

25TH ANNUAL REPORT
2016-2017



HINDUSTAN BIO SCIENCES LIMITED

HINDUSTAN BIO SCIENCES LIMITED

Board Of Directors:

- | | |
|-----------------------------|------------------------|
| 1) Sri. J.V.R. Mohan Raju | - Managing Director |
| 2) Mr. J. Varun Varma | - Whole-time Director |
| 3) Smt. J.Uma | - Director |
| 4) Sri. B.R.Rao | - Independent Director |
| 5) Sri K. Rama Chandra Raju | - Independent Director |
| 6) Sri M.Satyanarayana Raju | - Independent Director |

Registered Office address - 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.

Registrars and
Share Transfer Agents - M/s. Venture Capital & Corporate
Investments Private Limited.
12-10-167, Bharat Nagar,
Hyderabad - 500 018.

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of the Company will be held on Friday the 29th September, 2017 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, 2017 and the Directors and Auditors Report thereon.
2. To appoint a Director in place of J Uma (DIN: 00912376), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s.C RAMACHANDRAM & Co., Chartered Accounts as auditors of the Company to hold office for a period of 5 years 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, M/s. C RAMACHANDRAM & Co. Chartered Accountants, Hyderabad (Firm Number 002864S) be and are hereby appointed as Auditors of the Company for a period of 5 years and to hold office from the conclusion of the 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting, subject to ratification every year by the by the members of the company, on such remuneration as fixed by the board of directors"

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

Place : Hyderabad
Date : 31-07-2017

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 23rd September, 2017 to 29th September, 2017(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 BSE Limited. The listing fee for the year 2017-18 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) (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) (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 26th September 2017 (9:00 am) and ends on 28th September 2017 (5:00 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. 22.09.2017, 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. 22.09.2017.

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 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. Uma
Date of Birth	15-05-1959
Address	H.No.6, Daffodils Block, Nectar Garden, Madhapur, Hyderabad, Telangana
Shareholding	600
Qualification	B.Com
Experience	She has vast experience in M/s. Siris Limited
Other Directorships	1

Except Mrs. J.Uma, Being Appointee, JVR Mohan Raju, Managing Director and J. Varuna Varma, Whole Time Director, none of the 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 this explanatory statement may also be regarded as disclosure under SEBI (LODR) Regulations 2015.

Your directors recommended the resolution for approval as Ordinary Resolution.

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

Place : Hyderabad
Date : 31.07.2017

**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 31-03-2017

Financial Results:**Rs. In Lakhs**

Particulars	2016-2017	2015-2016
Income	101.25	126.01
Other Income	0.00	0.00
Operating Profit (PBDIT)	(46.73)	(12.44)
Interest	0.94	2.45
Cash Profit	(47.67)	(14.89)
Depreciation and Amortization	1.06	1.10
Profit before Exceptional Item	(48.73)	(15.99)
Exceptional Item	0.00	192.30
Profit after Exceptional Item	(48.73)	(208.29)
Provision for Taxation		
i) Current Year	0.00	0.00
ii) Deferred Taxation	(0.42)	(0.49)
Net Profit before Extraordinary Item	(49.15)	(208.78)
Extraordinary Item	0.00	0.00
Profit after Extraordinary Item	(49.15)	(208.78)

Note: Previous year figures have been regrouped wherever necessary.

Operations:

During the year the company has sales revenue of Rs.101.25 Lakhs as against last year sales revenue of Rs.126.01 Lakhs, a decrease of about 19.65% in rupee terms. The management is expecting to get good revenues from the second half of the financial year 2017-18 with the introduction of 10000 IU potency of Erythropoietin into the market.

Directors:

Mrs. J. Uma, Director retiring by rotation and being eligible offers herself for reappointment.

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, 2017 and loss 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, 2013, 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.

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:

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013 M/s VASG and Associates, Chartered Accountants, Auditors of the Company to be vacated office from the conclusion of the ensuing 25th Annual General Meeting of the Company.

Further Board of Directors recommended M/s C RAMACHANDRAM & Co. Chartered Accountants, Hyderabad (Firm Reg. No. 002864S) to be appointed as statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of the ensuing 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting of the company which is subject to ratification in ever Annual General Meeting. 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 Mr. V.B.S.S.Prasad, practicing Company Secretary to look after Secretarial 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, 2017.

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 in the financial year in excess of the limits specified and 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, 2017.

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, 2017 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, 2017, 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**

J.V.R.Mohan Raju
Chairman

Place : Hyderabad
Date : 31.07.2017

**Annexure 'A' to the Director's Report
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017
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 Share Registrar & Transfer Agents, 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-2016]				"No. of Shares held at end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	854,900	-	854,900	8.34%	854,900	-	854,900	8.34%	0.00%
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)	1,139,615	-	1,139,615	11.12%	1,139,615	-	1,139,615	11.12%	0.00%
(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)	1,139,615	-	1,139,615	11.12%	1,139,615	-	1,139,615	11.12%	0.00%
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-2016]				"No. of Shares held at end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	467496	0	467,496	4.56%	469597	0	469,597	4.58%	0.02%
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. 2 lakhs	6,005,745	7,506	6,013,251	58.66%	6795254	7606	6,802,860	66.36%	7.70%
ii) Individual share holders holding nominal share capital in excess of Rs 2 lakhs	1,857,413	585,200	2,442,613	23.83%	1613240	84000	1,697,240	16.56%	-7.27%
c) Others (specify) NRI	126,238		126,238	1.23%	118462		118,462	1.16%	-0.07%
CLEARING MEMBER	61,587		61,587	0.60%	23026		23,026	0.22%	-0.38%
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):-	8,518,479	592,706	9,111,185	88.88%	9,019,579	91,606	9,111,185	88.88%	0.00%
Total Public (B)	8,518,479	592,706	9,111,185	88.88%	9,019,579	91,606	9,111,185	88.88%	0.00%
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%	10,159,194	91,606	10,250,800	100.00%	0.00%

(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	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			1,139,615	11.12%	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			1,139,615	11.12%	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	Punjabhai Keshavbhai Kadchha			60000	0.59%	105000	1.02%
4	K Satya Sai			100000	0.98%	100000	0.98%
5	Vijayadurga Chintalapati			93300	0.91%	93300	0.91%
6	G Arjuna Raju			84900	0.83%	84900	0.83%
7	Uma Lakshmi Guntapalli			77700	0.76%	77700	0.76%

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
8	Bodeddula Nagireddy			74800	0.73%	74800	0.73%
9	Subba Rao Guntupallil			71900	0.70%	71900	0.70%
10	Prakash Babulal Mutha			49500	0.48%	51000	0.50%
	At the end of the year			886,681	8.65%	933,181	9.10%

(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		9,357,680.00		9,357,680.00
ii) Interest due but not paid		54,000.00		54,000.00
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	9,411,680.00	-	9,411,680.00
Change in Indebtedness during the financial year				
* Addition		5,433,424.00		5,433,424.00
* Reduction		1,892,312.00		1,892,312.00
Net Change	-	3,541,112.00	-	3,541,112.00
Indebtedness at the end of the financial year				
i) Principal Amount		12,952,792.00		12,952,792.00
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-
Total (i+ii+iii)	-	12,952,792.00	-	12,952,792.00

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				640,000.00
	Overall Ceiling as per the Act				

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	
	2016-17	2015-16
Foreign exchange earnings	NIL	NIL
Foreign exchange outgo	36.59	72.60

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 not sell good quantity, as compared to last year, as were facing a very tough competition from domestic manufacturers and in addition Additional Duty from customs on imported goods has become a big burden on the company. We could not exceed last year turnover.

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 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.

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 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.
- 5) In the Present year sales have come down drastically and we have to decrease the price to attract the customers which resulted in further loss.

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. 101.25 Lakhs as against last year sales revenue of Rs. 126.01 Lakhs, decrease of about 19.65% in rupee terms.

- 1) As envisaged the company could not market 10000 IU potency, even though we have got the license for the same which is a reason for extra loss during this year.
- 2) Since, the market is not favorable some of our customers could not pay the agreed (invoice) amount resulting bad debts which is Rs.19.76 lakhs.
- 3) We have to reduce the prices of our products as the market is not favorable.

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 Three 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. Smt. J.Uma | - | Non-Executive Director |
| 4. Sri B.R.Rao | - | Independent Director |
| 5. Sri K.Rama Chandra Raju | - | Independent Director |
| 6. Sri M. Satyanarayana Raju | - | Independent Director |

Board Meetings:

The board of directors met 4 (Four) times during the financial year on 30-05-2016, 30-07-2016, 31-10-2016 & 31-01-2017

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	3
4. B.R.Rao	ID	4	Yes	NIL
5. K.Rama Chandra Raju	ID	4	Yes	NIL
6. 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 paid to all the directors for the year 2016-2017 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/-

Audit Committee :

The audit committee as on 31st March, 2017 consists of

- | | | |
|-----------------------------|---|-------------|
| 1) Sri B.R.Rao | - | Chairperson |
| 2) Sri M Satyanarayana Raju | - | Member |
| 3) Sri 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 30-05-2016, 30-07-2016, 31-10-2016 & 31-01-2017 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: 31-10-2016 & 31-01-2017.

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 2016-17.

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:

- 1) The Board of Directors had met 4 times during the year 2016-2017 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 2016-2017 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 BSE Limited, Mumbai for the year 2017-2018 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. 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 30-09-2016) and sent a copy of the same to the stock exchanges as stipulated in the SEBI (LODR) Regulations 2015.

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 31-10-2016 during the financial year 2016-17.

Postal Ballot :

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

GENERAL SHAREHOLDER INFORMATION:

1. Book Closure Date : 23.09.2017 to 29.09.2017 (Both days Inclusive)
2. Date, Time and Venue of the 25th Annual General Meeting : 29.09.2017 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 : BSE Limited
4. Listing Fee : Listing Fees for the year 2017-18 has been paid to the BSE 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. Registrar and Share Transfer Agent : M/s. Venture Capital & Corporate Investments Private Limited., 12-10-167, Bharat Nagar, Hyderabad – 500 018.
7. Company's ISIN No. : INE 597C01013
8. Trading in shares (Electronic Form) : Compulsory De-mat
9. Dividend Declared in earlier years : The Company has not declared dividend so far
10. Publication of Unaudited/Audited Financial Results in the press : Normally Published

11. Date & Venue of the last Three Annual General Meetings

No. of AGM	Date	Venue	Special Resolution passed
Twenty Fourth Annual General Meeting	30-09-2016	Plot No.31, Sagar Society Road No: 2, Banjara Hills, Hyderabad - 500 034.	Reduction of Share Capital
Twenty Third Annual General Meeting	30-09-2015	Plot No.31, Sagar Society Road No: 2, Banjara Hills, Hyderabad - 500 034.	Nil
Twenty Second Annual General Meeting	30-09-2014	Plot No.31, Sagar Society Road No: 2, Banjara Hills, Hyderabad - 500 034.	Nil

Market price data on company's scrip on BSE Ltd for the Financial Year 2016-2017

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
Apr-16	2.65	01-04-2016	2.25	29-04-2016
May-16	2.60	26-05-2016	1.90	17-05-2016
Jun-16	2.24	01-06-2016	2.00	23-06-2016
Jul-16	2.09	12-07-2016	1.83	26-07-2016
Aug-16	2.00	03-08-2016	1.59	31-08-2016
Sep-16	1.65	01-09-2016	1.37	14-09-2016
Oct-16	1.88	25-10-2016	1.38	04-10-2016
Nov-16	2.34	29-11-2016	1.89	01-11-2016
Dec-16	2.23	26-12-2016	2.23	26-12-2016
Jan-17	2.45	12-01-2017	2.00	30-01-2017
Feb-17	2.51	20-02-2017	2.00	06-02-2017
Mar-17	2.40	03-03-2017	1.90	28-03-2017

Pattern of Shareholding as on 31.03.2013

Description	No. of Shareholders	%	No. of Shares	%
Promoters	4	0.06	1139615	11.12
Resident Individuals	6523	97.88	8500100	82.92
Bodies Corporate	89	1.34	469597	4.58
Non-Resident Indians	31	0.47	118462	1.16
Clearing Members	17	0.25	23026	0.22
TOTAL	6664	100	10250800	100

Distribution of Shareholding As on 31.03.2017

Range	No. of Shareholders	%	No. of Shares	%
UP TO 500	3972	59.60	1051960	10.26
501 TO 1000	1256	18.84	1133389	11.06
1001 TO 2000	681	10.22	1120675	10.93
2001 TO 3000	271	4.07	719055	7.01
3001 TO 4000	114	1.67	416279	4.06
4001 TO 5000	111	1.70	542519	5.29
5001 TO 10000	147	2.22	1158392	11.30
10001 & ABOVE	112	1.68	4108531	40.08
TOTAL	6664	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, 2017.

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

Place : Hyderabad
 Date : 31-07-2017

ANNEXURE -D
SECRETARIAL AUDIT REPORT

Secretarial Audit Report as per Section 204 of the Companies Act, 2013:
FOR THE FINANCIAL YEAR ENDED 31.03.2017

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, 2017 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 2016 and ended with 31st March, 2017 ("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; – Not Applicable 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 applicable clauses of :
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
 - b) The Secretarial Standards issued by Institute of Company Secretaries of India.
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 not 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.

Place : Hyderabad
Date : 25-07-2017

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

Annexure to the Secretarial Audit Report

To
The Members,
M/s HINDUSTAN BIO SCIENCES LIMITED
Hyderabad – 500 034

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 : 25-07-2017

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, 2017:

- 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 : 30-05-2017

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

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

To
The Members of
Hindustan Bio Sciences Limited

1. We, VASG & Associates, Chartered Accountants, the Statutory Auditors of Hindustan Bio Sciences Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.

8. We state that such compliance is neither an assurance as to the future 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 : 30-05-2017

(A. Viswanatha Rao)
Partner
Membership No. 29597

Independent Auditor's Report

To the Members of
Hindustan Bio-Sciences Limited.

Report on Financial Statements

We have audited the accompanying financial statements of Hindustan Bio Sciences limited ("the Company"), which comprises the balance sheet as at 31st March 2017, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting standards and the auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- i) 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,a statement on the matters specified in paragraphs 3 and 4 of the Order.

- ii) As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place : Hyderabad
Date : 30-05-2017

(A. Viswanatha Rao)
Partner
Membership No. 029597

Annexure –A to the Independent Auditors' Report:

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2017, 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 at reasonable intervals having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
c) As per the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property are held in the name of the Company.
- 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 information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv) According to information and explanations given to us, the Company has not granted any loans, made any investments, extended any guarantees and provided any security to or on behalf of the parties referred in section 185 and 186 of the Companies Act, 2013.
- 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 for any of the services rendered by the Company.
- vii) a. According to information and explanations given to us and on the basis of our examinations of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no disputed amounts payable in respect of provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, and other material statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us and based on the examination of the records of the Company, there are no dues in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax, which have not been deposited with the appropriate authorities on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted repayment of loans or borrowings to financial institutions/ banks.
- ix) The Company did not raise any money by way of initial public offer including debt Instruments or 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 officer or employees has been noticed or reported during the course of our audit.
- xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xii) According to the information and explanations given to us and on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where ever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiii) 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.
- 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 entered into any non-cash transactions with directors or persons connected to him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xv) 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 : 30-05-2017

(A. Viswanatha Rao)
Partner
Membership No. 029597

Annexure - B -to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Hindustan Bio Sciences Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls

system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place : Hyderabad
Date : 30-05-2017

(A. Viswanatha Rao)
Partner
Membership No. 029597

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Notes	As on 31-03-2017 Rs.	As on 31-03-2016 Rs.
I. EQUITY AND LIABILITIES :			
(1) Shareholder's funds			
(a) Share Capital	1	102,508,000	102,508,000
(b) Reserves and Surplus	2	(59,219,517)	(54,304,280)
Sub Total - Share Holders Funds		4,32,88,483	4,82,03,720
Non Current Liabilities			
(a) Long Term Borrowings	3	5,491,344	3,635,692
Sub Total - Non Current Liabilities		5,491,344	3,635,692
(2) Current Liabilities			
(a) Short Term Borrowings	4	7,461,448	5,775,988
(b) Trade Payables	5	2,118,214	906,168
(c) Short-Term Provisions	6	334,888	255,410
Sub Total - Current Liabilities		99,14,550	69,37,566
Total Equity & Liabilities:		58,694,377	58,776,978
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(i) Gross Block	7	5,303,064	5,273,064
(ii) Depreciation		4,672,032	4,566,272
(iii) Net Block		631,032	706,792
(b) Deferred Tax Asset	8	341,117	382,890
(c) Long Term Loans and Advances	9	52,672,405	52,688,053
Sub Total - Non Current Assets		5,36,44,554	5,37,77,735
(2) Current Assets			
(a) Inventory		-	10,975
(b) Trade Receivables	10	4,680,248	4,725,400
(c) Cash and cash equivalents	11	369,575	251,201
(d) Short-term loans and advances	12	-	11,667
Sub Total - Current Assets		50,49,823	49,99,243
Total Assets		58,694,377	58,776,978

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 : 30-05-2017

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

J.Uma
 Director

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2017

Sr. No	Particulars	Notes	AS ON 31-3-2017 Rs.	AS ON 31-3-2016 Rs.
1	Revenue from operations	13	10,125,000	12,600,780
	Total Revenue(1)		10,125,000	12,600,780
2	Expenses:			
	Purchases of Stock- in - Trade	14	7,272,778	8,579,139
	Employee Benefit Expenses	15	2,678,220	2,779,516
	Financial costs	16	110,445	259,950
	Selling Expenses	17	117,949	167,523
	Depreciation and Amortization Expenses	18	105,760	110,204
	Other Administrative Expenses	19	4,713,312	2,304,058
	Total Expenses (2)		14,998,464	14,200,390
3	Profit/(Loss) before exceptional and extraordinary items and tax	(1 - 2)	(4,873,464)	(1,599,610)
4	Exceptional Items		-	19,229,514
5	Profit/(Loss) before extraordinary items and tax	(3 - 4)	(4,873,464)	(20,829,124)
6	Extraordinary Items		-	-
7	Profit/(Loss) before tax	(5 - 6)	(4,873,464)	(20,829,124)
8	Tax expenses:			
	(1) Current tax		-	-
	(2) Deferred tax		(41,773)	(48,706)
9	Profit(Loss) for the period from continuing operations	(7 - 8)	(4,915,237)	(20,877,830)
10	Profit/(Loss) from discontinuing operations		-	-
11	Tax expense of discontinuing operations		-	-
12	Profit/(Loss) from Discontinuing operations	(10-11)	-	-
13	Profit/(Loss) for the period	(9 + 12)	(4,915,237)	(20,877,830)
14	Earning per equity share:			
	(1) Basic		(0.48)	(2.04)
	(2) Diluted		(0.48)	(2.04)

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 : 30-05-2017

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, 2017

Notes : 1 Share Capital

Sr. No.	Particulars	31-Mar-2017 Rs.	31-Mar-2016 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 2017		As at 31st March 2016	
	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-2017 Rs.	As at 31-Mar-2016 Rs.
1.	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	(54,304,280)	(33,426,450)
	Add : Loss for the period	(4,915,237)	(20,877,830)
	Total Reserves & Surplus	(59,219,517)	(54,304,280)

Notes : 3 Long Term Borrowings

Sr.No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1.	Loans -Others	5,491,344	3,635,692
	Total Long Term Borrowings	5,491,344	3,635,692

Notes : 4 Short Term Borrowings

Sr.No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1.	Hindustan Overseas Corporation	6,761,448	5,775,988
2.	J. Uma	700,000	-
	Total Short Term Borrowings	7,461,448	5,775,988

Notes : 5 Trade Payables

Sr.No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
	Sundry Creditors	2,118,214	906,168
	Total Trade Payables	2,118,214	906,168

Notes : 6 Short Term Provisions

Sr.No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	CST Payable	60,500	-
2	Salaries Payable	134,090	153,430
3	Rent Payable	43,318	24,300
4	Professional Tax Payable	1,200	1,250
5	TDS Payable	13,970	-
6	Audit Fee Payable	57,750	56,430
7	TDS on Salaries	24,060	20,000
	Total Short Term Provisions	334,888	255,410

Schedules Forming integral part of the Balance Sheet as at 31st March, 2017
Notes: 7 Fixed Assets

(Amount in Rs.)

Sr. No.	Particulars	Gross Block			Depreciation			Net Block		
		Value at the beginning	Additions during the period	Deductions during the period	Value at the end	Value at the beginning	Additions during the period	Deductions during the period	W.D.V. as on 31.03.2017	W.D.V. as on 31.03.2016
	TANGIBLE ASSETS									
1	COMPUTERS	160350	22000	0	182350	133864	22515	0	156379	26486
2	FURNITURES & FIXTURES	510905	0	0	510905	485360	0	0	485360	25545
3	OFFICE EQUIPMENT	415809	8000	0	423809	394154	1551	0	395705	21655
4	VEHICLES	2702736	0	0	2702736	2379532	46329	0	2425861	323204
5	AIR CONDITIONER	250652	0	0	250652	158999	10878	0	169877	91653
6	REFRIGERATOR	86098	0	0	86098	81793	0	0	81793	4305
7	NET WORKINGS(LAN)	45614	0	0	45614	43333	0	0	43333	2281
8	ELECTRICAL INSTALLATION	99800	0	0	99800	30094	8643	0	38737	69706
9	TELEVISION	115300	0	0	115300	67019	8503	0	75522	48281
10	WEBSITE	40000	0	0	40000	40000	0	0	40000	0
11	EPBX	42800	0	0	42800	40660	0	0	40660	2140
12	WALK IN COOLER	213000	0	0	213000	150964	7341	0	158305	62036
13	FITNESS EQUIPMENT	590000	0	0	590000	560500	0	0	560500	29500
	Total	5273064	30000	0	5303064	4566272	105760	0	4672032	706792
	Previous Year	24478978	23600	19229514	5273064	4456068	110204	0	4566272	20022910

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2017
Notes : 8 Deferred Tax Asset

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1.	Timing Difference of Depreciation on Assets	341,117	382,890
	Total Deferred Tax Asset	341,117	382,890

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-2017 Rs.	As at 31-Mar-2016 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	159,908	180,618
	b) Unsecured, Considered Good :		
	c) Doubtful		
III)	Loans & Advances to related parties		
	Unsecured, Considered good	5,062	-
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	52,672,405	52,688,053

9(iii).Loans & Advances to related parties

As at 31-Mar-2017
(Amount in Rs.)

As at 31-Mar-2016
(Amount in Rs.)

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

5,062

0

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

Notes : 10 Trade Receivables

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Outstanding for more than six months		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	2,794,748	4,725,400
2	Others		
	a) Secured, Considered Good :	1,885,500	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	Total Trade Receivables	4,680,248	4,725,400

Notes : 11 Cash & Cash Equivalent

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Cash-in-Hand		
	Cash Balance	54,884	205,151
	Petty Cash Balance	-	-
	Sub Total (A)	54,884	205,151
2	Bank Balance		
	With Axis Bank	286,097	23,439
	With HDFC Bank	28,594	22,611
	Sub Total (B)	314,691	46,050
3	Cheques on Hand(C)		
		-	-
	Total (A+B+C)	369,575	251,201

Notes : 12 Short Term Loans and Advances

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 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, 2017
Notes : 13 Revenue from Operations

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Sales- Imported materials	10,125,000	12,600,780
	Total Revenue from Operations	10,125,000	12,600,780

Notes : 14 Cost of Material Consumed

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Purchases	7,272,778	8,579,139
	Total Cost of Material Consumed	7,272,778	8,579,139
A	DETAILS OF PURCHASES		
	Purchases - Imports		
	Opening Stock	10,975	903,192
	Material -Erythroprieten	4,850,195	7,141,719
	Difference in Foreign Exchange	0	118,420
	Customs Duty	2,285,981	369,022
	Carriage Inwards	1,650	8,400
	Handling & Demurrage	105,748	38,834
	Service charges	18,229	10,527
		7,272,778	8,590,114
	Less: Closing Stock	0	10,975
	Cost of Material Consumed	7,272,778	8,579,139

Notes : 15 Employee Benefit Expenses

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Salaries, Bonus, PF & ESIC	1,909,860	2,050,718
2	Directors Remuneration	600,000	600,000
3	Staff Welfare	168,360	128,798
	Total Employment Benefit Expenses	2,678,220	2,779,516

Notes : 16 Financial Cost

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Bank Charges	16,423	14,737
2	Interest	94,022	245,213
	Total Financial Cost	110,445	259,950

Notes : 17 Selling Expenses

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Carriage Outwards	117,949	167,523
	Total Selling Expenses	117,949	167,523

Notes : 18 Depreciation & Amortization Expenses

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Depreciation	105,760	110,204
	Total Depreciation	105,760	110,204

Notes : 19 Other Administrative Expenses

Sr. No.	Particulars	As at 31-Mar-2017 Rs.	As at 31-Mar-2016 Rs.
1	Audit Fee	63,250	62,700
2	Office Maintenance	61,361	52,584
3	Printing & Stationery	75,075	58,951
4	Rent Rates & Taxes	689,775	619,164
5	Telephone ,Postage & Telegrams	209,599	195,947
6	General Expenses	34,679	42,899
7	Directors Sitting Fee	40,000	40,000
8	Repairs & Maintenance	29,222	67,353
9	Vehicle Maintenance	262,976	205,091
10	Professional Charges	807,619	229,461
11	Bad Debts Written Off	1,976,104	39,722
12	Travelling & Conveyance	96,302	461,418
13	Advertisement	43,000	44,400
14	Electricity Charges	31,124	68,272
15	Business Promotion	0	79,981
16	Subscription	42,206	36,115
17	Samples Testing Charges	251,020	0
	Total Other Administrative Expenses	4,713,312	2,304,058

Notes : 20 Notes to Accounts

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.

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.

During the year under review, an amount of Rs.19.76 Lakhs is written off as bad debts and same is shown under head other administrative expenses.

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	39	25000	25000	15	24	0
4000IU	39	30000	30000	15	24	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 : 30-05-2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	31st March 2017 Rs.	31st March 2016 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax	(4,873,464)	(1,599,610)
Adjustments for:		
Depreciation	105,760	110,204
Interest & Finance Charges	94,022	245,213
Operating Profit before Working Capital Changes	(4,673,682)	(1,244,193)
Movements in Working Capital		
Increase/(Decrease) in Trade Payables	1,212,046	(520,117)
Increase/(Decrease) in Short Term Provisions	79,478	(116,656)
Increase/(Decrease) in Other Current Liabilities	1,685,460	5,775,988
Increase/(Decrease) in Trade Receivables	45,152	(1,516,949)
Increase/(Decrease) in Inventories	10,975	892,217
Increase/(Decrease) in Long Term Loans & Advances	15,648	1,296,567
Increase/(Decrease) in Short Term Loans & Advances	11,667	(11,667)
Cash generated from operations	(1,613,256)	4,555,190
Less: Income Tax paid	-	-
Net Cash flow from Operating activities	(1,613,256)	4,555,190
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(30,000)	(23,600)
Net Cash used in Investing activities	(30,000)	(23,600)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term Borrowings	1,855,652	(6,016,845)
Interest paid	(94,022)	(245,213)
Net Cash used in financing activities	1,761,630	(6,262,058)
Net increase in cash & Cash Equivalents	118,374	(1,730,468)
Cash and Cash equivalents at the beginning of the year	251,201	1,981,669
Cash and Cash equivalents at the end of the year	369,575	251,201

The above cash flow statement has been prepared using the indirect method as set out in accounting standards 3 on cash flow statement.

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

(A.Viswanatha Rao)
Partner

Member Ship No. 029597

Place: Hyderabad
Date : 30-05-2017

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 2017. The statement has been prepared by the company in accordance with the requirements of the SEBI (LODR) Regulations 2015 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 : 30-05-2017

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

25th Annual General Meeting, Friday, 29th September, 2017 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 25th Annual General Meeting of the Company on **Friday, 29th September, 2017 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:

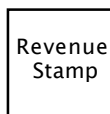
E-mail Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 25th Annual General Meeting of members of the Company, to be held on Friday, 29th September, 2017 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 2016-17		
2	Re appointment of Smt. J Uma, Director retiring by rotation		
3	Appointment of Statutory Auditors.		

Signed this day of..... 2017



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.