose of the land pertaining to Cement Division	
Eighteenth Annual General Meeting	30-09-2010	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 2010-2011

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April 10	3.70	30-04-2010	3.01	28-04-2010
May 10	3.80	20-05-2010	2.80	26-05-2010
June 10	3.60	25-06-2010	2.77	17-06-2010
July 10	3.67	20-07-2010	2.66	23-07-2010
August 10	3.42	20-08-2010	2.65	31-08-2010
September 10	5.51	07-09-2010	2.80	01-09-2010
October 10	3.84	13-10-2010	3.31	29-10-2010
November 10	3.84	12-11-2010	2.87	30-11-2010
December 10	3.47	03-12-2010	2.78	14-12-2010
January 11	3.35	13-01-2011	2.63	31-01-2011
February 11	2.98	07-02-2011	2.15	11-02-2011
March 11	2.82	24-03-2011	2.01	29-03-2011

Pattern of Shareholding as on 31.03.2011

Description	No. of Shareholders	%	No. of Shares	%
Individual	6798	97.09	8981825	87.62
FI	-	-	-	-
FII	-	-	-	-
NRI	33	0.47	121741	1.19
Bodies Corporate	139	1.99	1050384	10.25
Clearing Member	32	0.46	96850	0.94
Mutual Funds	-	-	-	-
Trustees	-	-	-	-
Bank	-	-	-	-
TOTAL	7002	100.00	10250800	100.00

Distribution of Shareholding as on 31.03.2011

Range	No. of Shareholders	%	No. of Shares	%
Up to 500	4192	59.87	1122459	10.95
501 to 1000	1329	18.98	1199278	11.70
1001 to 2000	722	10.31	1195622	11.66
2001 to 3000	264	3.77	707027	6.90
3001 to 4000	122	1.74	451823	4.41
4001 to 5000	109	1.56	530209	5.17
5001 to 10000	156	2.23	1191822	11.63
10001 & Above	108	1.54	3852560	37.58
TOTAL	7002	100.00	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 2011.

J.V.R. Mohan Raju

Chairman & Managing Director

Place : Hyderabad
Date : 30-05-2011

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

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby certified that for the financial year ended March 31st, 2011.

- A) We have reviewed financial statements and the cash flow statements for the year and that to the best of our knowledge and belief,
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There is, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violate of the Company's Code of Conduct.
- C) We accept responsibility for establishing and maintaining internal controls and they have evaluated the effectiveness of internal control systems of the company and they have disclosed to the Auditor's and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take, to rectify these deficiencies.
- D) We have indicated to the Auditors and the Audit Committee:
- i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which they 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.
- E) We affirm that all Directors and Senior Management have complied with the code of Conduct for the year.

Place : Hyderabad
Date : 30-05-2011

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

Auditor's Certificate on compliance of conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the stock exchanges.

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 31-03-2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Mumbai Stock Exchange Limited.

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 RAO & SRIDHAR
Chartered Accountants
FRN 006070S**

Place : Hyderabad
Date : 30-05-2011

**A.Viswanatha Rao
Partner
Member Ship No. 29597**

AUDITOR'S REPORT

Auditor's Report to the Members of Hindustan Bio Sciences Ltd.

We have audited the attached Balance Sheet of Hindustan Bio Sciences Limited as on 31st March, 2011 and also the Profit and Loss Account for the year ended on that date annexed thereon. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. 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.
3. The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in Sub-Section (3 C) of section 211 of the Companies Act, 1956.

5. On the basis of written representations received from the Directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said account give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and
 - b. In the case of the Profit and Loss Account, of the profit for the year ended on that date.

**For RAO & SRIDHAR
Chartered Accountants
FRN 006070S**

**Place : Hyderabad
Date : 30-05-2011**

**A.Viswanatha Rao
Partner
Member Ship No. 29597**

ANNEXURE TO THE AUDITOR'S REPORT

As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India, in terms of sub-section (4A) of Section 227 of Companies Act, 1956, we report that.

- i)
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) These fixed assets have been physically verified by the management during the year and discrepancies noticed on such verification have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of the assets.
 - c) None of the fixed assets have been revalued during the year under review.
- ii)
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The discrepancies noticed on verification between the physical stocks and the book records, which are not significant, have been properly dealt with the books of account.
- iii) The company has neither granted nor has it taken any loans, secured or unsecured from Companies, firms or other parties listed in the registers maintained under section 301 or from companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of stores raw materials including components, plant and machinery, equipment and other assets and with regard to the sale of goods.
- v) In our opinion and according to the information and explanations given to us, there were no transactions of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party.

- vi). The company has not accepted any deposits from the public governed by section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 do not apply to this company.
- vii) The company does not have a formal internal audit department but we are of the opinion that the Company's internal control procedures together with the internal checks conducted by the management during the year can be considered as an adequate internal audit system commensurate with the size and nature of its business.
- viii) The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- ix) a) The company is regular in depositing undisputed statutory dues with the appropriate authorities including Income Tax, Sales Tax, Wealth Tax and other statutory dues applicable to it.
b) According to the information and explanations given to us no undisputed amounts payable by the company in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty outstanding as at 31st March 2011 for the period of more than six months from the date they became payable.
- x) The company does not have any accumulated losses at the end of the financial year under reference. The company has not incurred any cash losses in the financial year under reference.
- xi) The company has not defaulted in repayment of its dues to financial institutions or banks.
- xii) The company has not granted loans and advances on the basis of the security by way of pledge of shares, debentures, and other securities.
- xiii) In our opinion, the company is not a Chit Fund or Nidhi/ Mutual Benefit Fund/Society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xiv) In our opinion, The company is not dealing in or trading in shares, securities, debentures and other investments.
- xv) The company has not given any guarantee for loans taken by other from banks or financial institutions.
- xvi) In our opinion, the company has not taken any term loans during the year under review.

- xvii) In our opinion, and according to explanations and information give to us, funds raised on short - term basis have not been used for long - term investment and vice versa.
- xviii) The company has not made any preferential allotment of shares during the year under reference.
- xix) The company had not issued any debentures.
- xx) The company, during the year, has not raised money by public issues.
- xxi) In our opinion and according to explanations and information given to us, no fraud on or by the company has been noticed or reported during the year.

**For RAO & SRIDHAR
Chartered Accountants
FRN 006070S**

**Place : Hyderabad
Date : 30-05-2011**

**A.Viswanatha Rao
Partner
Member Ship No. 29597**

BALANCE SHEET AS AT 31ST MARCH, 2011

Particulars	Sch. No.	As At 31-03-2011 Rs.	As At 31-03-2010 Rs.
I. SOURCES OF FUNDS:			
(1) Shareholder's funds			
(a) Capital	1	102,508,000	102,508,000
(b) Reserves and Surplus	2	-363,161	-446,436
(2) Loans funds			
Un-Secured Loans	3	1,040,500	1,000,000
Total :		103,185,339	103,061,564
II. APPLICATION OF FUNDS:			
(1) Fixed Assets	4		
(a) Gross Block		25,002,541	33,878,105
(b) Less: Depreciation		3,149,628	8,696,107
(c) Net Block		21,852,913	25,181,998
(2) Deferred tax asset		503,055	673,545
(3) Current Assets, Loans & Advances.	5		
(a) Sundry debtors		3,767,969	3,784,707
(b) Cash and bank balances		5,056,025	2,224,107
(c) Loans and advances		65,158,739	64,762,806
(d) Stocks		0	2,615,203
		73,982,732	73,386,823
Less: Current liabilities and provisions	6		
(a) Liabilities		681,950	5,730,744
(b) Provisions		432,948	638,838
		1,114,898	6,369,582
Net Current Assets		72,867,834	67,017,241
(4) Miscellaneous expenditure to the extent not written off or adjusted	7	7,961,537	10,188,780
Significant Accounting Policies and Notes on Accounts	11		
Total :		103,185,339	103,061,564
As per our report of even date For RAO & SRIDHAR Chartered Accountants FRN 0060705 A.Viswanatha Rao Partner Membership No. 29597 Place : Hyderabad Date : 30-05-2011		For and on behalf of the board	
		J.V.R.Mohan Raju Chairman & Managing Director	J.Uma Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Particulars	Sch. No.	As At 31-03-2011 Rs.	As At 31-03-2010 Rs.
INCOME :			
Net Revenue	8	37,349,100	39,379,000
Total (a) :		37,349,100	39,379,000
EXPENDITURE :			
Material Cost and allied expenses		23,832,328	23,518,885
Personnel Expenses		3,070,652	2,632,983
Administrative and Selling Expenses	9	7,257,517	13,735,703
Financial Charges	10	223,264	259,485
Depreciation	4	419,281	544,060
Misc. Expenses to the extent written off		2,227,243	825,116
Total (b) :		37,030,286	41,516,232
Profit / (-) Loss for the year (a-b)		318,814	-2,137,232
Excess Provision I.Tax in previous year		0	88,230
Provision for Taxation		65,049	0
Profit(+) Loss(-) after Current Tax		253,765	-2,049,002
Provision for Deferred Tax		-170,490	6,923
Profit (Loss) for the year		83,275	-2,042,079
Profit brought forward from previous year		-446,436	1,595,643
Balance carried to Balance Sheet		-363,161	-446,436
Significant accounting policies and notes on accounts	11		
Earning per equity share (Basic & Diluted)		0.008	-0.20

As per our report of even date

For RAO & SRIDHAR
Chartered Accountants
FRN 006070S

For and on behalf of the board

A.Viswanatha Rao
Partner
Membership No. 29597

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

J.Uma
Director

Place : Hyderabad
Date : 30-05-2011

Schedules Forming Part Of Balance Sheet

Particulars	As At 31-03-2011 Rs.	As At 31-03-2010 Rs.
SCHEDULE 1		
Authorised Share Capital 11,000,000 Equity shares of Rs. 10 each	110,000,000	110,000,000
Issued, Subscribed and paid up 10,250,800 Equity shares of Rs. 10 each	102,508,000	102,508,000
SCHEDULE 2		
Reserves & Surplus		
Surplus in Profit & Loss A/c	-363,161	-446,436
	-363,161	-446,436
SCHEDULE 3		
UnSecured Loans		
Jyothi Chits & Finance	1,040,500	1,000,000
	1,040,500	1,000,000

Schedule : 4 Statement Of Consolidated Depreciation

Particulars of Assets	Gross Block				Depreciation Block				W.D.V.	
	As on 01.04.2010	Deductions	Additions During the Year	Balance as on 31.03.2011	As on 01.04.2010	Deductions	For the Period	As on 31.03.2011	As on 31.03.2011	As on 31.03.2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computers	8,077,763	8,077,763	0	0	5,363,394	5,363,394	0	0	0	2,714,369
Computers 1	20,000	0	72,350	92,350	15,522	0	17,042	32,564	59,786	4,478
Furniture & Fixtures	510,905	0	0	510,905	271,633	0	43,308	314,941	195,964	239,272
Office Equipment	402,019	0	0	402,019	312,697	0	16,167	328,864	73,155	89,322
Vehicles	2,991,965	1,014,245	51,094	2,028,814	1,771,603	602,366	231,837	1,401,074	627,740	1,220,362
Capital Work-in-Progress	19,229,514	0	0	19,229,514	0	0	0	0	19,229,514	19,229,514
Air Conditioner	111,552	0	67,500	179,052	76,935	0	11,857	88,792	90,260	34,617
Refrigerator	86,098	0	0	86,098	36,403	0	6,913	43,316	42,782	49,695
Net Workings (LAN)	45,614	0	0	45,614	33,128	0	1,737	34,865	10,749	12,486
Electrical Installation	0	0	25,500	25,500	0	0	4,250	4,250	21,250	0
Television	19,300	0	0	19,300	13,544	0	801	14,345	4,955	5,756
Web Site	40,000	0	0	40,000	28,770	0	1,562	30,332	9,668	11,230
EPBX Model No. 308	42,800	0	0	42,800	31,390	0	1,587	32,977	9,823	11,410
Laboratory Equipment	1,497,575	0	0	1,497,575	529,174	0	0	529,174	968,401	968,401
Walk in Cooler	213,000	0	0	213,000	72,355	0	19,564	91,919	121,081	140,645
Fitness Equipment	590,000	0	0	590,000	139,559	0	62,656	202,215	387,785	450,441
	33,878,105	9,092,008	216,444	25,002,541	8,696,107	5,965,760	419,281	3,149,628	21,852,913	25,181,998

SCHEDULES FORMING PART OF BALANCE SHEET

Particulars	As At 31-03-2011 Rs.	As At 31-03-2010 Rs.
SCHEDULE : 5		
Current Assets, Loans And Advances		
A) Sundry Debtors (Unsecured and considered good)		
1) Debtors more than 6 months	0	955,907
2) Debtors Less than 6 months	3,767,969	2,828,800
Total A	3,767,969	3,784,707
B) Cash & Bank Balances	5,056,025	2,224,107
C) Loans & Advances : (Recoverable in cash or Kind or for value to be received)		
01. Advance to suppliers	65,071,341	64,666,690
02. Rent Deposit	60,000	60,000
03. Telephone Deposit	14,413	14,413
04. Prepaid Insurance	12,985	14,263
05. Prepaid Expenses	0	7,440
Total C	65,158,739	64,762,806
D Closing Stocks	0	2,615,203
Total Current Assets (A+B+C+D)	73,982,732	73,386,823
SCHEDULE 6 : Current Liabilities		
(A) Liabilities		
01. Selling Expenses Payable	481,950	2,347,987
02. Vorus Bio Sciences	0	750,000
03. C.S.Narendar & Co.	0	4,437
04. Bioniz Technologies	0	1,820,000
05. Bioniche Life Sciences Ltd.,	0	608,320
06. HES Infra Pvt. Ltd.	200,000	200,000
	681,950	5,730,744

SCHEDULES FORMING PART OF BALANCE SHEET

Particulars	As At 31-03-2011 Rs.	As At 31-03-2010 Rs.
(B) Provisions		
01. C.S.T Payable	72,184	70,480
02. Audit Fee Payable	54,595	54,415
03. Salaries Payable	135,480	157,400
04. Rent Payable	23,400	23,322
05. Professional Tax Payable	1,000	1,260
06. TDS Payable	80,620	331,941
07. TDS on Salaries	620	20
08. Provision for Taxation	65,049	0
	432,948	638,838
Total Current Liabilities (A+B)	1,114,898	6,369,582
SCHEDULE 7 :		
Miscellaneous Expenditure (To the Extent not written off or adjusted)		
01. Clinical Trail Expenses	947,435	1,421,153
02. Pre Operative Expenditure	7,014,102	8,767,627
	7,961,537	10,188,780
SCHEDULE 8 :		
Income		
01. Sales	37,349,100	39,004,000
02. Profit on sale of Land	0	375,000
	37,349,100	39,379,000

Schedules Forming Part Of Profit & Loss Account

Particulars	As At 31-03-2011 Rs.	As At 31-03-2010 Rs.
SCHEDULE 9 :		
Administrative & Selling Expenses		
01. Advertisement	33000	30000
02. Audit Fee	60665	60665
03. Conveyance Charges	12492	25648
04. Electricity Charges	52251	34585
05. Licenses & Taxes Fees	103835	73460
06. Listing Fee	33090	33090
07. Misc. Expenses	44132	24495
08. Office Maintenance	32084	28103
09. Car Maintenance charges	143931	160620
10. Motor Cycle Maintenance charges	27738	18607
11. Postage	36462	34607
12. Printing & Stationery	69674	84468
13. Professional Charges	34000	36000
14. Rent	312000	312000
15. Staff welfare Expenses	113089	180670
16. Telephone Charges	144391	160216
17. Travelling Expenses - In land	377024	75622
- Foreign	1479235	480292
18. Director Sitting Fee	26000	26000
19. Repairs & Maintenance	18983	853060
20. Subscriptions	28029	10515
21. Selling Expenses	535500	5302600
22. Computer Maintenance charges	34550	14450
23. Loss on sale of Computers	2564369	0
24. Cost of Building Demolished	0	5654000
25. Carriage Outwards	101285	21930
26. Debit Balances Written Off	96000	0
27. Loss on sale of Car	286879	0
28. Samples Testing Charges	34083	0
29. Business Promotion	391747	0
30. Donations	31000	0
	7,257,517	13,735,703
SCHEDULE 10 :		
Financial Charges		
01. Bank Charges	31,706	53,607
02. Interest	191,558	190,918
03. Car Loan Finance Charges	0	14,960
	223,264	259,485

Schedule : 11

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, 1956.
- 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:

Depreciation on fixed assets is provided on written down value method at the rates prescribed in schedule XIV of the Companies Act 1956. An asset whose written down value falls below Rs.5000/- is fully depreciated for the remaining balance.

4) Stock In Trade:

There is closing stock as on 31-03-2011 Rs. Nil

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) Miscellaneous Expenditure:

- a) Pre-operative expenses are written off in equal installments over a period of five years.
- b) It has been decided that clinical trial expenses to be write off over a period of six years commencing from the year of generation of revenue from the clinical study of the product developed.

7) 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.

8) Un Secured Loans :

Loans obtained from M/s. Jyothi Chits & Finances.

9) Remuneration of Auditors :

Statutory Audit Fee	-	Rs. 40,000
Tax Audit Fee	-	Rs. 15,000
Service Tax	-	Rs. 5,665
Total	-	Rs.60,665

10) Quantitative details of purchases and sales during the year are as follows:

Pre Filled Syringes	Op. Stock	Purchase Units	Sales Units	Closing Stock Units
2000IU	6000	85000	91000	0
4000IU	8720	68000	76720	0
6000IU	3000	9000	12000	0

B. NOTES TO ACCOUNTS:

1. Retirement Benefits:

At present, there is no liability towards retirement benefits.

2. Executive Directors Remuneration:

Sri J.V.R.Mohan Raju -

2010-11 Rs.	2009-10 Rs.
12,00,000	12,00,000

3. As per requirements of Accounting Standard (AS 22) "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company, in the books of accounts has recognized the net deferred tax in respect of depreciation and accumulated losses under Income tax Laws, to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred asset can be realised.

1. Quantitative Details and the information required under paragraphs 3 and 4C of part ii of schedule VI of the Companies Act, 1956.

Licensed Capacity

Installed Capacity

Actual Production

2. CIF Value of Imports. : US\$

3. Expenditure in Foreign Currency. :

4. Earning in foreign Exchange :

5. Estimated amount of Contracts remaining to be executed on capital account and not provided for

6. Related Party Transactions:

Key Management Personnel:

Sri. J.V.R. Mohan Raju, Managing Director

Transactions carried out with related parties

Managerial remuneration

7. Earnings per Share (EPS)

a) Net profit/(Loss) as per Profit & Loss Account Rs.

b) Weighted Average number of equity shares used as denominator for calculating EPS Nos.

c) Basic and Diluted Earnings per share of Rs.10 each

8. The advances and deposits include an amount of Rs. 503.07 lakhs advanced during the tenure of previous management, which are subject to confirmation.

9. The Company operates in only one business segment of pharmaceuticals and there is no geographical segment to be reported

10. 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.

11. Previous year figures have been regrouped, reclassified, rearranged and recast wherever necessary.

	2010-11 Rs.	2009-10 Rs.
Licensed Capacity	NA	NA
Installed Capacity	NA	NA
Actual Production	NA	NA
2. CIF Value of Imports. : US\$	4,28,580	5,40,380
3. Expenditure in Foreign Currency. :	NIL	NIL
4. Earning in foreign Exchange :	NIL	NIL
5. Estimated amount of Contracts remaining to be executed on capital account and not provided for	NIL	NIL
6. Related Party Transactions:		
Key Management Personnel:		
Sri. J.V.R. Mohan Raju, Managing Director		
Transactions carried out with related parties		
Managerial remuneration	12,00,000	12,00,000
7. Earnings per Share (EPS)		
a) Net profit/(Loss) as per Profit & Loss Account Rs.	83,275	(2042078.72)
b) Weighted Average number of equity shares used as denominator for calculating EPS Nos.	10250800	10250800
c) Basic and Diluted Earnings per share of Rs.10 each	0.008	-0.20

Vide our report of even date

For RAO & SIRDHAR

Chartered Accountants

FRN 006070S

A.Viswanatha Rao

Partner

Member Ship No. 29597

Place: Hyderabad

Date : 30-05-2011

For and on behalf of the Board

J.V.R.Mohan Raju

Chairman & Managing Director

J.Uma

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

Particulars	2010-2011 Rs.	2009-2010 Rs.
A.Cash Flow From Operating Activities		
Net Profit /Loss (-) before Taxation	318,814	-2,137,232
Depreciation	419,281	544,060
Cost of buildings Demolished	0	5,654,000
Loss on sale of Assets	2,851,248	0
Misc.Expenses to the extent Written Off	2,227,243	825,116
Operating profit before working capital changes	5,816,586	4,885,944
Adjustments for :		
Sundry Debtors	16,738	-688,707
Loans & Advances	-395,933	-2,178,009
Stock	2,615,203	-2,615,203
Income -Tax paid/ Fringe Benefit Tax paid	0	-108,870
Current Liabilities & Provisions	-5,319,733	-960,380
Net Cash from operating activities (A)	2,732,861	-1,665,225
B.Cash Flow From Investing Activities :		
Purchase of Fixed Assets	-216,444	0
Sale of Land & other Assets	275,000	930,000
Net Cash used investing activities (B)	58,556	930,000
C.Cash Flow From Financing Activities :		
Payment of Secured Loans	40,500	-325,514
Borrowal of Unsecured Loans	0	1,000,000
Net cash used in financing activities (C)	40,500	674,486
<i>Net Increase/Decrease in cash and bank balances</i>		
(A+B+C)	2,831,917	-60,739
Cash and cash equivalents at the beginning of the year	2,224,107	2,284,846
Cash and cash equivalents at the end of the year	5,056,024	2,224,107

As per our report of even date

For **RAO & SRIDHAR**
Chartered Accountants

FRN 006070S

A.Viswanatha Rao
Partner

Member Ship No. 29597

Place : Hyderabad

Date : 30-05-2011

For and on behalf of the board

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 2011. 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 RAO & SRIDHAR
Chartered Accountants
FRN 006070S**

**Place : Hyderabad
Date : 30-05-2011**

**A.Viswanatha Rao
Partner
Member Ship No. 29597**

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(As per schedule VI, part IV of the Companies Act, 1956).**1) Registration Details:**

Registration No : 01 - 13564 State Code : 01
Balance Sheet Date : 31-03-2011

2) Capital Raised During the year (Amount in Rs. Thousands)

Public Issue : NIL Right Issue : NIL
Bonus Issue : NIL Private Placement : NIL

3) Position of Mobilization and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities : Total Assets :
Source of Funds
Paid up Capital : 102508 Reserves & Surplus : -363
Secured Loans : 0 Unsecured Loans : 1040

Application of Funds

Net Fixed Assets : 21853 Investments : NIL
Net Current Assets : 72868 Misc. Expenditure : 7961
Accumulated Losses : Nil Deferred Tax (Asset) : 503

4) Performance of Company (Amount in Thousands)

Turnover : 37349 Total Expenditure : 37030
Profit/Loss before Tax : 319 Profit/Loss after Tax : 83
Earnings per share in Rs : 0.008 Dividend Rate % : NIL

5) Generic Names of principal products /services of company (as per Monetary terms)

Item Code No (ITC CODE) - 3004 50 10
Product Description - Recombinant Human Erythropoietin

for and on behalf of the Board

Place : Hyderabad.
Date : 30-05-2011

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

J.Uma
Director

ATTENDANCE SLIP

HINDUSTAN BIO SCIENCES LIMITED

Plot No. 31, Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500 034.

- 1. Please fill this attendance slip and hand it over at the entrance of the meeting hall.
- 2. Only shareholders of the company or their proxies will be allowed to attend the meeting.

I hereby record my presence at the Nineteenth Annual General meeting of the shareholders of the Company, held on Friday, the 30th day of September, 2011 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.

Shareholder's/Proxy's signature

Shareholder's/Proxy's full Name

(in Block Letters)

Folio No. / Client ID.....DPID

No. of shares held

PROXY FORM

HINDUSTAN BIO SCIENCES LIMITED

Plot No. 31, Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500 034.

I/We

of.....

.....being a member of HINDUSTAN BIO SCIENCES LIMITED , hereby

appoint of.....or

failing him / her as my / our proxy to vote for me / us behalf at the Nineteenth Annual General Meeting of the shareholders of the company, to be held on Friday the 30th day of September, 2011 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.

As witness signed this day of 2011

Signed by the said

Folio No. / Client ID DPID

No. of shares held

Affix a
Revenue
Stamp

Note: The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

HINDUSTAN BIO SCIENCES LIMITED

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