

19<sup>th</sup> October, 2016

To,  
The Secretary,  
**The Calcutta Stock Exchange Limited**  
7, Lyons Range,  
Kolkata – 700 001

To,  
Dy. General Manager,  
Corporate Relationship Department,  
**BSE Limited,**  
P. J. Tower,  
Mumbai – 400 001

Dear Sir,

**Sub: Submission of 35<sup>th</sup> Annual Report of Adinath Bio-Labs Limited for the  
Financial Year ended 2015-2016**

In Compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the softcopy of 35<sup>th</sup> Annual Report of the Company for the Financial Year ended 2015-16 duly approved and adopted by the members at the 35<sup>th</sup> Annual General Meeting of the Company held on September 26, 2016.

Kindly take the same on record.

Yours faithfully,  
For Adinath Bio-Labs Limited

*A. K. Jain*  
(Abhishek Kumar Jain)  
Whole Time Director  
DIN: 00054582



Encl.: As above



**adinath**  
**Bio-Labs Limited**

CIN : L24230WB1982PLC034492



**35<sup>TH</sup> ANNUAL REPORT 2015-16**

**CORPORATE INFORMATION**

<b>CIN</b>	::	L24230WB1982PLC034492	
<b>BOARD OF DIRECTORS</b>	::	Mr. Abhishek Kumar Jain	Whole Time Director
	::	Mr. Manoj Kumar Bothra	Director
	::	Mr. Jyotiraaditya Singha	Director
	::	Mrs. Chanderkala Devi Lakhotia	Women Director
	::	Mrs. Sharmila Ranabhat	Director
<b>COMPANY SECRETARY AND COMPLIANCE OFFICER</b>	::	Mr. Mahesh Purohit (w.e.f. 08/08/2016)	
<b>REGISTERED OFFICE</b>	::	4, N. S. Road, 1 <sup>st</sup> Floor, Kolkata - 700 001 Phone / Fax: 033 - 22315718 Email: investors@adinathbio.com Website: www.adinathbio.com	
<b>BANKERS</b>	::	HDFC Bank Ltd. ICICI Bank Ltd.	
<b>STATUTORY AUDITORS</b>	::	M/s. Mohindra Arora & Co. Chartered Accountants Mumbai	
<b>INTERNAL AUDITORS</b>	::	S. R. Ghedia & Associates Chartered Accountants, Mumbai	
<b>SECRETARIAL AUDITORS</b>	::	Veenit Pal & Associates, Company Secretaries, Mumbai	
<b>REGISTRAR &amp; TRANSFER AGENT</b>	::	Adroit Corporate Service Private Limited 17-20, Jafferbhoy Ind. Estate, 1 <sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059 Tel : 022-42270400 Fax : 022-28503748, Email : adroits@vsnl.net, Website : www.adroitcorporates.com	

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**NOTICE**

**NOTICE** is hereby given that the 35<sup>th</sup> (Thirtieth Fiftieth) Annual General Meeting of the Members of **Adinath Bio-Labs Limited** will be held on **Monday, 26<sup>th</sup> September, 2016 at 03.00 P.M. at CELESTA HOTEL, RAA 43/2 VIP Road, Raghunathpur, (North) Kolkata-700059** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company consisting of the Balance Sheet as at 31<sup>st</sup> March, 2016 the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date and the Explanatory notes annexed to and forming part of the said documents together with the report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Chanderkala Devi Lakhota (DIN No. 06904489), who retires by rotation and, being eligible, offers herself for reappointment.
3. To ratify the appointment of Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Audit Committee, the appointment of M/s. Mohindra Arora & Co., Chartered Accountants (Firm Registration No.:00655IN), approved in the 33<sup>rd</sup> Annual General Meeting until 38<sup>th</sup> Annual General Meeting, be and is hereby ratified, as Statutory Auditors of the Company for the Financial year 2016-2017, to hold the office from the conclusion of this Annual General Meeting till conclusion of the Thirty Sixtieth (36<sup>th</sup>) Annual General Meeting to be held in the year 2017, and that the Board of Directors be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors."

**By Order of the Board  
For Adinath Bio-Labs Limited**

**Abhishek Kumar Jain  
(Whole-time Director)  
(DIN No. 00054582)**

**Regd Office:**

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**4 N.S. Road, 1st Floor  
Kolkata - 700 001**

**CIN : L24230WB1982PLC034492**  
**Email : investors@adinathbio.com**  
**Website : www.adinathbio.com**

**Date : 22/08/2016**

**NOTES:**

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/ herself and such proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the commencement of AGM. The Instrument of Proxy in Form MGT 11 to be used in this AGM is enclosed.  
  
Pursuant to Section 105 of the Companies Act, 2013 (the Act) read with clause 6 of the Secretarial Standard- 2, issued by the Institute of Company Secretaries of India, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than Ten (10%) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Corporate Members/ Societies intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of the Board of Directors / Governing Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
3. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. Register of Members and Share Transfer Books shall remain closed from 20/09/2016 to 26/09/2016 (Both days inclusive).
5. Members holding the equity shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
6. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership in the Meeting and requested to bring their copy of Annual Report to the Meeting.
7. Members are requested to kindly notify immediately change, if any, in their address to the Company or its Registrars and Transfer Agents.
8. In terms of Section 124 of the Companies Act, 2013(Corresponding Sections 205A and 205C )and other applicable provisions, if any, of the Companies Act, 1956) the Company is obliged to transfer any money lying in the Unpaid Dividend Accounts, which remain unpaid or unclaimed for a period of seven years from the date of transfer in such Unpaid Dividend Accounts to the credit of Investor Education and Protection Fund established by the Central Government in accordance with Section 125 of the Act. Accordingly, the Company would be transferring the unpaid dividend for the year ended 31st March 2009 to the Investor Education and Protection Fund during November,2016.Those Members, who have not so far encashed their Dividend Warrants from the year ended 31st March, 2009 onwards may immediately approach the Company for revalidation of such Dividend Warrants.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ('PAN') by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Registrars and Transfer Agents, M/s. Adroit Corporate Service Private Limited,17-20, Jafferbhoy Ind. Estate,1st Floor, Makwana Road,Marol Naka, Andheri (E), Mumbai 400059,Tel:022-42270400| Fax: 022-28503748,Email: adroits@vsnl.net, Website: www.adroitcorporates.com.
10. The Equity Shares of the Company is compulsorily required to be held under DEMAT mode for trading on the Stock Exchanges, where such Equity Shares are listed. These can be held in electronic form with any Depository Participant (DP) with whom the members have their Depository Account. All the Members, holding Equity Shares of the Company in the physical form, are advised to get the same dematerialized. The Members may contact the Registrars and Share Transfer Agents of the Company at their address mentioned above in case of any query /difficulty in the matter or at the Registered Office of the Company.

11. Profile(s) of the Director(s) seeking appointment / re-appointment, as required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.
12. Pursuant to Section 101 and 136 of the Act, read with Rule 11 of the Companies (Accounts) Rules, 2014, Electronic copy of the Annual Report for the Financial year 2015-16 inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members who hold shares in dematerialised mode and whose e-mail IDs are registered with their respective DPs. unless any Member has requested for a physical copy of the same. For those members who have not registered their e-mail address, physical copies of the said Annual Report is being sent in the permitted mode.
13. A person who is not a member as on cut-off date should treat this Notice for information purpose only.
14. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
15. Members may also note that the Annual Report for F.Y.2015-16 will also be available on the Company's website [www.adinathbio.com](http://www.adinathbio.com).
16. Members who wish to obtain information concerning the Annual Report of the Company may send their queries at least 7 days before the date of Meeting, to the Company Secretary, at the registered office of the Company.
17. Pursuant to Section 72 of the Companies Act, 2013, Shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in Demat / Electronic form, the nomination form may be filed with the respective Depository Participant.
18. The Members are requested to contact the Company's Registrars and Share Transfer Agents, Adroit Corporate Service Private Limited, Mumbai for all their queries, transfer requests, or any other matter relating to their shareholding in the Company and quote their Registered Folio Numbers / Client ID Nos. in all correspondences with the Company / with the Registrars.
19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
20. Attendance slip, proxy form and the route map of the venue of the Meeting is annexed hereto.
21. **Voting through electronic means:**

A remote e-voting facility is provided in terms of Section 108 of the Companies Act, 2013, Rules 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to its Shareholders by the Company to enable them to cast their votes electronically with the help of Central Depository Services (India) Limited (CDSL) on resolutions proposed to be considered at the 35<sup>th</sup> Annual General Meeting (AGM).

The facility for voting through ballot paper shall be made available at the Annual General Meeting to the Shareholders attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise the right to vote at the Meeting through ballot paper.

The Shareholders who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. September 19, 2016, may obtain the login ID and password by sending a request at [investors@adinathbio.com](mailto:investors@adinathbio.com).

**The instructions for shareholders voting electronically are as under:**

- (i) The e-voting period begins on Thursday, September 22, 2016 (09.00 A.M.) and ends on Sunday, September 25, 2016 (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 19, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

		<b>For Members holding shares in Demat Form and Physical Form</b>
PAN		Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)		Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>❖ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat 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 demat holders for voting for Resolutions of any other Company on which they are eligible to vote, provide 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xii) Click on the EVSN for the <Company Name> on which you choose to vote.
- (xiii) 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 Resolution.



- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non-Individuals Shareholders and Custodians**
- Non-Individuals Shareholders (i.e. other than Individuals, HUF, NRI etc) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account (s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding evoting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of Members receiving the physical copy:**

- Please follow all steps from sl. no. (i) to sl. no. (xxi) above to cast vote.
- The voting rights of shareholders shall be in proportion to their shares of the paid up equity shares capital of the Company.
- M/s. V. Gulgulia & Co., Prop: Ms. Vineeta Gulgulia, Practicing Company Secretaries, (Membership No. ACS 36867 CP No 13473) has appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting at meeting (including voting through Ballot forms received from Members) and remote e-voting process in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

- The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company **[www.adinathbio.com](http://www.adinathbio.com)** and on the website of CDSL immediately after the declaration of result by the Chairman or by a person duly authorized by him in writing. The results shall also be forwarded to The Calcutta Stock Exchange Ltd and BSE Limited, where the equity shares of the Company are listed.

**By Order of the Board  
For Adinath Bio-Labs Limited**

**Abhishek Kumar Jain  
(Whole-time Director)  
(DIN No. 00054582)**

**Regd Office:**

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**4 N.S. Road, 1st Floor  
Kolkata - 700 001**

**CIN : L24230WB1982PLC034492  
Email : investors@adinathbio.com  
Website : www.adinathbio.com**

**Date : 22/08/2016**

**DIRECTOR'S REPORT TO THE SHAREHOLDERS**

Dear Shareholders,

Your Directors are pleased to present the 35<sup>th</sup> (Thirtieth Fiftieth) Annual Report together with the Audited Statement of Accounts and the Auditors Report of your company for the year ended 31<sup>st</sup> March, 2016.

The Financial highlights for the year under review are given below:

**Financial Results:**

<b>Particulars</b>	<b>31<sup>st</sup> March, 2016</b>	<b>31<sup>st</sup> March, 2015</b>
Income	99,71,773	142,31,913
Less: Expenses	53,27,857	97,69,513
Profit before Depreciation & Taxation	46,43,916	44,62,400
Less: Depreciation	16,07,640	28,18,001
<b>Profit before Taxation</b>	<b>30,36,276</b>	<b>16,44,399</b>
Less: Taxation / Deferred Tax /Tax in respect of earlier years	15,99,133	(5,618)
<b>Profit after Taxation</b>	<b>14,37,143</b>	<b>16,50,017</b>
<b>Balance carried to Balance Sheet</b>	<b>393,95,598</b>	<b>379,58,455</b>

**Performance:**

Total Revenue of your Company is Rs. 99,71,773 /- in Financial Year 2015-16 compared to Rs. 142,31,913/- during Financial Year 2014-15. The Net Profit generated by the Company during the year under review is Rs. 14,37,143 /-, as compared to the previous year Rs. 16,50,017/-.

**Operations:**

The Company has been continuously focussing on its existing line of business to improve its profitability in near future.

**Dividend and Transfer to Reserve:**

Due to requirement of funds for the existing business activities, your directors do not propose to declare any dividend for the financial year 2015-2016. Hence, there has been no transfer to Reserves during the financial year 2015-2016.

**Change in the Nature of Business:**

There is no change in the nature of business of the company during the year under review.

**Public Deposits:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance sheet.

**Compliance with the Accounting Standards:**

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

**Directors and Key Managerial Personnel:**

Pursuant to the provisions of Section 149 of the Companies Act, 2013 Mr. Jyotiraaditya Singha, Mr. Manoj Kumar Bothra, Mrs. Sharmila Ranabhat as Non Executive Independent Directors of the Company. Mrs. Chanderkala Devi Lakhotia is being act as Non Executive Director.

Mr. Mahesh Purohit, Member of the Institute of Company Secretaries of India has been appointed as Company Secretary cum Compliance Officer of the Company w.e.f. August 8, 2016 pursuant to Section 203 and other applicable provisions of the Companies Act, 2013, in place of Mr. Rohit Namchand Banthia, Company Secretary cum Compliance Officer of the Company who has resigned due to his pre-occupation w.e.f. April 25, 2016.

**DIRECTOR'S REPORT TO THE SHAREHOLDERS(contd...)**

In accordance with Companies Act, 2013, Mrs. Chanderkala Devi Lakhota retires by rotation and being eligible for re-appointment of Director.

During the year, the Non-executive Director of the company had no pecuniary relationship or transaction with company other than the sitting fees, for the purpose of attending meetings of the Company.

The Notice convening the Annual General Meeting includes the proposals for appointment / re-appointment of the Directors. Brief resumes of the Directors proposed to be appointed / re-appointed have been provided as an Annexure to the Notice convening the Annual General Meeting.

**Policy on Directors' Appointment and Remuneration:**

The Company's policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 has been disclosed in the Corporate Governance Report, which forms the part of the Directors Report.

**Remuneration of the Key Managerial Personnel:**

Mr. Abhishek Kumar Jain (Whole Time Director) has received the remuneration of Rs. 4,20,000/- during financial year 2015-2016.

**Disclosure under Section 197(12) of the Companies Act, 2013:**

The Company has not employed any employees whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**Directors Responsibility Statement:**

Pursuant to Section 134(5) of the Companies Act, 2013, the board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed and there are no material departures, if any;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March, 2016 and of the profits of the company for the year ended on that date;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) the directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively;
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Declaration of Independent Directors:**

All the Independent Directors have given declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the relevant rules aligned with Listing Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 so as to qualify themselves to be appointed as Independent Directors. There has been no change in the circumstances which may affect their status as Non-Executive Independent Director during the year.

**DIRECTOR'S REPORT TO THE SHAREHOLDERS(contd...)****Transfer of Unclaimed Dividend to Investor Education And Protection Fund:**

Your Company was transferred an amount of Rs. 3,76,521.58/- in separate Unclaimed / Unpaid Dividend Account for the Financial Year ended 31<sup>st</sup> March 2009 & 31<sup>st</sup> March, 2010 respectively out of which the unclaimed dividend for the Financial Year 31<sup>st</sup> March, 2009 amounting of Rs. 1,20,816.94/- will be due to transferred to Investor Education and Protection Fund established by the Central Government in the terms of Companies Act, 2013.

The Unclaimed Dividends on equity shares paid in October 2009 will be due for transfer to the fund in November 2016, investors who have not yet claimed these dividends are requested to contact either the Company 's Secretarial Department or the R&T Agent.

**Audit Committee:**

The Board has well-qualified Audit Committee with majority of Independent Directors including Chairman. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details of the Composition of the Audit Committee are given in the Corporate Governance Report. The details pertaining composition of Audit Committee are included in the Corporate Governance Report.

The Company Secretary of the Company acts as Secretary of the Committee.

During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee.

**Nomination and Remuneration Committee and Policy:**

The Company has duly constituted Nomination and Remuneration Committee to align with the requirements prescribed Listing Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The details of the Composition of the Nomination and Remuneration Committee are given in the Corporate Governance Report. The Board has framed a policy for selection and appointment of Directors, Senior Management and their Remuneration. The policy provides for determining qualifications, positive attributes, and independence of a Director.

**Statement concerning development and Implementation of Risk Management Policy of the Company:**

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor risk management plan for the company. The Committee is responsible for reviewing the risk management and ensuing its effectiveness. The Audit Committee has additional oversight in the area of financial risks control. Major risk identified by the business and function are systematically addressed through mitigating actions on a continuing basis.

**Number of Meeting of the Board:**

During the year, 6 (six) Board Meetings were convened and held the details of which are given in the Corporate Governance Report.

**Extract of Annual Return:**

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March, 2016 made under the provisions of Section 92 (3) of the Act in Form MGT-9 is annexed herewith as "Annexure A".

**Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual Performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

**DIRECTOR'S REPORT TO THE SHAREHOLDERS(contd...)**

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated.

The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate Meeting.

**Vigil Mechanism / Whistle Blower Policy:**

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Listing Regulation, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

**Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013:**

The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made in earlier years and given long term loans and advances to other parties during the year under review, outstanding at the year-end, except that such advances are given interest free, details of which are given in the Financial Statements.

**Particulars of Contracts or Arrangements made with Related Parties:**

There were no contracts or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review and hence, enclosing of Form AOC-2 is not required.

The Company has developed a Related Party Transactions Policy for the purpose of identification and monitoring of such type of transactions.

**Subsidiaries, Joint Ventures and Associate Companies:**

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

**Internal Control Systems & Their Adequacy:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Based on the report of Internal Audit function, corrective action are undertaken in the respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**Corporate Governance:**

A separate report on Corporate Governance in terms of Regulation 34(3) read with clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with certificate from M/s. Mohindra Arora & Co., Statutory Auditors, regarding compliance with the conditions of Corporate Governance is given in a separate section and forms part of the Annual Report.

**Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report and Report on Corporate Governance, as required under the Listing Regulations, forms part of the Annual Report.

**DIRECTOR'S REPORT TO THE SHAREHOLDERS(contd...)****Material Changes and Commitments, If any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

**Conservation of energy, technology absorption, foreign exchange earnings and outgo:**

The statement of particulars under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts), 2014 regarding conservation of energy, technology absorption and Foreign exchange earnings and outgo are given below:

Your Company has not consumed energy of any significant level. Accordingly, no measures were taken for energy conservation and no investment is required to be for reduction of energy consumption.

- i. Your Company has not consumed energy of any significant level. Accordingly, no measures were taken for energy conservation and no investment is required to be for reduction of energy consumption.
- ii. No comment is made on technology absorption, considering the nature of activities undertaken by your Company during the year under review.
- iii. No Expenditure has been made for research and development during the year under review.
- iv. There were no Foreign Exchange earnings or out go during the year under review.

**Auditors & Auditors Observations:**

The matters related to Auditors and their Reports are as under:

**1. Statutory Auditor and their Report:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules framed thereunder, M/s. Mohindra Arora & Co., Chartered Accountants (Registration No.: 00655IN), were appointed as statutory auditors of the Company from the conclusion of the 33<sup>rd</sup> Annual General Meeting (AGM) of the Company held on 25<sup>th</sup> August, 2014 till the conclusion of the 38<sup>th</sup> Annual General Meeting to be held in the year 2018, subject to ratification of their appointment at every Annual General Meeting.

Members are requested to consider the re-appointment.

The Board recommends the re-appointment of M/s. Mohindra Arora & Co., Chartered Accountants (Registration No.: 00655IN) as the Statutory Auditors of the Company for the Financial year 2016-2017.

**Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Auditors in their Reports:**

The Report given by the Statutory Auditors for the Financial Statements for the year ended 31<sup>st</sup> March, 2016 read with explanatory notes thereon do not call for any explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. There were no qualifications, reservations or adverse remarks in the Auditors' Report.

**2. Secretarial Auditor & his Report:**

M/s. Vineet Pal & Associates, Practicing Company Secretary was appointed to conduct Secretarial Audit of the Company for the financial year 2015-16 as required under Section 204 of the Companies Act, 2013 and the Rules thereunder. The Secretarial Audit report for the financial year 2015-16 forms part of the annual report as "**Annexure B**" to the Boards Report.

Reply to the observations in the Secretarial Audit Report:

- ❖ *The Company will be shortly appointing the Chief Financial Officer.*

**3. Internal Auditor:**

The Board has appointed M/s S. R. Ghedia & Associates, Chartered Accountants as Internal Auditors of the Company for Financial Year 2015-2016 under provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 as recommended by Audit Committee.

**DIRECTOR'S REPORT TO THE SHAREHOLDERS(contd...)****Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

There are no significant and material orders issued against the Company by any regulating authority or court or tribunal affecting the going concern status and Company's operation in future. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

**HRD Initiatives:**

The Company strongly believes that the growth of the organization can be sustained through the continuous development of its people who contribute to the business success. Today the Company is proud of its performance driven team. It is the strategy of the leadership team and the execution skills of our people that will take the organization to greater heights.

Today HR has become a critical catalyst for continuous transformation during a phase of rapid growth and transition from a midsized Company to a large corporation, in line with the Company's vision. The Company continues to maintain excellent industrial relation while ensuring development of its human resources through appropriated training and further educational programs.

**Listing of Shares:**

The Equity Shares of your Company are listed with The Calcutta Stock Exchange Ltd. and are also traded under permitted category at BSE Limited. Listing fees has already been paid in pursuance to Regulation 14 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Shares:**

The authorized Share capital and the paid up Equity Share Capital have remained unchanged during the year under review. The Company has not issued any shares with differential rights as to dividend, voting or otherwise or convertible debentures.

- The Company has not bought back any of its securities during the year under review.
- The Company has not issued any Sweat Equity Shares during the year under review.
- No Bonus Shares were issued during the year under review.
- The Company has not provided any Stock Option Scheme to the employees.

**Details of Policy developed and implemented by the Company on its Corporate Social Responsibility initiatives:**

Since the Company does not qualify any of the criteria as laid down in Section 135(1) of the Companies Act, 2013 with regard to Corporate Social Responsibility, provisions of Section 135 are not applicable to the Company.

**Additional Information to Shareholders:**

All important and pertinent investor information such as financial results, investor presentations, press releases, new launches and project updates are made available on the Company's Website: [www.adinathbio.com](http://www.adinathbio.com) on a regular basis.

**Code of Conduct:**

As prescribed under Listing Regulation, a declaration signed by the Whole Time Director affirming compliance with the Code of Conduct by the Directors and Senior Management Personnel of the Company for the financial year 2015-16 forms part of the Corporate Governance Report.



**DIRECTOR'S REPORT TO THE SHAREHOLDERS(contd...)****Disclosure under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16.

No of complaints received:	Nil
No of complaints disposed off:	Nil

**Acknowledgement:**

The Directors wish to place on record their appreciation for the contributions made by the employees at all levels, whose continued commitment and dedication helped the Company to achieve better results. The Directors also wish to thank customers, bankers, Central and State Governments for their continued support. Finally your directors would like to express their sincere & whole-hearted gratitude to all of you for your faith in us, your Co-operation & never failing support.

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**By Order of the Board  
For Adinath Bio-Labs Limited**

**Place : Kolkata**  
**Date : 22/08/2016**

**Abhishek Kumar Jain  
(Whole Time Director)  
(DIN No. 00054582)**

## Annexure A

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2016

Of

ADINATH BIOLABS LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L24230WB1982PLC034492
ii)	Registration Date [DDMMYY]	29/01/1982
iii)	Name of the Company	Adinath Bio-Labs Limited
iv)	Category / Sub-Category of the Company	Public Company limited by Shares
v)	Address of the Registered Office and Contact details	4, N. S. Road, 1 <sup>st</sup> Floor, Kolkata - 700 001 Phone / Fax: 033 - 2231 5718
vi)	Whether listed Company (Yes / No)	Yes
vii)	Name, Address and Contact details of Registrar & Transfer Agents, if any	Adroit Corporate Services Pvt. Ltd. 17/20, Jafferbhoy Industrial Estate, 1 <sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri(E), Mumbai- 400059 Phone: 022-42270400, 28596060, 28594060 Fax:022-28503748, Email: adroit@vsnl.net Website: www.adroitcorporates.com

## 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:-

Sr.No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Agricultural Commodities and it's allied products	N.A	80.76%
2	Income from Investment activities	N.A	19.24%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
NONE					

## Annexure A(contd....)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## (i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31/03/2015]				No. of Shares held at the end of the year [As on 31/03/2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corp.	56838005	0	56838005	25.75%	56838005	0	56838005	25.75%	0.00%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
f-i) Director	0	0	0	0.00%	0	0	0	0.00%	0.00%
f-ii) Director Relatives	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (A) (1):-</b>	<b>56838005</b>	<b>0</b>	<b>56838005</b>	<b>25.75%</b>	<b>56838005</b>	<b>0</b>	<b>56838005</b>	<b>25.75%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other- Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any Other....	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total shareholding of Promoter (A)(1)+(A)(2)</b>	<b>56838005</b>	<b>0</b>	<b>56838005</b>	<b>25.75%</b>	<b>56838005</b>	<b>0</b>	<b>56838005</b>	<b>25.75%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
1. Institutions	0	0	0	0.00%	0	0	0	0.00%	0.00%
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00%</b>

## Annexure A(contd....)

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	31475440	29800000	61275440	27.76%	32270785	29800000	62070785	28.12%	0.36%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh ( Previous year Rs.1 lakh )	26052355	21042	26073397	11.81%	34401691	21042	34422733	15.60%	3.79%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh ( Previous year Rs.1 lakh )	67711486	6400000	74111486	33.57%	58707173	6400000	65107173	29.49%	-4.08%
c) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Trusts	4832	0	4832	0.00%	4832	0	4832	0.00%	0.00%
HUFs	0	0	0	0.00%	0	0	0	0.00%	0.00%
NRIs ( Non Repat )	2439400	0	2439400	1.11%	2298531	0	2298531	1.04%	-0.07%
NRIs ( Repat )	0	0	0	0.00%	0	0	0	0.00%	0.00%
Clearing Members	0	0	0	0.00%	501	0	501	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>127683513</b>	<b>36221042</b>	<b>163904555</b>	<b>74.25%</b>	<b>127683513</b>	<b>36221042</b>	<b>163904555</b>	<b>74.25%</b>	<b>0.00%</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>127683513</b>	<b>36221042</b>	<b>163904555</b>	<b>74.25%</b>	<b>127683513</b>	<b>36221042</b>	<b>163904555</b>	<b>74.25%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)-</b>	<b>184521518</b>	<b>36221042</b>	<b>220742560</b>	<b>100%</b>	<b>184521518</b>	<b>36221042</b>	<b>220742560</b>	<b>100%</b>	<b>0.00%</b>

## (ii) Shareholding of Promoter:

Sr.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pramukhsoft Technologies Private Limited	14843200	6.72%	0.00%	14843200	6.72%	0.00%	0.00%
2	Rajasthan Horticulture Private Limited	10800000	4.89%	0.00%	10800000	4.89%	0.00%	0.00%
3	Nigania Promoters Private Limited	9600000	4.35%	0.00%	9600000	4.35%	0.00%	0.00%
4	Jayant Securities Private Limited	8002805	3.63%	0.00%	8002805	3.63%	0.00%	0.00%
5	Sunil Exports Private Limited	7000000	3.17%	0.00%	7000000	3.17%	0.00%	0.00%
6	Sil Leasing & Industrial Finance Private Limited.	6592000	2.99%	0.00%	6592000	2.99%	0.00%	0.00%
	<b>Total</b>	<b>56838005</b>	<b>25.75%</b>	<b>0.00%</b>	<b>56838005</b>	<b>25.75%</b>	<b>0.00%</b>	<b>0.00%</b>

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

There is no change in promoter's shareholding during F. Y. 2015-16.

Annexure A(contd....)**(iv) Shareholding Pattern of top ten Shareholders:  
(other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Sandip Laxmanbhai Bhamani	At the beginning of the year	13371175	6.06%	13371175	6.06%
		Decrease in shares (Sale of shares in Open Market)	1602902	0.73	11768273	5.33%
		At the End of the year	11768273	5.33%	11768273	5.33%
2	Umesh Kumar Thaker	At the beginning of the year	11352220	5.14%	11352220	5.14%
		Increase in shares (Purchase of shares in Open Market)	635463	0.29	11987683	5.43%
		At the End of the year	11987683	5.43%	11987683	5.43%
3	B D Jain	At the beginning of the year	7000000	3.17%	7000000	3.17%
		Changes during the year	No Changes during the year			
		At the End of the year	7000000	3.17%	7000000	3.17%
4	Jai Hind Marmo Private Limited	At the beginning of the year	6861753	3.11%	6861753	3.11%
		Changes during the year	No Changes during the year			
		At the End of the year	6861753	3.11%	6861753	3.11%
5	Exxon Financial Services Limited	At the beginning of the year	6800000	3.08%	6800000	3.08%
		Changes during the year	No Changes during the year			
		At the End of the year	6800000	3.08%	6800000	3.08%
6	Himachal Futuristic Communications Limited	At the beginning of the year	6408000	2.90%	6408000	2.90%
		Changes during the year	No Changes during the year			
		At the End of the year	6408000	2.90%	6408000	2.90%
7	Baldev Singh	At the beginning of the year	6000000	2.72%	6000000	2.72%
		Changes during the year	No Changes during the year			
		At the End of the year	6000000	2.72%	6000000	2.72%
8	Zipsy Tie-up Services Private Limited	At the beginning of the year	5000000	2.27%	5000000	2.27%
		Changes during the year	No Changes during the year			
		At the End of the year	5000000	2.27%	5000000	2.27%
9	Arav Trading Company Private Limited	At the beginning of the year	5000000	2.27%	5000000	2.27%
		Changes during the year	No Changes during the year			
		At the End of the year	5000000	2.27%	5000000	2.27%
10	Krepton Traders Private Limited	At the beginning of the year	5000000	2.27%	5000000	2.27%
		Increase in shares (Purchase of shares in Open Market)	12486	0.01%	5012486	2.27%
		At the End of the year	5012486	2.27%	5012486	2.27%

Annexure A(contd....)**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr.No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Shareholding of Director Mr. Abhishek Kumar Jain</b> At the beginning of the year At the end of the year	<b>No Director's Share Holding</b>			
2.	<b>Mr. Manoj Kumar Bothra</b> At the beginning of the year At the end of the year				
3.	<b>Mr. Jyotiraaditya Singha</b> At the beginning of the year At the end of the year				
4.	<b>Mrs. Chanderkala Devi Lakhota</b> At the beginning of the year At the end of the year				
5.	<b>Mrs. Sharmila Ranabhat</b> At the beginning of the year At the end of the year				
6.	<b>Shareholding of Key Managerial Personnel Mr. Rohit Nemchand Banthia (CS)</b> At the beginning of the year At the end of the year				

**(V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

The Company was not having any secured loans/unsecured loans and deposits during the financial year 2015-16.

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

Name of WTD: Mr. Abhishek Kumar Jain		
Sr.No	Particulars of Remuneration	Amount (in Rs.)
1	<b>Gross salary</b>	
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	300000
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	120000
	(c) Profits in lieu of salary under Section 17(3) Income- Tax Act, 1961	Nil
2	<b>Stock Option</b>	Nil
3	<b>Sweat Equity</b>	Nil
4	<b>Commission</b> - as % of profit - others, specify...	Nil
5	<b>Others, please specify</b>	Nil
	<b>Total (A)</b>	<b>420000</b>
	<b>Ceiling as per the Act</b>	As per Schedule V of the Companies Act, 2013

## Annexure A(contd....)

## B. Remuneration to other directors:

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount (In Rs)
		Manoj Kumar Bothra	Jyotiraaditya Singha	Chanderkala Devi Lakhotia	Sharmila Ranabhat	
1	<b>Independent Directors</b>					
	Fee for attending Board Committee Meetings	7500	7500	0	5000	20000
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	<b>Total (1)</b>	<b>7500</b>	<b>7500</b>	<b>0</b>	<b>5000</b>	<b>20000</b>
2	<b>Other Non-Executive Directors</b>					
	Fee for attending Board Committee Meetings	0	0	5500	0	5500
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>5500</b>	<b>0</b>	<b>5500</b>
<b>Total (B)=(1+2)</b>		<b>7500</b>	<b>7500</b>	<b>5500</b>	<b>5000</b>	<b>25500</b>
<b>Total Managerial Remuneration</b>		<b>25500</b>				
<b>Overall Ceiling as per the Act</b>		<i>(Sitting Fees paid is within the limits specified under the Companies Act,2013)</i>				

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

Sr.No	Particulars of Remuneration	
1	Gross salary	No Remuneration paid to other Key Managerial Personnel
	(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	

Annexure A(contd....)

## 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)
<b>A. COMPANY</b>					
Penalty	<b>None</b>				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	<b>None</b>				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>None</b>				
Punishment					
Compounding					



**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and**  
**Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
**Adinath Biolabs Limited**  
CIN No.: L24230WB1982PLC034492  
4. N. S. Road, 1<sup>st</sup> Floor,  
Kolkata, West Bengal-700 001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Adinath Biolabs Limited (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2016 ("Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period)**;
- (v) The following Regulations (as amended from time to time) 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 erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15 2015 ;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 (effective 28<sup>th</sup> October, 2014) **(Not applicable to the Company during the Audit Period)**;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
  - f) The Securities and Exchange Board of India (Registrar 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 during the Audit Period)**;
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during Audit Period)**;
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other Laws applicable to the Company namely:

The Directors of the Company informed and certified that there are no other laws that are specifically applicable to the company based on the nature of business. However, they have represented that the company has complied with the provisions of other laws as applicable to it.

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

- a) Secretarial Standards issued by 'The Institute of Company Secretaries of India' effective from 01<sup>st</sup> July, 2015; and
- b) The erstwhile Listing Agreements entered into by the Company with The Calcutta Stock Exchange Limited and BSE Limited and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1<sup>st</sup> December, 2015.

During the period under review the Company has generally complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no material non-compliances that have come to my knowledge except to the extent as mentioned below:

- *During the Audit Period, the Company has not appointed the Chief Financial Officer as Key Managerial Person, pursuant to Section 203 of the Act and Rules made there under. The Management represented that the compliance with the said Section and Rules will be done after the Audit Period.*

**I further report that:**

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

Adequate Notice is given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board meeting and Committee Meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.

**I further report that**, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines that pertain to the business operations of the Company.

I further report that during the audit period, the company has 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.

This Report is to be read with my letter of even date which is annexed as Appendix-1 and forms and integral part of this report

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**For Veenit Pal & Associates  
Company Secretaries**

**Veenit Pal  
(Proprietor)**

**ACS : 25565  
CP : 13149**

**Place : Mumbai  
Date : 19/08/2016**

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**Appendix -1**  
**(Forming Part of Secretarial Audit Report)**

To,  
The Members,  
**Adinath Biolabs Limited**  
CIN No.: L24230WB1982PLC034492  
4. N. S. Road, 1<sup>st</sup> Floor,  
Kolkata, West Bengal-700 001

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules, regulations, norms and standards and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

---

**For Veenit Pal & Associates**  
**Company Secretaries**

**Veenit Pal**  
**(Proprietor)**

**ACS : 25565**  
**CP : 13149**

**Place : Mumbai**  
**Date : 19/08/2016**

**CORPORATE GOVERNANCE****Company's Philosophy on Code of Governance:**

Corporate Governance represents the value frame work, rules, practices by which accompany conducts its business activities, corporate governance essentially involves balancing the interests of many stakeholders in a company which include its shareholders, management, customers, government, lenders, creditors, and employees. Our multiple initiatives towards maintaining the highest standards of governance are detailed in this report. In accordance with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V thereof, the details of compliance by the Company with the norms on Corporate Governance are as under;

**Board of Directors:**

The Company has an optimum combination of Directors on the Board and is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provision of Section 149 of the Companies Act, 2013.

As on March 31, 2016, the Board of Directors comprised of five Directors. Out of these, there is one Whole - Time Director, one Non -Executive Director and three are Non - Executive Independent Directors, which includes one Woman Director. The Non-Executive Directors with their diverse knowledge experience and expertise bring in their independent judgment in the deliberation and decisions of the Board.

All the Directors have been made necessary disclosure regarding Committees positions held by them in other Companies.

None of the directors is having any relation with other directors of the Board.

As per the declarations received by the Company, none of the Directors are disqualified under Section 164 (2) of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other normal business.

**Board of Independence:**

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and Listing Regulation of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. Further, none of the Independent Director is serving more than seven listed companies. The Company has issued a letter of appointment to all the Independent Directors of the Company.

**Board Meeting:**

Board Meetings are conducted in accordance with the Rules made under Companies Act, 2013 and as per requirements of Listing Regulation under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company.

The Board Meetings are pre scheduled and a tentative annual calendar of the Board is circulated to the Directors in advance to facilitate the Directors to plan their schedules. The Minutes of Board Meetings are also circulated in advance to all Directors and confirmed at subsequent Meetings.

The Board reviews the performance of the Company.

The important decisions taken at the Board/ Board Committee Meetings are communicated to the concerned department.

The Directors have disclosed to the Company about the committee positions they occupy in other companies and have notified changes as and when they take place.

During the Financial Year 2015-16, (six ) 6 Board Meetings were held on 27<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 20<sup>th</sup> August, 2015, 9<sup>th</sup> November, 2015, 11<sup>th</sup> February, 2016, and 29<sup>th</sup> March, 2016. Time gap between any two meetings was not more than 120 days.

**CORPORATE GOVERNANCE (contd...)**

Details of the composition, category of the Directors, their attendance at the Board Meetings held during the year & Annual General Meeting (AGM) held on September 28<sup>th</sup>, 2015, Directorships and Committee Memberships are as under:

Name of Director	Category	No. of Board Meeting Attended	Attendance at Last AGM	No. of Other Directorship *	No. of Other Committee Membership**
Mr. Abhishek Kumar Jain	Whole Time Director	6	Yes	5	6
Mr. Manoj Kumar Bothra	Non-Executive Independent Director	6	Yes	2	4
Mr. Jyotiraaditya Singha	Non-Executive Independent Director	6	Yes	2	4
Mrs. Chanderkala Devi Lakhotia	Non-Executive Director	6	No	3	5
Mrs. Sharmila Ranabhat	Non-Executive Independent Director	6	No	1	2

\*Other directorships do not include alternate directorships, directorships of Private Limited Companies, Section 8 companies and of companies incorporated outside India.

\*\*For the purpose of reckoning the limit on committee positions, chairmanship / membership of the Audit Committee and the Stakeholders Relationship Committee are considered.

None of the Directors is related to any other Director of the Company within the meaning of Section 2(77) of the Companies Act, 2013 and rules thereof.

The particulars of Directors, who are proposed to be appointed / reappointed at the ensuing Annual General Meeting, are given in the Notice convening the Annual General Meeting.

The Board periodically reviews the compliance report of all laws applicable to the Company. All the Directors have made necessary disclosures about the directorships and committee positions they occupy in other companies.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which they are Directors.

The Board has established procedure to enable the Board to periodically review compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non - Compliances.

**Meeting of Independent Director:**

As stipulated by the Code of Independent Directors under Listing Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 aligned with Companies Act, 2013, a separate Meeting of the Independent Directors of the Company was held on 29.03.2016 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties. The Board also carried out evaluation of its various Committees and the Directors expressed their satisfaction with the evaluation process.

**Audit Committee:**

The Audit Committee comprises of three Non-Executive Independent Directors. The Committee has appointed Mr. Manoj Kumar Bothra as the Chairman. All the members of the Audit Committee are financially literate and possess necessary expertise in finance, accounting, etc. The Company Secretary acts as the secretary of the Committee.

The Whole time Director attended the meetings of the Audit Committee. The representatives of the Statutory Auditors and the Internal Auditors were invited and attended the meetings of the Audit Committee.

**CORPORATE GOVERNANCE(contd...)**

The Audit Committee has met four times during the financial year 2015-2016 and not more than 120 days has elapsed between two such Meetings. The Meetings held on 26/05/2015, 11/08/2015, 07/11/2015 and 10/02/2016.

The Chairman of the Audit Committee was present at the 34<sup>th</sup> Annual General Meeting of the Company.

The Audit Committee acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board of Directors.

The terms of reference of the Audit Committee covers the matters specified under Listing Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Act. This Committee has the following powers, roles and terms of reference:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- To Review of the quarterly, half yearly and annual financial results of the Company before submission to the Board;
- To Review with the management and statutory auditors, the annual financial statements before submission to the Board;
- To Review the Company's financial and risk management policies;
- Recommendation for appointment, remuneration and terms of the Statutory Auditors and internal auditor;
- To review the functioning of the Whistle Blower mechanism, in case, the same exists;
- To review of related party transaction;
- Compliances with accounting standards and change in accounting policies and practices;
- Approval for appointment of CFO;
- Discussion with internal auditors of any significant findings and follow up there on;
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee, as amended from time to time by the Companies Act, 2013 and the Listing Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The present composition of Audit Committee, changes since last annual report and the attendance at the Meeting are as follows:

Name of the Members	Category	No. of Meeting Attended
Mr. Manoj Kumar Bothra	Non-Executive Independent Chairman	4
Mr. Jyotiraaditya Singha	Non-Executive Independent	4
Mrs. Chanderkala Devi Lakhotia	Non-Executive	4

**Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee's constitution, its role and terms of reference are in compliance with provisions of Section 178 of the Companies Act, 2013, Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

During the F.Y. 2015-2016, the Nomination and Remuneration Committee met one time and all the members of the Committee were present in Meeting. Below-mentioned table gives the composition and attendance record of the Nomination and Remuneration Committee:-

Name of the Members	Category	No. of Meeting Attended
Mr. Manoj Kumar Bothra	Non-Executive Independent (Chairman)	1
Mr. Jyotiraaditya Singha	Non-Executive Independent	1
Mrs. Sharmila Ranabhat	Non-Executive Independent	1

**CORPORATE GOVERNANCE(contd...)****Brief about Remuneration Policy:**

Your Company has formulated a policy on Nomination & Remuneration of Directors and Key Managerial Personnel and the major points relating to Remuneration policy are as under:

- To formulate a Nomination and Remuneration Policy on: determining qualifications, positive attributes and independence of a director. guiding remuneration of Directors, Key Managerial Personnel (“KMP”) and other employees and Board diversity;
- To identify person who are qualify to become directors and who may be appoint in Senior Management in the board their appoint reappoint and removal;
- To recommend / approve remuneration of whole time director / executive or any director, key managerial personnel and any increase there in from time to time, within the limit approval by the members;
- To recommend /approve remuneration of Non-executive Director / independent Director / Executive Director in the form of sitting fees for attending the Meeting of the Board and its Committee and remuneration for other services etc;
- To exercise such other powers as may be delegated to it by the Board from time to time.

**Remuneration of Director:**

The Non-Executive Directors/ Independent Directors are paid only sitting fees for attending Board / Committee Meetings. There is no pecuniary relationship or transaction of the Company with its Non-Executive Directors / Independent Directors other than payment of sitting fees for attending Board & Committee Meeting.

During the year, Company has paid remuneration to its executive directors. The detail of remuneration of Mr. Abhishek Kumar Jain (Whole-time Director) is as under:

Name of Director	Salary cum Allowances	Stock Option and Other Benefits	Service Contract Tenure
Mr. Abhishek Kumar Jain	Rs. 4,20,000/-	Nil	3 Years

**Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Listing Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 178 of the Companies Act, 2013.

The Stakeholders Relationship Committee comprises of three members of the Committee, who are Non – Executive and Independent Directors. The Members of the Committee have appointed Mr. Manoj Kumar Bothra as Chairman of the Committee. The Committee has been constituted to consider and resolves the grievances of the security holders of the Company, including complaints related to transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends. The Company Secretary has also been authorized by the Board of Directors to expedite the process of transfer / transmission of shares. The details of transfer/transmission of shares are placed before the meeting of the Board of Directors on a regular basis. The Committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement. The Committee supervises the mechanism for redressal of investor grievances and ensures cordial relations. The Committee met two times during the year. The Company has designated an exclusive email investors@adinathbio.com for the investors to register their grievances, if any. The Company has also displayed the said email ID on its website for the use of investors.

The total numbers of complaints received and redressed during the year ended 31<sup>st</sup> March, 2016 were Nil and there was no complaint pending or unattended as on 31<sup>st</sup> March, 2016.

The details of composition of the Committee and attendance during the year 2015-2016 are as under:

Name of the Members	Category	No. of Meeting Attended
Mr. Manoj Kumar Bothra	Non-Executive Independent (Chairman)	2
Mr. Jyotiraaditya Singha	Non-Executive Independent	2
Mrs. Sharmila Ranabhat	Non-Executive Independent	2

**CORPORATE GOVERNANCE(contd...)****Risk Management Committee:**

The Risk Management Committee of the Board has been constituted in the manner prescribed in Listing Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee is responsible to lay down the procedures to inform the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

During the year, one Meeting of the Risk Management Committee was held. The Composition of the Risk Management Committee and details of the Meetings attended by its members are given below.

Name of the Members	Category	No. of Meeting Attended
Mr. Manoj Kumar Bothra	Non-Executive Independent (Chairman)	1
Mr. Jyotiraaditya Singha	Non-Executive Independent	1
Mrs. Chanderkala Devi Lakhotia	Non-Executive	1

**Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholders Relationship Committee. The Directors expressed their satisfaction with the evaluation process.

**General Body Meeting:**

The last three Annual General Meetings were held as per details given below:

Year	AGM / EGM	Date	Day	Time	Address
2014-2015	AGM	28/09/2015	Monday	10:00 A.M.	Orbit Hotel, RB- 29, Raghunathpur, VIP Road, Kolkata- 700 059
2013-2014	AGM	25/08/2014	Monday	10:00 A.M.	Hotel Rose Vally, RB- 29, Raghunathpur, VIP Road, Kolkata- 700 059
2012-2013	AGM	03/09/2013	Tuesday	10:00 A.M.	Hotel Rose Vally, RB- 29, Raghunathpur, VIP Road, Kolkata- 700 059

During the year under review, no Special Resolution was passed by the Members through Postal Ballots. In the Annual General Meeting held on 28<sup>th</sup> September, 2015, all the resolutions were adopted through Postal Ballot or by electronic voting. The members have the options to vote either by physical ballot or e- voting.

**Prevention of Insider Trading:**

The Company has adopted an insider trading policy regulate monitor and report trading by insider under the SEBI (Prohibition of Insider Trading) Regulation, 2015. The policy also include practicing and Procedures for fair disclosure of unpublished price sensitive information initial and continual disclosure to identified designated employee and the Board receives the policy on a need basis. The Company Secretary cum Compliance is responsible for implementation of the Code.

**Code of Conduct:**

In compliance with Listing Regulations 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has framed and adopted the Code of Conduct and ethics. The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.



**CORPORATE GOVERNANCE(contd...)****Disclosure:**

The Company has complied with all requirements of the Listing Regulation entered into with the Stock Exchange as well as the regulations and guidelines of SEBI. Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

There are no significant transaction with the related parties namely, promoters / Directors or the Management and their Associates or relatives etc. that may have a conflicting with the interest of the company.

The Company has not raised any proceeds from public issue, rights issue, and preferential issue and also not issued any GDRs /ADRs /Warrants/ Equity share or any Convertible instruments or any other instruments during the year under review.

The guidelines/ Accounting Standards lay down by the Institute of Chartered Accountants of India and prescribed under Section 133 of the Companies Act, 2013 have been followed in preparation of financial statements of the company in all material respects.

The Board of Directors has adopted the Vigil Mechanism / Whistle Blower Policy. The Policy has provided a mechanism for Directors, Employees and other persons dealing with the Company to report to the Chairman of the Audit Committee, any instance of unethical behaviour, actual or suspected fraud or violation of the Code of Conduct of the Company.

The Company does not have any subsidiary.

The Company has complied with all mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The non -mandatory requirements, to the extent followed by the company have been stated in this report.

**Secretarial Audit:**

A Practicing Company Secretary carried out Secretarial Audit to reconcile the total admitted equity share capital with National Securities Depository Limited and the Central Depository Services Limited and the total issued and listed Equity Share Capital. The Secretarial Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized share held with NSDL and CDSL.

**Means of Communication:**

The quarterly /half yearly and audited financial results of the Company are published in leading English/Bengali (regional) newspapers. The quarterly results as well as the proceedings of the AGM / EGM are submitted to The Calcutta Stock Exchange Limited and BSE Limited immediately after conclusion of the respective Meeting.

The Company is in compliance with the provisions of the Listing Regulation under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the intimation of notice of Board Meeting, publication of notice and results, outcome of the Meeting etc. The information is also made available to the investors on the Company website, [www.adinathbio.com](http://www.adinathbio.com).

**Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report is a part of the Annual Report and are included in the Director's Report.

**Share Transfer System:**

Shares of the Company are compulsorily traded in demat mode. Shares in physical mode which are lodged for transfer with Transfer Agent, i.e., M/s. Adroit Corporate Services Private Limited, Mumbai, at the above addresses are processed within 15 days from the date of receipt, if the documents are complete in all respects the share certificates are returned to the investors within the prescribed time.

**Income Tax Pan Mandatory for Transfer of Securities:**

As per Regulation 40(7) read with Schedule VII of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the listed entity for registration of transfer of securities.

**CORPORATE GOVERNANCE(contd...)****Dematerialisation of Shares:**

83.59% (approx) of Total Equity Share Capital is held in dematerialization form with NSDL & CDSL as at 31st March, 2016. Members can hold shares in electronic form and trade the same in depository system. However they may hold the same in physical form also.

**Transfer of Unpaid Dividend to Investor Education and Protection Fund(IEPF):**

In terms of Section 124 of the Companies Act, 2013 (Corresponding Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956) dividends that are unclaimed for a period of seven years, are statutorily required to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government, and thereafter, cannot be claimed by the investors.

No claim shall lie against the said Fund or the Company for unpaid dividends transferred to the Fund nor shall any payment be made in respect of such claim. Members, who have not yet encashed their dividend warrant(s), are requested to make their claims without any delay to the Company's Registrar and Share Transfer Agent, i.e. Adroit Corporate Services Pvt. Ltd or Company Registered Office.

**General Share Holder Information:**

1.	Compliance Officer	Mr. Rohit Nemchand Banthia 4, N. S. Road, 1 <sup>st</sup> Floor, Kolkata - 700001 Phone / Fax: 033 - 22315718		
2.	<b>Annual General Meeting</b>			
a)	Date & Time	Monday, 26 <sup>th</sup> September, 2016 at 03.00 P.M.		
b)	Venue	Celesta Hotel, RAA 43/2 VIP Road, Raghunathpur, (North), Kolkata - 700059		
c)	Dividend	No dividend has been recommended by the Board of Directors for the F.Y 2015-16		
d)	Financial Calendar	1 <sup>st</sup> April to 31 <sup>st</sup> March		
e)	Quarterly Results	First Quarter - within 45 days from the end of first quarter Second Quarter - within 45 days from the end of second quarter Third Quarter - within 45 days from the end of third quarter Fourth Quarter - within 60 days from the end of financial year		
f)	Date of Book Closure	20/09/2016 to 26/09/2016		
g)	Listing on Stock Exchanges	The Calcutta Stock Exchange Ltd. BSE Ltd. Listing fees have been paid to CSE for the F.Y 2016-17		
h)	Stock Code	10012130 (CSE) 590088 (BSE)		
i)	Demat ISIN in NSDL & CDSL for equity shares	INE129D01039		
j)	Registrar and Share Transfer Agent (For Physical & Demat Segment)	Adroit Corporate Service Private Limited 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059. Tel: 022-42270400, Fax: 022-28503748, Email: adroits@vsnl.net, Website: www.adroitcorporates.com		
k)	Market Price data high, low, No. of Shares Traded per month on BSE Limited during each month in last financial year is given below:			
	<b>Months</b>	<b>High (Rs.)</b>	<b>Low (Rs.)</b>	<b>Volume (No. of Shares)</b>
	April- 2015	0.20	0.15	341316
	May -2015	0.24	0.16	201236
	June- 2015	0.25	0.17	328013
	July-2015	0.37	0.17	1656012
	August-2015	0.40	0.22	1574053
	September- 2015	0.28	0.16	1467876
	October-2015	0.26	0.18	1468557
	November- 2015	0.24	0.17	558332
	December-2015	0.26	0.19	577019
	January-2016	0.26	0.21	588512
	February-2016	0.26	0.19	499452
	March-2016	0.21	0.19	201327

Note: There has been no trade at The Calcutta Stock Exchange Limited.

**CORPORATE GOVERNANCE(contd...)****Whole Time Director Declaration:**

The Whole Time Director has given appropriate certification to the Board as required Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Distribution of Shareholdings:****Categories of Shareholders as on 31/03/2016**

Category	No. of Shareholders	No. of Shares	% of Equity Capital
Promoters	6	56838005	25.75
Other Bodies Corporate	125	62071286	28.12
Individual / Others	5814	101833269	46.13
<b>Total</b>	<b>5945</b>	<b>220742560</b>	<b>100</b>

**Distribution of Shareholdings as on 31/03/2016**

No. of Equity Share held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 500	1933	32.51	457140	0.21
501 - 1000	1095	18.42	1033226	0.47
1001 - 2000	726	12.21	1272847	0.58
2001 - 3000	367	6.17	1007673	0.46
3001 - 4000	182	3.06	678459	0.31
4001 - 5000	388	6.53	1908218	0.86
5001 - 10,000	503	8.46	4217349	1.91
10001 & Above	751	12.64	210167648	95.21
<b>Total</b>	<b>5945</b>	<b>100.00</b>	<b>220742560</b>	<b>100.00</b>

**Note:** Distribution / Categories of Shareholdings as given above are on folio no(s) wise, whereas Share Holding Pattern, pursuant to Regulation 31 of the SEBI (LODR) Regulation 2015 vide circular No. CIR/CFD/CMD/13/2016 dated 30th November, 2015, filed with Stock Exchanges were consolidated on the basis of the PAN, to avoid multiple disclosures of shareholding of the same person.

**DECLARATION CODE OF CONDUCT**

This is to confirm that the company has adopted a Code of Conduct for the members of the Board and the Senior Management Personnel in compliance with Listing Regulations 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, aligned with Companies Act, 2013. I hereby confirm that the Board and the Senior Management Personnel of the Company have complied with the code of conduct in respect of the financial year ended 31.03.2016.

**By Order of the Board  
For Adinath Bio-Labs Limited**

**Place : Kolkata  
Date : 22/08/2016**

**Abhishek Kumar Jain  
(Whole-time Director)  
DIN: 00054582**

**Whole Time Director Certification****To the Board of Directors of Adinath Bio-Labs Limited**

We have reviewed the financial statements and the cash flow statement of Adinath Bio-Labs Limited for the year ended 31st March, 2016 and that to the best of our knowledge and belief, we state that:

- (1) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (2) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (3) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.

We have not come across and are not aware of any reportable deficiencies in the design or operation of such internal controls.

- (4) We have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

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**For Adinath Bio-Labs Limited**

**Place : Kolkata**  
**Date : 22/08/2016**

**Abhishek Kumar Jain**  
**(Whole Time Director)**  
**(DIN:00054582)**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To,  
The Members,  
Adinath Biolabs Limited**

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We have examined the compliance of conditions of Corporate Governance by Adinath Biolabs Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2016, as stipulated in Clause No.49 of the Listing Agreement entered with the stock exchange(s) for the period 1<sup>st</sup> April 2015 to 30<sup>th</sup> November 2015 and as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period 1<sup>st</sup> December 2015 to 31<sup>st</sup> March 2016.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent possible and as applicable to it.

We further 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.

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**For Mohindra Arora & Co.  
(Chartered Accountants)  
(Firm Regn No : 006551N)**

**Ashok Kumar Katial  
(Partner)  
M.No :: 09096**

**Place : Mumbai  
Date : 22/08/2016**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Listing Regulation of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 aligned with Companies Act, 2013, the Management Discussion & Analysis Report for the year under review is given below;

**Market Environment:**

According to the economic survey 2015-2016, the Indian economy will continue to grow more than 7 percent in 2016-2017. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms.

Over the recent past, multiple factors have worked together to facilitate growth in the agriculture sector in India. These include growth in household income and consumption, expansion in the food processing sector and increase in agricultural exports. Rising private participation in Indian agriculture, growing organic farming and use of information technology are some of the key trends in the agriculture industry.

Adinath Bio-labs Limited is engaged in the trading in agriculture commodities and its allied products and dealing other concern activities with an excellent track record of growth in the Indian domestic market since 35 years. The Company adherence to strong business ethics and transparent corporate policies, with a stable political environment, this is probably the most conducive period for a steady pace of implementation of policy reforms.

**Review of Operation:**

The Management of Adinath Bio-Labs Limited presents the analysis of performance of the Company for the Financial Year 2015-2016 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments. The Company operates mainly in Indian Market. The Company has managed to maintain a growth trajectory in its financial performance in the current year.

During the year under review, the Company achieved the total revenue of Rs.99,71,773/-.

**Business Segment:**

During the year, the Company is into the business of trading in agriculture commodities and its allied products and also dealing other concern activities. The Company operates mainly in Indian Market.

**Opportunities:**

Over the recent past, multiple factors have worked together to facilitate growth in the agriculture sector in India. These include growth in household income and consumption, expansion in the food processing sector and increase in agricultural exports. Rising private participation in Indian agriculture, growing organic farming and using information technology are some of the key trends in the agriculture industry.

Several players have invested in the agricultural sector in India, mainly driven by the government's initiatives and schemes.

Given the importance of the agriculture sector, the Government of India, in its Budget 2015-16, planned several steps for the sustainable development of agriculture. The government has already taken steps to address two major factors (soil and water) critical to improve agriculture production. Steps have been taken to improve soil fertility on a sustainable basis through the soil health card scheme and to support the organic farming scheme 'Paramparagat Krishi Vikas Yojana'. Other steps include improved access to irrigation through 'Pradhanmantri Gram Sinchai Yojana'; enhanced water efficiency through 'Per Drop More Crop'; continued support to MGNREGA and the creation of a unified national agriculture market to boost the incomes of farmers.

**Threats, Risk and Concern:**

Risk Economic and market conditions can adversely affect the performance of the company. In particular, the decline in the performance of the global and Indian economies as a result of the economic downturn can reduce demand. Commodity futures and derivatives market have a crucial role to play in the price risk management process, especially in agriculture. However, they have been utilized in a very limited scale in India.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT (contd...)**

Commodity futures and derivatives market have a crucial role to play in the price risk management process, especially in agriculture. However, they have been utilized in a very limited scale in India. The production, supply and distribution of many agricultural commodities are controlled by the government and only forwards and futures trading are permitted in certain commodity items.

Agricultural Commodity futures are market-based instruments for managing risks and they help in orderly establishment of efficient agricultural markets Future markets are used to hedge commodity price risks.

They also serve as a low cost, highly efficient and transparent mechanism for discovering prices in the future by providing a forum for exchanging information about supply and demand conditions.

The hedging and price discovery functions of future markets promote more efficient production, storage, marketing and agro-processing operations and help in improvement in overall agricultural marketing performance.

**Internal Control Systems and their adequacy:**

The Company has adequate internal control procedure commensurate with its size and nature of the business. The nature control system is supplemented by extensive internal audit s regular review by the management and well documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statement and other data. Moreover, the Company continuously upgrades these systems in line with best accounting practices. The Company has independent audit system to monitor the entire operation and the audit committee of the Board reviews the findings and recommendation of the internal auditors

**Human Resources :**

The Company strongly believes that the growth of the organization can be sustained through the continuous development of its people who contribute to the business success. Today the Company is proud of its performance driven team. It is the strategy of the leadership team and the execution skills of our people that will take the organization to greater heights. The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and process by creating an environment that encourages initiative provides challenges and opportunities and recognize the performance and potential of its employees. The Company has been taking initiatives for harnessing the inherent strength of its employees and for continuous improvement in work culture and operating & maintenance practices.

**Disclosure of Accounting Treatment:**

In preparation of it financial statement no accounting treatment different from that prescribed in the accounting standard has been followed.

**Cautionary Statements:**

The statement in the Directors' Report and management discussion and analysis describing the Company's objectives, projections estimates and expectation may be forward-looking statements within the meaning, if applicable of securities laws and regulations.

**INDEPENDENT AUDITORS' REPORT**

**To**  
**The Members of**  
**Adinath Bio-Labs Limited**

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**Report on the Financial Statements:**

We have audited the accompanying financial statements of Adinath Bio-Labs Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of 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.

**Auditor's 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 and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 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 31<sup>st</sup> March, 2016, and its profit and its cash flows for the year ended on that date.



**INDEPENDENT AUDITORS' REPORT(contd...)****Report on Other Legal and Regulatory Requirements:**

1. 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.
2. 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 written representations received from the directors as on 31<sup>st</sup> March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016, 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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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**For Mohindra Arora & Co.**  
**Chartered Accountants**  
**(Firm Regn No : 006551N)**

**Ashok Kumar Katial**  
**(Partner)**  
**M.No :: 09096**

**Place :: Mumbai**  
**Date :: 25/05/2016**

**"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT**

*(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date)*

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the Fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us, there are no immovable properties owned by the Company under Fixed Assets. Accordingly, paragraph 3 (i) (c) of the Order is not applicable to the Company.
- (ii) As explained to us, Inventories have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clauses 3 (iii) (a) to (C) of paragraph 3 of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not directly or indirectly advanced loan to the persons covered under Section 185 of the Companies Act, 2013 or given guarantees or securities in connection with the loan taken by such persons. The Company has complied with the provisions of Section 186 of the Act, in respect of investments made in earlier years and long term loans and advances given to other parties, outstanding at the year- end , except that such advances are given interest free.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of the activities carried on by the company.
- (vii) In respect of its statutory dues:
- (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues ,were outstanding as 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute other than the Income Tax . According to the Information and explanations given to us, the dues in respect of Income Tax that has not been deposited with appropriate authorities on account of dispute and the forum where the disputes are pending are given below :

Name of the Statute	Nature of Dues	Period to which it relates	Amount in Rs.	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	A.Y. : 2013-2014	100,17,800/-	DCIT
Income Tax Act, 1961	Income Tax	A.Y. : 2012-2013	72,81,237/-	DCIT

**"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT (contd...)**

- (viii) The Company has not raised loans from financial institutions or banks or government or by issue of debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our Opinion, the company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, during the year under review, the Company has not entered into any transaction with Related Parties that require approval under Section 177 and Section 188 of the Companies Act, 2013 and the rules made thereunder. Accordingly, paragraph 3(xiii) of the Order is not applicable to the Company.
- (xiv) During the year under review the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and covered under Section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934.

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**For Mohindra Arora & Co.  
Chartered Accountants  
(Firm Regn No : 006551N)**

**Ashok Kumar Katial  
(Partner)  
M.No :: 09096**

**Place :: Mumbai  
Date :: 25/05/2016**

**“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT**

*(Referred to in paragraph 2(f) under the heading ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date)*

**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 Adinath Bio-Labs Limited (“the Company”) as of 31<sup>st</sup> March, 2016 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting:**

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

**"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT(contd...)****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 31<sup>st</sup> March, 2016, 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.

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**For Mohindra Arora & Co.  
Chartered Accountants  
(Firm Regn No : 006551N)**

**Ashok Kumar Katial  
(Partner)  
M.No :: 09096**

**Place :: Mumbai  
Date :: 25/05/2016**

## Balance Sheet as at 31st March, 2016

Particulars		Note No.	As at 31st March, 2016	As at 31st March, 2015
			Amt in Rs.	Amt in Rs.
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' Funds</b>			
	(a) Share capital	2	2207,42,560	2207,42,560
	(b) Reserves and Surplus	3	722,61,584	708,24,441
			<b>2930,04,144</b>	<b>2915,67,001</b>
<b>2</b>	<b>Non-Current Liabilities</b>			
	(a) Deferred Tax Liabilities	4	1,45,738	2,19,958
			<b>1,45,738</b>	<b>2,19,958</b>
<b>3</b>	<b>Current Liabilities</b>			
	(a) Other Current Liabilities	5	5,96,947	8,27,256
	(b) Short-Term Provisions	6	11,66,078	5,69,078
			<b>17,63,025</b>	<b>13,96,334</b>
	<b>TOTAL</b>		<b>2949,12,907</b>	<b>2931,83,293</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	7	55,63,897	70,93,292
	(ii) Capital Work In Progress		186,56,065	186,56,065
	(b) Non-Current Investments	8	55,75,000	295,57,000
	(c) Long-Term Loans and Advances	9	1575,44,644	1293,64,644
	(d) Other Non Current Assets	10	1005,86,124	1030,30,981
			<b>2879,25,730</b>	<b>2877,01,982</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Trade Receivables	11	62,04,269	44,83,731
	(b) Cash and Cash Equivalents	12	7,82,908	9,97,580
			<b>69,87,177</b>	<b>54,81,311</b>
	<b>TOTAL</b>		<b>2949,12,907</b>	<b>2931,83,293</b>
	<b>Significant Accounting Policies</b>	1		
	<b>Notes to the Financial Statements</b>	2 to 19		
As per our report of even date attached For Mohindra Arora & Co. (Chartered Accountants) (Firm Regn No : 006551N)		For and on behalf of the Board of Directors For Adinath Bio-Labs Limited		
Ashok Kumar Katial (Partner)  M.No :: 09096  Place :: Mumbai Date :: 25/05/2016		Abhishek Kumar Jain (Whole Time Director) (DIN:00054582)	Chanderkala Devi Lakhotia (Director) (DIN:06904489)	

## Statement of Profit and Loss for the year ended 31st March, 2016

Particulars		Note No.	For the year ended	For the year ended
			31st March, 2016	31st March, 2015
			Amt in Rs.	Amt in Rs.
<b>I</b>	Revenue from Operations (Gross)	13	8,053,213	13,523,078
<b>II</b>	Other Income	14	1,918,560	708,835
<b>III</b>	<b>Total revenue (I+II)</b>		<b>9,971,773</b>	<b>14,231,913</b>
<b>IV</b>	<b>Expenses</b>			
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	15	-	-
	Employee Benefits Expenses	16	1,985,929	2,277,685
	Depreciation and Amortisation Expenses	17	1,607,640	2,818,001
	Other Expenses	18	3,341,928	7,491,828
	<b>Total Expenses</b>		<b>6,935,497</b>	<b>12,587,514</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>3,036,276</b>	<b>1,644,399</b>
<b>VI</b>	<b>Tax Expenses::</b>			
	(1) Current Tax		786,000	380,078
	(2) Deferred tax		-74,220	-353,966
	(3) Tax in respect of earlier years		887,353	-31,730
			<b>1,599,133</b>	<b>-5,618</b>
<b>VII</b>	<b>Profit for the Period(V-VI)</b>		<b>1,437,143</b>	<b>1,650,017</b>
<b>VIII</b>	<b>Earnings per Equity Share (FV of Re.1/- each)</b>			
	(a) Basic		0.01	0.01
	(b) Diluted		0.01	0.01
<b>Significant Accounting Policies</b>		1		
<b>Notes to the Financial Statements</b>		2 to 19		
As per our report of even date attached For Mohindra Arora & Co. (Chartered Accountants) (Firm Regn No : 006551N)		For and on behalf of the Board of Directors For Adinath Bio-Labs Limited		
Ashok Kumar Katial (Partner) M.No :: 09096		Abhishek Kumar Jain (Whole Time Director) (DIN:00054582)	Chanderkala Devi Lakhotia (Director) (DIN:06904489)	
Place :: Mumbai Date :: 25/05/2016				

## Cash Flow Statement for the year ended 31st March, 2016

PARTICULARS		For the year ended 31st March, 2016	For the year ended 31st March, 2015
		Amt in Rs.	Amt in Rs.
<b>(A)</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before Tax	30,36,276	16,44,399
	<b>Adjustments for :-</b>		
	Miscellaneous Income	-	7,08,835
	Profit on Sale of Investments	19,18,560	-
	Depreciation and Amortisation Expenses	16,07,640	28,18,001
	<b>Operating Profit Before Working Capital Changes</b>	<b>27,25,356</b>	<b>37,53,565</b>
	<b>Adjustments for :-</b>		
	Trade Receivables	-17,20,538	-31,47,056
	Long-Term Loans and Advances	-281,80,000	53,639
	Other Non Current Assets	24,44,857	-21,74,851
	Other Current Liabilities	-2,30,309	2,16,834
	<b>Cash Generated From Operations</b>	<b>-249,60,634</b>	<b>-12,97,869</b>
	Payment of Tax	10,76,353	-
	<b>Net Cash Out Flow From Operating Activities (A)</b>	<b>-260,36,987</b>	<b>-12,97,869</b>
<b>(B)</b>	<b>Cash Flow From Investing Activities</b>		
	Sale of Investments	239,82,000	-
	Profit on Sale of Investments	19,18,560	-
	Purchases of Fixed Assets	-78,245	-
	Misc Income	-	7,08,835
	<b>Net Cash Inflow From Investing Activities (B)</b>	<b>258,22,315</b>	<b>7,08,835</b>
<b>(C)</b>	<b>Cash Flow From Financing Activities</b>	<b>NIL</b>	<b>NIL</b>
	<b>Net Increase /(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>-2,14,672</b>	<b>-5,89,034</b>
	Cash & Cash Equivalents as at Beginning of the year	9,97,580	15,86,614
	Cash & Cash Equivalents as at end of the year	7,82,908	9,97,580

As per our report of even date attached

For Mohindra Arora & Co.  
(Chartered Accountants)  
(Firm Regn No : 006551N)Ashok Kumar Katial  
(Partner)

M.No :: 09096

Place :: Mumbai

Date :: 25/05/2016

For and on behalf of the Board of Directors

For Adinath Bio-Labs Ltd

Abhishek Kumar Jain  
(Whole Time Director)  
(DIN:00054582)Chanderkala Devi Lakhotia  
(Director)  
(DIN:06904489)



**Notes to the Financial Statements for year ended 31st March, 2016**

Note: - 1

**Significant Accounting Policies:****A. Basis for preparation of Accounts:**

- The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the applicable mandatory Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the Act"), as applicable.
- The financial statements have been prepared on accrual basis under the historical cost convention and ongoing concern concept, unless otherwise stated.
- The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- Based on the nature of the activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.
- All Expenses, Revenue from Operations and Other Income are accounted for on Accrual basis.

**B. Use of Estimates:**

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made which affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

**C. Tangible Fixed Assets and Depreciation on Tangible Fixed Assets:**

- Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment in value, if any. Costs comprised acquisition price or construction cost and other attributable costs, if any for bringing the assets to its intended use.
- Depreciation on Fixed Assets is provided block-wise on written down value method (WDV) on pro rata basis as per rates prescribed in Schedule II to the Companies Act, 2013, with respect to the month of addition.

**D. Inventories:**

Finished Goods / Stock-In Trade are valued at lower of cost or net realizable value. Cost comprises all costs of purchases and other cost incurred in bringing the inventory to its present location and condition. Cost is determined on First in First out basis.

**Notes to the Financial Statements for year ended 31st March, 2016****E. Investments:**

- Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.
- Long Term Investments are valued at Cost unless stated otherwise. Provision for diminution in the value of Long Term Investments is made only, if such a decline is, in the opinion of management, other than temporary.
- Current Investments are carried at lower of cost and fair value.

**Notes to the Financial Statements for year ended 31st March, 2016**

Note: - 1

**Significant Accounting Policies:****F. Provision for Current and Deferred Tax:**

Tax expense comprises Current tax and Deferred tax.

- Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961, after considering allowances and exemptions.
- Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance sheet, if there is convincing evidence that the Company will pay normal tax in future and the resultant asset can be measured reliably.
- Deferred tax resulting from "timing difference" between taxable and accounting income for the reporting year that originate in one year and are capable of reversal in one or more subsequent years, is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.
- Deferred tax assets are recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

**G. Employee Benefits:**

- All employee benefits falling due wholly within twelve months of rendering the service are recognized in the period in which employee renders the related service and charged to the Statement of Profit & Loss.
- Since numbers of employee employed by the company for any part of the year or throughout the year were within the prescribed threshold limit of the relevant statute relating to Employees, hence, the provisions of Employees' Provident Funds and Miscellaneous Provisions Act, Payment of Bonus Act, Employees' State Insurance Act, Payment of Gratuity Act, 1972 and all other allied Labour Acts or laws or any other rules and regulations relating to Employees are not applicable to the company.
- The employees employed by the Company during the year under review or part of the year have not completed Continuous service period of 5 years and there is not any un-availed/unutilized leave of any employees working with the company at the year end. As such they are not entitled for Gratuity, Leave encashment and Other Retirement benefits. Accordingly, no provision is required to be made in respect of the retirement benefits. Also, No such payment of any retirement benefits have been made during the year.

**H. Cash Flow Statement:**

Cash flows are reported using the indirect method set out in Accounting Standard-3 (AS-3) on Cash Flow Statements, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and balances in Current Accounts with Banks.

**I. Impairment of Assets:**

- An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets.
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.
- In the opinion of the management, there is no impairment of assets as on Balance Sheet date.

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**Notes to the Financial Statements for year ended 31st March, 2016**

**Note: - 1**

**Significant Accounting Policies:**

**J. Provisions, Contingent Liabilities and Contingent Assets:**

- Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
- In the opinion of the management, there are no contingent liabilities as on Balance Sheet date other than mentioned in Note no 19 in respect of Income Tax matter and nor any events occurred after the Balance Sheet date that affects the financial position of the Company.

## Notes to the Financial Statements for year ended 31st March,2016

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amt in Rs.	Amt in Rs.
<b>NOTE :-2</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
225,100,000 (P.Y : 225,100,000)Equity Shares of Re. 1/- each	2251,00,000	2251,00,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
220,742,560 (P.Y : 220,742,560)Equity Shares of Re.1/- each fully paid-up.	2207,42,560	2207,42,560
<b>TOTAL</b>	<b>2207,42,560</b>	<b>2207,42,560</b>
<b>Notes to Share Capital</b>		
<b>(i) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period :</b>		
<b>Equity shares outstanding at the Beginning of the year</b>		
-Number of shares	2207,42,560	2207,42,560
-Amount	2207,42,560	2207,42,560
<b>Equity shares outstanding at the End of the year</b>		
-Number of shares	2207,42,560	2207,42,560
-Amount	2207,42,560	2207,42,560
<b>(ii) Terms / rights attached to Equity shares</b>		
The Company has only one class of equity shares having a par value of Re.1/- per share. Each equity shareholder is entitled to one vote per share. The Company have not declared any dividends for the year under review.		
In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the company , after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the share holders.		
<b>(iii)Name of the Shareholders holding more than 5% shares in the Company :-</b>		
<b>Pramukhsoft Technologies (P) Ltd</b>		
In Nos.	148,43,200	148,43,200
% Holdings	6.72%	6.72%
<b>Umesh Kumar Thaker</b>		
In Nos.	119,87,683	113,52,220
% Holdings	5.43%	5.14%
<b>Sandip Laxmanbhai Bhamani</b>		
In Nos.	117,68,273	133,71,175
% Holdings	5.33%	6.06%

## Notes to the Financial Statements for year ended 31st March, 2016

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amt in Rs.	Amt in Rs.
<b>NOTE :-3</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
As per last Balance sheet	154,64,327	154,64,327
<b>Closing Balance</b>	<b>154,64,327</b>	<b>154,64,327</b>
<b>Securities Premium Reserve</b>		
As per last Balance sheet	144,43,080	144,43,080
<b>Closing Balance</b>	<b>144,43,080</b>	<b>144,43,080</b>
<b>General Reserve</b>		
As per last Balance sheet	29,58,579	48,44,000
Less :: Transfer to Surplus	-	18,85,421
<b>Closing Balance</b>	<b>29,58,579</b>	<b>29,58,579</b>
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance as per last Balance Sheet	379,58,455	363,08,438
Less :: Additional Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013	-	18,85,421
Add :: Profit for the year	14,37,143	16,50,017
Add :: Transfer from General Reserve	-	18,85,421
<b>Closing Balance</b>	<b>393,95,598</b>	<b>379,58,455</b>
<b>TOTAL</b>	<b>722,61,584</b>	<b>708,24,441</b>
<b>NOTE :-4</b>		
<b>DEFERRED TAX LIABILITIES</b>		
Difference between book and tax Depreciation	1,45,738	2,19,958
<b>TOTAL</b>	<b>1,45,738</b>	<b>2,19,958</b>
<b>NOTE :-5</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Audit Fees Payable	74,425	73,034
Other Expenses Payable	1,46,000	3,77,700
Unpaid Dividend	3,76,522	3,76,522
<b>TOTAL</b>	<b>5,96,947</b>	<b>8,27,256</b>
<b>NOTE :-6</b>		
<b>SHORT TERM PROVISIONS</b>		
Provision for Taxation	11,66,078	5,69,078
<b>TOTAL</b>	<b>11,66,078</b>	<b>5,69,078</b>

## Notes to the Financial Statements for year ended 31st March,2016

NOTE :-7

## FIXED ASSETS

Amt in Rs.

TANGIBLE ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 1st April,2015	Additions/ Deductions	As At 31st March,2016	As At 1st April,2015	For the Year	Transition Adjustment	As At 31st March,2016	As At 31st March,2016	As At 31st March,2015
Plant & Equipment's	155,10,710		155,10,710	108,39,528	9,98,240	-	118,37,768	36,72,942	46,71,182
Computers & Accessories	115,77,818	-	115,77,818	109,98,927	-	-	109,98,927	5,78,891	5,78,891
Computers -End Uses Devices	-	78,245	78,245	-	33,952	-	33,952	44,293	-
Furniture & Fixtures	73,12,338		73,12,338	57,17,915	5,06,916	-	62,24,831	10,87,507	15,94,423
Office Equipment's	36,05,283		36,05,283	33,56,487	68,532	-	34,25,019	1,80,264	2,48,796
<b>TOTAL RS.</b>	<b>380,06,149</b>	<b>78,245</b>	<b>380,84,394</b>	<b>309,12,857</b>	<b>16,07,640</b>	<b>-</b>	<b>325,20,497</b>	<b>55,63,897</b>	<b>70,93,292</b>
<b>Previous Year</b>	<b>380,06,149</b>	<b>-</b>	<b>380,06,149</b>	<b>262,09,435</b>	<b>28,18,001</b>	<b>18,85,421</b>	<b>309,12,857</b>	<b>70,93,292</b>	<b>-</b>
<b>Capital Work In Progress</b>	<b>186,56,065</b>	<b>-</b>	<b>186,56,065</b>					<b>186,56,065</b>	<b>186,56,065</b>

## Notes to the Financial Statements for year ended 31st March,2016

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amt in Rs.	Amt in Rs.
<b>NOTE :-8</b>		
<b>NON-CURRENT INVESTMENTS</b>		
<b>Non-Trade investments (Long Term, Valued at cost unless stated otherwise)</b>		
<b>Quoted Investment in Equity instruments of other Companies</b>		
12,500 (P.Y :12,500) Equity shares of Sidh Management Corporate Services Ltd of Rs. 10/- each, fully paid-up	1,25,000	1,25,000
55,000 (P.Y : 55,000 ) Equity shares of First Mark Trade & Advisors Ltd of Rs. 10/- each, fully paid-up#	27,50,000	27,50,000
<b># Suspended from Trading in Stock Exchange(s)where the Shares are listed</b>		
<b>Unquoted Investment in Equity instruments of other Companies</b>		
180,000 (P.Y :180,000) Equity shares of Care & Cure International Ltd of Rs. 10/- each, fully paid-up	27,00,000	27,00,000
<b>Unquoted Investment in Units of Mutual Funds</b>		
NIL (P.Y :39,97,000) Units of Arihant Mangal(Growth Scheme)	-	239,82,000
<b>TOTAL</b>	<b>55,75,000</b>	<b>295,57,000</b>
Aggregate amount of Quoted Investment		
- Cost	28,75,000	28,75,000
- Market Value	N.A	N.A
Aggregate amount of Unquoted Investment	27,00,000	266,82,000
<b>NOTE :-9</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, Considered good for recovery by the Management)</b>		
Security Deposit	72,000	72,000
Others	1574,72,644	1292,92,644
<b>TOTAL</b>	<b>1575,44,644</b>	<b>1293,64,644</b>
<b>NOTE :-10</b>		
<b>OTHER NON -CURRENT ASSETS</b>		
<b>(Unsecured, Considered good for recovery by the Management)</b>		
Long Term Trade Receivables	685,47,859	709,92,716
<b>INVENTORIES</b>		
<b>(As taken, Valued &amp; Certified by the Management)</b>		
Finished Goods /Stock -In Trade(At lower of Cost or Net realizable value)	320,38,265	320,38,265
<b>TOTAL</b>	<b>1005,86,124</b>	<b>1030,30,981</b>
<b>NOTE :-11</b>		
<b>TRADE RECEIVABLES</b>		
<b>(Unsecured, Considered good)</b>		
Others	62,04,269	44,83,731
<b>TOTAL</b>	<b>62,04,269</b>	<b>44,83,731</b>
<b>NOTE :-12</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
<b>(As Certified by the Management)</b>		
Balance with Banks		
-In Current Accounts	10,226	1,93,905
-Unclaimed/Unpaid Dividend A/c	3,76,522	3,76,522
Cash on Hand	3,96,160	4,27,153
<b>TOTAL</b>	<b>7,82,908</b>	<b>9,97,580</b>

## Notes to the Financial Statements for year ended 31st March,2016

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Amt in Rs.	Amt in Rs.
<b>NOTE :-13</b>		
<b>REVENUE FROM OPERATION(GROSS)</b>		
Sale/Income from Trading in Agricultural Commodities and its allied products	80,53,213	135,23,078
<b>TOTAL</b>	<b>80,53,213</b>	<b>135,23,078</b>
<b>NOTE :-14</b>		
<b>OTHER INCOME</b>		
Miscellaneous Income	-	7,08,835
Profit on Sale of Investment	19,18,560	
<b>TOTAL</b>	<b>19,18,560</b>	<b>7,08,835</b>
<b>NOTE :-15</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN PROGRESS AND STOCK -IN TRADE</b>		
<b>Inventories at the end of the year</b>		
Finished Goods /Stock -In Trade	320,38,265	320,38,265
	<b>320,38,265</b>	<b>320,38,265</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods /Stock -In Trade	320,38,265	320,38,265
	<b>320,38,265</b>	<b>320,38,265</b>
<b>Net</b>	<b>-</b>	<b>-</b>
<b>NOTE :-16</b>		
<b>EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and Wages	18,44,000	20,16,219
Staff Welfare Expenses	1,41,929	2,61,466
<b>TOTAL</b>	<b>19,85,929</b>	<b>22,77,685</b>
<b>NOTE :-17</b>		
<b>DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation and amortisation for the year on tangible assets	16,07,640	28,18,001
<b>TOTAL</b>	<b>16,07,640</b>	<b>28,18,001</b>



Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Amt in Rs.	Amt in Rs.
<b>NOTE :-18</b>		
<b>OTHER EXPENSES</b>		
Advertisement Expenses	72,035	185,621
AGM Expenses	26,209	56,002
Auditors Remuneration	74,425	73,034
Bank Charges	427	449
Books & Periodicals	109,962	275,897
Conveyance & Travelling	382,348	1,061,603
Directors Remuneration	420,000	420,000
Directors Sitting Fees	25,500	24,500
Filing Fees	13,300	29,400
General Expenses	703,394	1,091,231
Listing Fees	29,495	58,989
Office Maintenance Expenses	266,033	857,627
Postage & Courier	173,554	577,465
Printing & Stationary	196,677	572,338
Professional Fees	210,300	346,618
R&T and Dmat Charges	227,691	163,380
Rent	209,812	186,072
Repair & Maintenance	124,275	478,119
Selling & Distribution Expenses	-	824,587
Telephone Expenses	76,491	208,896
<b>TOTAL</b>	<b>3,341,928</b>	<b>7,491,828</b>

**Notes to the Financial Statements for year ended 31st March, 2016****Note: - 19****Other Notes to the Accounts:**

- During the financial year 2015-16, there are not any transactions with any suppliers /parties who are covered under 'The Micro Small and Medium Enterprises Development Act, 2006'.
- There were no contracts or arrangements made with related parties during the year under review.
- The Key Managerial Personnel is the Whole Time Director Cum Compliance Officer whose name is mentioned in the Corporate Governance Report.
- Pursuant to the enactment the Companies Act, 2013 being effective from 01st April, 2014, the Company has re-assessed the useful lives of its fixed assets and depreciation has been charged accordingly in accordance with the provisions of Schedule II of the Act. As a result, an amount of Rs.18,85,421/- has been adjusted against the opening balance of retained earning being the carrying value of fixed assets whose lives are over as at the said date, in accordance with the Schedule II of the Companies Act, 2013 as at 31.03.2015.

- **Payment to Auditors (Including Service Tax)**

Particulars	2015-16	2014-15
(A) Statutory Audit Fees	57,270	56,180
(B) Tax Audit Fees	5,725	5,618
(C) Certification Fees	11,450	11,236
<b>Total</b>	<b>74,425</b>	<b>73,034</b>

- Additional Information as required under paragraph 5 of Part II of Schedule III to the Companies Act, 2013 to the extent either "NIL" or "Not Applicable" has not been furnished except payment to the Auditors.
- Contingent liability has not been provided for in respect of Income Tax matters amounting to Rs. 1,72,99,037 /-. The concern matters are under appeal with appropriate authorities on account of dispute raised by Income Tax department. The Company is contesting the same and is of view that the disputed demands will not sustain in view of various legal pronouncements in the related matters.
- In compliance with the Accounting Standard AS-22 relating to "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India, the Company had provided for Deferred tax liability arising out of timing difference. During the year under report, there has been reversal of the said deferred tax liability to the extent of Rs.74,220/- on account of difference between Book and Tax Depreciation. Accordingly, the said item has been credited to the Statement of Profit & Loss of the year under report.
- The Company has one reportable business segments i.e. Trading in Agricultural Commodities and its allied products. The Company operates mainly in Indian market and there are no reportable geographical segments.
- Certain Debit and Credit Balances are being subject to confirmation.
- Earnings per share is computed by dividing the net profit or loss for the year attributable to the equity shareholders by the number of equity shares outstanding during the year, as under:

Particulars	2015-16	2014-15
Net Profit for the year attributable to the equity shareholders (Rs.)	14,37,143	16,50,017
Number of equity shares outstanding (in Nos.)	2207,42,560	2207,42,560
Basic and diluted earnings per share (Face value of Re.1/- each (Rs.))	0.01	0.01

- In the Opinion of the Board, all the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount stated in the Balance Sheet and all the known liabilities have been provided for ,unless otherwise stated elsewhere in other notes.

**Notes to the Financial Statements for year ended 31st March, 2016****Note: - 19****Other Notes to the Accounts:**

- The Company has shown the units of Mutual Fund "Arihant Mangal "(Growth Scheme) under the head "Non-Current Trade Investments". During the year under review the Company has surrendered its units for redemption before the Special Committee constituted by Hon'ble High Court, Delhi, for dispose off the Mutual Fund "Arihant Mangal"(Growth Scheme) in terms of the SEBI regulations and received the payment under its provisional NAV.
- The figures appearing in the Financial Statements have been rounded off to nearest rupee.
- Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification /disclosure.

**Notes referred to above form an integral part of Financial Statements**

**As per our report of even date attached  
For Mohindra Arora & Co.  
(Chartered Accountants)  
(Firm Regn No: 006551N)**

**For and on behalf of the Board of Directors  
For Adinath Bio-Labs Ltd**

**Ashok Kumar Katial  
(Partner)  
M.No:: 09096**

**Abhishek Kumar Jain  
(Whole Time Director)  
(DIN:00054582)**

**Chanderkala Devi  
Lakhotia (Director)  
(DIN:06904489)**

**Place : Mumbai  
Date : 25/05/2016**

**ATTENDANCE SLIP**  
 (TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

<b>DP Id*/Client Id*/Folio No.</b>		<b>No. of Shares</b>	
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**NAME AND ADDRESS OF THE MEMBER(S)**

I/ We hereby record my/our presence at the 35<sup>th</sup> Annual General Meeting to be held on Monday, 26<sup>th</sup> September, 2016 at 3.00 P.M. at Celesta Hotel, RAA 43/2, VIP Road, Raghunathpur, Kolkata - 700 059.

\_\_\_\_\_  
 Member's / Proxy's name In Block Letters

\_\_\_\_\_  
 Member's / Proxy's Signature

Note: Please complete this slip and hand it over at the entrance of the Meeting venue.

**Form No. MGT-11**  
**FORM OF PROXY**

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

**ADINATH BIO-LABS LIMITED**  
**CIN: L24230WB1982PLC034492**  
**Regd. Office:** 4, N. S. Road, 1<sup>st</sup> Floor, Kolkata - 700 001  
**Email:**investors@adinathbio.com **Website:** www.adinathbio.com

Name of the Member(s):		<b>DP Id*/Client Id*/Folio No.</b>	
Registered address:			
E-mail ID:			

I/We, being the member(s) of \_\_\_\_\_ shares of Adinath Bio-labs Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him/her
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him/her
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him/her

as my / our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 35<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 26<sup>th</sup> September, 2016 at 3.00 P.M. at Celesta Hotel RAA 43/2, VIP Road, Raghunathpur, Kolkata - 700 059 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

\_\_\_\_\_  
 Signature of the proxy holder

\_\_\_\_\_  
 Signature of the Shareholder

Affix  
a revenue  
stamp

**ELECTRONIC VOTING PARTICULARS**

<b>EVSN (E-voting sequence number)</b>	<b>User ID :</b>	<b>Password:</b>

\*\*I /We direct my/our proxy to vote on the Resolutions in the manner as indicated in the box below:

<b>Resolutions</b>	<b>For</b>	<b>Against</b>
<b>Ordinary Business</b>		
1. Adoption of Audited Financial Statement for the year ended 31/03/2016 together with the reports of Board of Directors and Auditors Report thereon		
2. Re -appointment of Mrs. Chanderkala Devi Lakhotia who retires by rotation		
3. Ratification of Appointment of Statutory Auditors and fixing their Remuneration		

**\*Applicable for investor holding shares in electronic form**

**Note::**

- (1) 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.
- (2) For the Resolutions and Notes, please refer to the Notice the 35<sup>th</sup> Annual General Meeting.
- (3) \*\*This is only optional. Please put a tick in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all the Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (4) Please complete all details including details of Shareholder (s) in above box before submission.
- (5) The proxy should carry its identity proof.

# Route Map to Venue of AGM



To,

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**Adinath Bio-Labs Limited**

Regd Off : 4, N. S. Road, 1st Floor,  
Kolkata - 700 001