



# ARUNJYOTI Bio VENTURES Ltd.

To,

Date: 06.09.2019

BSE Limited  
P. J. Towers, Dalal Street  
Mumbai - 400 001

Dear Sir/ Madam,

Sub: Annual report for the year 2018-19

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) 2015

With reference to the subject cited, please find enclosed Annual report of the Company for the year 2018-19 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as sent to the shareholders for the ensuing AGM to be held on 30.09.2019.

This is for the information and records of the exchange, please.

Thanking you.

Yours faithfully,  
For Arunjyoti Bio Ventures Limited  
Raja Kumar Babula



CIN: L01400TG1986PLC062463

# **ARUNJYOTI BIO VENTURES LIMITED**

**33rd  
ANNUAL REPORT  
2018-19**

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## ARUNJYOTI BIO VENTURES LIMITED

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### CORPORATE INFORMATION:

#### BOARD OF DIRECTORS

- |                               |  |
|-------------------------------|--|
| 1. *Mr.PhanindranathKoganti   | - Whole-time Director (DIN: 02623033)            |
| 2. Mr.Pabbathi Praveen Kumar  | - Whole-time Director cum CFO<br>(DIN: 02009879) |
| 3. Mr. Raja Kumar Babulal     | - Whole-time Director (DIN: 07529064)            |
| 4. Mrs.VanajaKumariDokiparthi | - Independent Director<br>(DIN: 07151205)        |
| 5. Mr. MAdityaVardhan Reddy   | - Independent Director (DIN: 06897440)           |
| 6. Mr.PolsaniVenkata Rama Rao | - Independent Director (DIN: 00129932)           |
| 7. Mr.ChandraShekarKondari    | - Additional Director (DIN: 08300152)            |
| 8. Mr. Rama Mohan Challa      | - Additional Director (DIN: 08300174)            |
- \*Resigned w.e.f. 27.03.2019

#### REGISTERED OFFICE:

Plot No. 45, P & T Colony,  
Karkhana, Secunderabad – 500009  
E-mail id: cenport@gmail.com

#### STATUTORY AUDITORS:

M. M. Reddy & Co.,  
Chartered Accountants,  
Rajbhavan Road,  
Somajiguda, Hyderabad

#### BANKERS:

ICICI Bank  
Axis Bank

#### AUDIT COMMITTEE:

- |                           |            |
|---------------------------|------------|
| 1) MAdityaVardhan Reddy   | - Chairman |
| 2) VanajaKumariDokiparthi | - Member   |
| 3) Raja Kumar Babulal     | - Member   |

#### NOMINATION & REMUNERATION COMMITTEE:

- |                            |            |
|----------------------------|------------|
| 1) MAdityaVardhan Reddy    | - Chairman |
| 2) PolsaniVenkata Rama Rao | - Member   |
| 3) VanajaKumariDokiparthi  | - Member   |

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## ARUNJYOTI BIO VENTURES LIMITED

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### STAKEHOLDERS RELATIONSHIP COMMITTEE:

- |                            |            |
|----------------------------|------------|
| 1) MAdityaVardhan Reddy    | - Chairman |
| 2) PolsaniVenkata Rama Rao | - Member   |
| 3) Raja Kumar Babulal      | - Member   |

### INDEPENDENT DIRECTORS:

- |                           |            |
|---------------------------|------------|
| 1)PolsaniVenkata Rama Rao | - Chairman |
| 2) MAdityaVardhan Reddy   | - Member   |
| 3) VanajaKumariDokiparthi | - Member   |
| 4) ChandraShekarKondari   | - Member   |
| 5) RamamohanChalla        | - Member   |

### RISK MANAGEMENT COMMITTEE:

- |                           |               |
|---------------------------|---------------|
| 1) VanajaKumariDokiparthi | - Chairperson |
| 2) MAdityaVardhan Reddy   | - Member      |
| 3) Raja Kumar Babulal     | - Member      |

### REGISTRAR & SHARE TRANSFER AGENTS:

Venture Capital and Corporate Investments  
Private Limited  
12-10-167, Bharat Nagar,  
Hyderabad – 500 018.

**LISTED AT:** BSE Limited

**DEMAT ISIN NUMBER IN NSDL & CDSL:** INE485K01014

**WEBSITE:** [www.orbisagri.com](http://www.orbisagri.com)

**INVESTOR E-MAIL ID:** [cenport@gmail.com](mailto:cenport@gmail.com)

**CORPORATE IDENTITY NUMBER:** L01400TG1986PLC062463

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## ARUNJYOTI BIO VENTURES LIMITED

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### NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of Arunjyoti Bio Ventures Limited will be held on Monday, the 30th day of September, 2019 at 09:00a.m. at 2nd Floor, M S Nilayam, Plot No.15, HACP Colony, Kharkhana, Secunderabad – 500009, Telanganato transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss for the year ended as on that date along with Cash Flow Statement and notes appended thereto together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in the place of Mr. P. Praveen Kumar (DIN:02009879), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

#### 3. REAPPOINTMENT OF MR. P. PRAVEEN KUMAR AS WHOLE-TIME DIRECTOR OF THE COMPANY:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, the consent of the members of the company be and is hereby accorded to reappoint Mr. P. Praveen Kumar (DIN:02009879) Wholetime Director of the Company for a period of three years with effect from 30.05.2019 to 29.05.2022 at a present remuneration of Rs. 2,00,000 p.m. and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time.”

**“RESOLVED FURTHER THAT** in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Mr. P. Praveen Kumar, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the

limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

**"RESOLVED FURTHER THAT**, the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

**4. REAPPOINTMENT OF MR. RAJA KUMAR BABULAL AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, the consent of the members of the company be and is hereby accorded to reappoint Mr.Raja Kumar Babulal (DIN: 07529064) Wholetime Director of the Company for a period of three years with effect from 30.05.2019 to 29.05.2022 at a remuneration of Rs. 50,000 p.m. and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time."

**"RESOLVED FURTHER THAT** in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Mr. Raja Kumar Babulal, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

**5. REAPPOINTMENT OF MR. M. ADITYA VARDHAN REDDY AS INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149,150,152,160 and Schedule IV and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, Articles of Association of the Company, and pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Aditya Vardhan Reddy (DIN 06897440) whose current period of office expires on 31st March, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and whose term shall not be subject to retirement by rotation, to hold office for a term of 5 (five) consecutive years on the Board of the Company w.e.f. 01.04.2019 up to 31.03.2024.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution.”

**6. APPOINTMENT OF MR. CHANDRA SHEKAR KONDARI AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 of the Companies Act, 2013 and rules made there under Mr. Chandra Shekar Kondari (holding DIN 08300152), who was appointed as ‘Additional Director’ in the category of non-executive independent director in the Board of the Company on 15th December, 2018 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Chandra Shekar Kondari as a

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candidate for the office of a Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from the date of his appointment as Additional Director i.e. 15.12.2018 up to 14.12.2023.”

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

**For and on behalf of the Board  
Arunjyoti Bio Ventures Limited**

**Place: Hyderabad  
Date: 13.08.2019**

**Sd/-  
Rajakumar Babulal  
Whole-time Director  
(DIN: 07529064)**



**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21.09.2019 to 30.09.2019 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar

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and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

9. Recent circular requires submission of Aadhar/PAN number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card/PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their Aadhar card/PAN details to the Company/ Registrar and Share Transfer Agents(Venture Capital and Corporate Investments Private Limited)
10. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
11. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to Venture Capital and Corporate Investments Private Limited., Share Transfer Agents of the Company for their doing the needful.
12. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
13. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the Company and correspond with them directly regarding share transfer/transmission /transposition, Demat/Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
14. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the Company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
15. Electronic copy of the Annual Report for 2018-2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-2019 is being sent in the permitted mode.

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16. Members may also note that the Notice of the 33<sup>rd</sup> Annual General Meeting and the Annual Report for 2018-2019 will also be available on the Company's website [www.orgisagri.com](http://www.orgisagri.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [cnport@orgisagri.com](mailto:cnport@orgisagri.com).

### 17. **Voting through Electronic Means (E-Voting Facility)**

Pursuant to the provisions of Section 108 of the Act read with the rules thereunder and Regulation 44 of SEBI LODR Regulations, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 33<sup>rd</sup> Annual General Meeting scheduled to be held on Monday, the 30<sup>th</sup> day of September, 2019 at 09:00 a.m. at 2<sup>nd</sup> Floor, M S Nilayam, Plot No. 15, HACP Colony, Kharkhana, Secunderabad – 500009, Telangana

The Company has engaged the services of Central Depository Services (India) Limited. ("CDSL") as the Authorized Agency to provide e-voting facilities. The e-voting particulars are set out below:

EVENT (e-voting event number)	USER ID	PASSWORD/ PIN

The e-voting facility will be available during the following voting period:

Commencement of e-voting: **From 27.09.2019 at 9.00 A.M.**

End of e-voting: **Up to 29.09.2019 at 5.00 P.M.**

**The cut-off date (i.e. the record date) for the purpose of e-voting is 20.09.2019.**

Please read the procedure and instructions for e-voting given below before exercising the vote.

This communication forms an integral part of the Notice dated 13.08.2019 for the AGM scheduled to be held on 30.09.2019 which is enclosed herewith and is also made available on the website of the Company [www.orgisagri.com](http://www.orgisagri.com).

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Attention is invited to the statement on the accompanying Notice that the Company is pleased to provide e-voting facility through CDSL for all shareholders of the Company to enable them to cast their votes electronically on the resolution mentioned in the Notice of the 33<sup>rd</sup> Annual General Meeting of the Company.

### **Procedure and instructions for e-voting**

- (i) The E-voting period begins on 27.09.2019(9.00 A.M) and ends on 29.09.2019(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 20.09.2019 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in 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.
- (vii) If you are a first time user follow the steps given below:

## ARUNJYOTI BIO VENTURES LIMITED

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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)	<p>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.</p> <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>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) 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, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <ARUNJYOTI BIO VENTURES LIMITED>
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the

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## ARUNJYOTI BIO VENTURES LIMITED

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Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK” else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
  - Non-Individual 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 mailed 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.

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- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### 2. OTHER INSTRUCTIONS:

- (i). Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form and not casting their vote electronically, may cast their vote at the Annual General Meeting.
- (ii) The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut-off date i.e. 20.09.2019.
- (iv) The Company has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- (v) The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting 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 (2) witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him.
- (vi) Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
- (vii) If a Member casts votes by both modes, then voting done through e-voting shall prevail.
- (viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.orbisagri.com](http://www.orbisagri.com) and on the website of CDSL and will be communicated to the BSE Limited.
18. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.

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19. Relevant documents referred to in the accompanying Notice, as well as Annual Report are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. upto the date of Annual General Meeting.
20. SEBI has notified vide Notification No. SEBI/LAD-NRO/GN/2018/24 that securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
21. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

**For and on behalf of the Board  
For Arunjyoti Bio Ventures Limited**

**Place: Hyderabad  
Date: 13.08.2019**

**Sd/-  
Raja Kumar Babulal  
Whole-time Director  
(DIN: 07529064)**



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## **ARUNJYOTI BIO VENTURES LIMITED**

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### **EXPLANATORY STATEMENT**

**Pursuant to Section 102(1) of the Companies Act, 2013**

#### **ITEM NO 3:**

#### **REAPPOINTMENT OF MR. P. PRAVEEN KUMAR AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

Mr. P. Praveen Kumar (DIN: 02009879) was appointed as Whole-time Director of the Company for a period of 3 years from 30<sup>th</sup> May 2016 to 29<sup>th</sup> May 2019 at the 30<sup>th</sup> Annual General Meeting held on 30th September 2016.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 30.05.2019, approved the re-appointment of Mr. P. Praveen Kumar (DIN: 02009879) as Whole-time Director of the Company for a term of three years commencing from 30.05.2019 to 29.05.2022 with a remuneration of Rs. 2,00,000 per month.

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 3 of the notice for reappointment of Mr. P. Praveen Kumar

Save and except Mr. P. Praveen Kumar, Whole-time Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

## ARUNJYOTI BIO VENTURES LIMITED

### Information in accordance with Schedule V of Companies Act, 2013

#### I. GENERAL INFORMATION

1	Nature of Industry : Fertilizer Industry			
2	Date or expected date of commencement of commercial: The Company started its commercial operations in the year 1986.			
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable			
4	Financial performance based on given indications (in Rs.)			
	Particulars	2018-19	2017-18	2016-17
	Turnover	3,71,90,337	4,66,023	392,728,570
	Net profit/loss after Tax	4,38,248	(24,70,138)	2,014,418
5	Foreign investments or collaborations, if any: Not Applicable			

#### II. INFORMATION ABOUT THE APPOINTEE:

1	Background Details: Mr. P. Praveen Kumar has around 10 years of experience in the Industry.
2	Past Remuneration: The remuneration drawn by Mr. P. Praveen Kumar, Whole-time Director is Rs. 1,00,000 per month.
3	Recognition or awards : --NIL
4	Job Profile and his suitability: Keeping the past record of Mr. P. Praveen Kumar in mind and his contribution towards the Company, it is proposed to re-appoint him as Whole-time Director of the Company.
5	Remuneration proposed:  As set out in the resolutions for the item No.3 the remuneration to Mr. P. Praveen Kumar, Whole-time Director has the approval of the Nomination and Remuneration Committee and Board of Directors, is within the limits specified under Schedule V of Companies Act.

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## ARUNJYOTI BIO VENTURES LIMITED

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5	<p>Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):</p> <p>Taking into consideration of the size of the Company, the profile of Mr. P. Praveen Kumar, Whole-time Director and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.</p>
6	<p>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:</p> <p>Besides the remuneration, he is holding 104076 Equity Shares of the Company.</p>

### III. OTHER INFORMATION:

1. Reasons for inadequate profits: The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.
2. Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the clientele who in turn contribute for the growth of the business as well as the profitability.
3. Expected increase in productivity and profit in measurable terms:

The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve considerably in the coming years.

### ITEM NO 4:

#### **REAPPOINTMENT OF MR. RAJA KUMAR BABULAL AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

Mr. Raja Kumar Babulal (DIN: 07529064) was appointed as Whole-time Director of the Company for a period of 3 years from 30th May 2016 to 29th May 2019 at the 30th Annual General Meeting held on 30th September 2016.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on

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## ARUNJYOTI BIO VENTURES LIMITED

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30.05.2019, approved the re-appointment of Mr. Raja Kumar Babulal (DIN: 07529064) as Whole-time Director of the Company for a term of three years commencing from 30.05.2019 to 29.05.2022 with a remuneration of Rs. 50,000 per month.

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 4 of the notice for reappointment of Mr. Raja Kumar Babulal.

Save and except Mr. Raja Kumar Babulal, Whole-time Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

### Information in accordance with Schedule V of Companies Act, 2013

#### I. GENERAL INFORMATION

1	Nature of Industry : Fertilizer Industry			
2	Date or expected date of commencement of commercial: The Company started its commercial operations in the year 1986.			
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable			
4	Financial performance based on given indications (in Rs.)			
	Particulars	2018-19	2017-18	2016-17
	Turnover	3,71,90,337	4,66,023	392,728,570
	Net profit/loss after Tax	4,38,248	(24,70,138)	2,014,418
5	Foreign investments or collaborations, if any: Not Applicable			

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## ARUNJYOTI BIO VENTURES LIMITED

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### II. INFORMATION ABOUT THE APPOINTEE:

1	Background Details: Mr. Raja Kumar Babulal has about 4 years experience in the Industry.
2	Past Remuneration: NIL
3	Recognition or awards : -- NIL
4	Job Profile and his suitability: Keeping the past record of Mr. Raja Kumar Babulal in mind and his contribution towards the Company, it is proposed to re-appoint him as Whole-time Director of the Company.
5	Remuneration proposed: As set out in the resolutions for the item No.4 the remuneration to Mr. Raja Kumar Babulal, Whole-time Director has the approval of the Nomination and Remuneration Committee and Board of Directors, is within the limits specified under Schedule V of Companies Act.
6	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):  Taking into consideration of the size of the Company, the profile of Mr. Alladi Srinivas and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:  Besides the remuneration, he is not holding any Equity Shares of the Company.

1. Reasons for inadequate profits: The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.
2. Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the clientele who in turn contribute for the

growth of the business as well as the profitability.

3. Expected increase in productivity and profit in measurable terms:  
The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve considerably in the coming years.

#### **ITEM No. 5**

#### **REAPPOINTMENT OF MR. M. ADITYA VARDHAN REDDY AS INDEPENDENT DIRECTOR OF THE COMPANY**

Mr. M. AdityaVardhan Reddy (DIN 06897440) was appointed as Independent Director of the Company for a period of 5 years from 29th September 2014 to 31st March 2019 at the 28th Annual General Meeting held on 29th September 2014.

Mr. M. AdityaVardhan Reddy's term as an Independent Director of the company ends on 31.03.2019. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. M. AdityaVardhan Reddy being eligible and offering himself for re-appointment as an Independent Director for five consecutive years w.e.f. 1st April 2019 to 31st March 2024. The Company has received a notice from a member under Section 160 of the Companies Act 2013 for appointment of Mr. M. AdityaVardhan Reddy (DIN 06897440) for the office of Director in Independent category.

In the opinion of the Board, Mr. M. AdityaVardhan Reddy fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. M. AdityaVardhan Reddy (DIN 06897440) as an Independent Director.

Accordingly the Board of Directors recommends the passing of the above resolution as Special Resolution set out in the item no. 5 of the notice for appointment of Mr. M. AdityaVardhan Reddy.

Save and except Mr. M. AdityaVardhan Reddy (DIN 06897440) Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

**ITEM NO. 6**

**APPOINTMENT OF MR. CHANDRA SHEKAR KONDARI AS INDEPENDENT DIRECTOR OF THE COMPANY**

Mr. Chandra ShekarKondari(DIN 08300152) was appointed as Additional Director on 15th December,2018 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Non-Executive Independent'in terms of the Companies Act, 2013, an Additional Director shall hold office up to the date of the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and be eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Mr. Chandra ShekarKondari for the office of Director in Independent category.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. Chandra ShekarKondarias 'Non-executive Independent Director' for a term up to 5 consecutive years commencing from the date of his appointment as Additional Director i.e. 15th December, 2018upto14th December,2023.

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 6 of the notice for appointment of Mr. Chandra ShekarKondari.

Save and except Mr. Chandra ShekarKondari, Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

**For and on behalf of the Board  
For Arunjyoti Bio Ventures Limited**

**Place: Hyderabad  
Date: 13.08.2019**

**Sd/-  
Raja Kumar Babulal  
Whole-time Director  
(DIN: 07529064)**

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## ARUNJYOTI BIO VENTURES LIMITED

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### BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Directors' Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March 2019.

#### 1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS STATE OF AFFAIRS:

The performance of the Company during the year has been as under:

(In Rupees)

Particulars	2018-19	2017-18
Total Income	3,71,90,337	466,023
Total Expenditure	3,67,52,089	2,936,160
Profit Before Tax	4,38,248	(2,470,138)
Provision for Tax	NIL	NIL
Profit after Tax	4,38,248	(2,470,138)
Transfer to General Reserves	-	-
Profit available for appropriation	4,38,248	(2,470,138)
Provision for Proposed Dividend	-	-
Provision for Dividend Tax	-	-
Balance Carried to Balance Sheet	4,38,248	(2,470,138)

#### REVIEW OF OPERATIONS:

Your Company has shown good results during the year under review and achieved sales and other income of Rs.3,71,90,337 and net profit of Rs. 4,38,248 as compared to sales and other income of Rs. 466,023 and net loss of Rs. 2,470,138 incurred in the previous financial year.

#### 2. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.



**3. RESERVES**

During the year, your Company has not transferred any amount to General Reserve Account.

**4. DIVIDEND**

Keeping the Company's expansion and growth plans in mind, your directors have decided not to recommend dividend for the year.

**5. MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report. 13.08.2019)

**6. BOARD MEETINGS:**

The Board of Directors duly met Seven (7) times during the financial year from 1st April 2018 to 31st March 2019. The dates on which the meetings were held are 30.05.2018, 14.08.2018, 09.11.2018, 13.11.2018, 15.12.2018, 13.02.2019 and 27.03.2019.

**7. APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS / CEO/ CFO AND KEY MANAGERIAL PERSONNEL:**

- Mr. K. Phanindranath Koganti, Whole-time Director of the company has resigned from the company w.e.f. 27.03.2019.
- Mr. P. Praveen Kumar was appointed as CFO of the Company with effect from 27.03.2019
- Mr. Chandra Shekar Kondari was appointed as Additional Director of the Company and shall be regularised as Independent Director in the AGM and consent for the same is given.
- Mr. Romi Agarwal was appointed as company secretary and compliance officer with effect from 09.11.2018.
- Mr. Ramamohan Challa who was appointed as Additional Director of the Company has not given his consent for regularising his appointment in the AGM. Hence his term shall expire at the AGM.
- Mr. P. Praveen Kumar (DIN: 02009879), who retires by rotation and being eligible, offers himself for re-appointment.
- Reappointment of Mr. Raja Kumar Babulal as Whole-time Director of the company for the term of 5 years

## ARUNJYOTI BIO VENTURES LIMITED

- Reappointment of Mr. M. AdityaVardhan Reddy as Independent Director of The Company
- The Board places its sincere appreciation for the services rendered by Mr. K. Phanindranath and Mr. C. Ramamohan during their tenure as Director of the Company.
- As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-

<b>Name of the Director</b>	Mr. Raja kumarBabulal	Mr. P. Praveen Kumar
<b>Date of Birth</b>	27.03.1964	12.05.1976
<b>Qualification</b>	M.B.A.	Graduate
<b>Expertise in specific functional areas</b>	Management	Technical
<b>Names of listed entities in which the person also holds the directorship and the membership of Committees of the board</b>	-	-
<b>No. of Shares held in the Company</b>	-	1,04,076
<b>Inter se relationship with any Director</b>	-	-

<b>Name of the Director</b>	Mr. Chandra Shekar Kondari	Mr. M. AdityaVardhan Reddy
<b>Date of Birth</b>	05.06.1985	11.01.1987
<b>Qualification</b>	BSC computers	Btech
<b>Expertise in specific functional areas</b>	Technical	Technical
<b>Names of listed entities in which the person also holds the directorship and the membership of Committees of the board</b>	-	-
<b>No. of Shares held in the Company</b>	-	-
<b>Inter se relationship with any Director</b>	-	-

**8. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received declarations from Mrs. Vanaja Kumari Dokiparthi, Mr. M Aditya Vardhan Reddy, Mr. Polsani Venkata Rama Rao, Mr. Chandra Shekar Kondari and Mr. Ramamohan Challa Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**9. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2018-19 are also disclosed on the Company's website at <https://www.orbisagri.com>

**10. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:**

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with Section 178(3) of the Companies Act, 2013, and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is included in the Directors Report elsewhere.

**11. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**12. COMPOSITION OF COMMITTEES:**

AUDIT COMMITTEE: (Audit Committee constituted in terms of sec. 177 of Companies Act, 2013 read with reg. 18 of SEBI (LODR) Regulations, 2015)

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, interalia, includes

1. Over view of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflects a true and fair position and that sufficient and credible information is disclosed.
2. Recommending the appointment and removal of statutory auditors, internal auditors and cost auditors, fixation of their audit fees and approval for payment of any other services.
3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
4. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.
5. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - i) Any changes in accounting policies and practices.
  - ii) Major accounting entries based on excises of judgment by the management.
  - iii) Qualifications in draft audit report.
  - iv) Significant adjustment arises out of audit.
  - v) The going concern assumption.
  - vi) Compliance with accounting standards, stock exchange and legal requirement concerning financial statements.
  - vii) Review and approval of related party transactions.
6. Reviewing the company's financial and risk management's policies.
7. Disclosure of contingent liabilities.
8. Reviewing with management, external and internal auditors, the

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## ARUNJYOTI BIO VENTURES LIMITED

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adequacy of internal control systems.

9. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
10. Discussion with internal auditors of any significant findings and follow-up thereon.
11. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. Reviewing compliances as regards the Company's Whistle Blower Policy.

### **B. COMPOSITION, MEETINGS & ATTENDANCE**

There were four (4) Audit Committee Meetings held during the year on 30.05.2018, 14.08.2018, 13.11.2018 and 13.02.2019.

Name	Designation	Category	No. of meetings held	No. of meeting attended
M AdityaVardhan Reddy	Chairman	NED(I)	4	4
VanajaKumari Dokiparthi	Member	NED(I)	4	4
*Phanindranath Koganti	Member	ED	4	4
Mr. Raja Kumar Babulal	Member	ED	4	4

\*Resigned w.e.f.27.03.2019

**NED (I):** Non Executive Independent Director

**ED:** Executive Director

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## ARUNJYOTI BIO VENTURES LIMITED

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The previous Annual General Meeting of the Company was held on 29.09.2018 and Chairman of the Audit Committee, attended previous AGM.

### **NOMINATION & REMUNERATION COMMITTEE**

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

#### **A. BRIEF DESCRIPTION OF TERMS OF REFERENCE**

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  - a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  - b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

#### **B. COMPOSITION OF THE COMMITTEE, MEETINGS & ATTENDANCE**

There was one Nomination and Remuneration Committee Meetings held during the financial year on 13.02.2019

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## ARUNJYOTI BIO VENTURES LIMITED

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Name	Designation	Category	No. of meetings held	No. of meeting attended
M AdityaVardhan Reddy	Chairman	NED(I)	1	1
VanajaKumariDokiparthi	Member	NED(I)	1	1
PolsaniVenkata Rama Rao	Member	ED	1	1
*PhanindranathKoganti	Member	ED	1	1

\*Resigned w.e.f. 27.03.2019

**NED (I):** Non Executive Independent Director

**ED:** Executive Director

### Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

Remuneration paid to Mr. P. Praveen Kumar is Rs. 1,00,000 PM in the financial year 2018-19.

None of the Directors is drawing any Commission, Perquisites, Retirement benefits etc.,

### POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

#### 1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

#### 2. Terms and References:

2.1 "Director" means a director appointed to the Board of a Company.

1.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the

Companies Act, 2013 and reg. 19 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015.

- 2.3 “Independent Director” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

### **3. Policy:**

Qualifications and criteria

- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company’s operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
- General understanding of the company’s business dynamics, global business and social perspective;
  - Educational and professional background
  - Standing in the profession;
  - Personal and professional ethics, integrity and values;
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 3.1.3 The proposed appointee shall also fulfil the following requirements:
- shall possess a Director Identification Number;
  - shall not be disqualified under the Companies Act, 2013;
  - shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
  - shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
  - shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;



- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

### **3.2 criteria of independence**

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in Companies Act, 2013 and reg. 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3.2.3 The Independent Director shall abide by the "Code for Independent Directors" as specified in Schedule IV to the companies Act, 2013.

### **1.3 Other Directorships/ Committee Memberships**

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other

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## ARUNJYOTI BIO VENTURES LIMITED

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companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

### 1. **Scope:**

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

### 2. **Terms and Reference:**

In this policy the following terms shall have the following meanings:

- 2.1 “Director” means a Director appointed to the Board of the company.
- 2.2 “key managerial personnel” means
- (i) The Chief Executive Office or the managing director or the manager;
  - (ii) The company secretary;
  - (iii) The whole-time director;
  - (iv) The chief finance Officer; and
  - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 “Nomination and Remuneration Committee” means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and reg. 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.
- ### 3. **Policy:**
- 3.1 Remuneration to Executive Director and Key Managerial Personnel
- 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.
- 3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The Remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Commission (Applicable in case of Executive Directors)
- (iv) Retirement benefits
- (v) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per provisions of the companies act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof.

### **3.3. Remuneration to other employees**

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

## **C. REMUNERATION POLICY:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:****1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

**2. Terms and References:**

2.1 "Director" means a Director appointed to the Board of a Company.

2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 "Independent Director" means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy:****Qualifications and criteria**

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;

- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
- shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any prescribed, from time to time, under the companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

### **3.2 Criteria of Independence**

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent Director in relation to a Company, means a Director other than a managing Director or a whole-time Director or a nominee Director-

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoters of the Company or its holding, subsidiary or associate Company;  
(ii) who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company
- c. who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or

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## ARUNJYOTI BIO VENTURES LIMITED

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Director, during the two immediately preceding financial year or during the current financial year;

- d. none of whose relative has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;
- e. who, neither himself nor any of his relative-
  - (i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate Company in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;
  - (ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-
- (A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
- (B) any legal or a consulting firm that has or had any transaction with the Company, its holding subsidiary or associate Company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;
  - (i) holds together with his relatives two per cent or more of the total voting power of the Company; or
  - (ii) is a chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the Company any of its promoters , Directors or its holding subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or
  - (iii) is a material supplier, service provider or customer or a lesser or lessee of the Company.
- f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the Company's business.
- g. Shall possess such other qualifications as may be prescribed from

time to time, under the Companies Act, 2013.

h. who is not less than 21 years of age

3.2.3 The independent Director shall abide by the “code for independent Directors” as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder’s relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

### **Remuneration policy for Directors, key managerial personnel and other employees:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

### **Remuneration policy for Directors, key managerial personnel and other employees**

**1. Scope:**

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

**2. Terms and Reference:**

In this policy the following terms shall have the following meanings:

- 2.1 “Director” means a Director appointed to the Board of the Company.
- 2.2 “key managerial personnel” means
- (i) The Chief Executive Officer or the managing Director or the manager;
  - (ii) The Company Secretary;
  - (iii) The Whole-time Director;
  - (iv) The Chief Financial Officer; and
  - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3. Policy:**
- 3.1 Remuneration to Executive Director and key managerial personnel
- 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the Company within the overall approved by the shareholders.
- 3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.
- 3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:



- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

### **3.2 Remuneration to Non – Executive Directors**

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

### **3.3. Remuneration to other employees**

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

## **D. MECHANISM FOR EVALUATION OF THE BOARD**

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No.SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

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## ARUNJYOTI BIO VENTURES LIMITED

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### **The Directors were given six Forms for evaluation of the following:**

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson;
- (v) Evaluation of Non-Executive and Non-Independent Directors; and
- (vi) Evaluation of Managing Director.

### **The Directors were requested to give following ratings for each criteria:**

1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

The Directors have sent the duly filled forms to Nomination & Remuneration committee. Based on the evaluation done by the Directors, the Committee has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

#### **4. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the year April 2018 to March 2019, Four (4) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are 30.05.2018, 14.08.2018, 13.11.2018 and 13.02.2019.

#### **A. COMPOSITION AND ATTENDANCE FOR MEETINGS:**

Name	Designation	Category	No. of meetings held	No. of meeting attended
M AdityaVardhan Reddy	Chairman	NED(I)	4	4
Polsani Venkata Rama Rao	Member	NED(I)	4	4
*PhanindranathKoganti	Member	ED	4	4
Raja Kumar Babulal	Member	ED	4	4

\*Resigned w.e.f. 27.03.2019

**NED (I):** Non Executive Independent Director

**ED:** Executive Director

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**B) Powers:**

The Committee has been delegated with the following powers:

- To redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- To approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgement in the case of shares held in physical form.

The Company has designated an exclusive e-mail ID called [cenport@gmail.com](mailto:cenport@gmail.com) for complaints/grievances.

**VII. RISK MANAGEMENT COMMITTEE**

The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Regulation 21 of SEBI (LODR) Regulations, 2015

**A. ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:**

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that

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## ARUNJYOTI BIO VENTURES LIMITED

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al known and emerging risks have been identified and mitigated or managed.

### B. COMPOSITION

The composition of the Risk Management Committee as under:

Name	Designation	Category
VanajaKumariDokiparthi	Chairperson	NED(I)
M AdityaVardhan Reddy	Member	NED(I)
*PhanindranathKoganti	Member	ED
Raja Kumar Babulal	Member	ED

**NED (I)** : Non Executive Independent Director

**ED**: Executive Director

No meeting held during the year 2018-2019.

### 13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts of the Company from time to time, we state as under:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment 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 and of the profit or loss of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis:

5. That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**14. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

During the year, no amount was transferred to Investor Education and Protection Fund (IEPF).

**15. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:**

During the year under review, the Company does not have any subsidiaries, joint ventures or associate Companies.

**16. EXTRACT OF ANNUAL RETURN:**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is a part of this Annual Report in enclosed as Annexure-I.

**17. STATUTORY AUDITORS:**

The members of the Company in accordance with Section 139 of the Companies Act, 2013 had passed a resolution for appointment of M/s. M.M Reddy & Co., as Statutory Auditors of the Company for a period of 3 years in the AGM held on 29.09.2018 to hold office up to the conclusion of 34th Annual General Meeting of the Company to be held in the year 2020.

**18. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

There have been no frauds reported by the auditors u/s 143(12).

**19. INTERNAL AUDITORS:**

During the Year, no internal Auditor was appointed.

**20. DISCLOSURE ABOUT COST AUDIT:**

Cost Audit is not applicable to your Company.

**21. SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, the Board has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries to undertake Secretarial Audit of the Company for financial year ending 31.03.2019. The report of the Secretarial Auditor is enclosed herewith vide Annexure-II of this Report.

**22. QUALIFICATIONS IN AUDIT REPORTS:**

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made—

**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2019 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2019 on the Compliances according to the provisions of Section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks except that the Company does not have an Internal Auditor.

**Reply:**

The Company is in the process of appointment of Internal Auditor.

**23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given loans, Guarantees or made any investments during the year under review. which attracts the provisions of Section 186 of the Companies Act, 2013

**24. RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

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## ARUNJYOTI BIO VENTURES LIMITED

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All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature.

The Company has not entered into any contracts/arrangements with related parties referred to Section 188(1) of the Companies Act, 2013 except certain arm length transaction during the year. Accordingly no disclosure or reporting is required covered under this Section.

### **25. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

During the year under review no Company has become or ceased to become its subsidiaries, joint ventures or associate Company.

### **26. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

#### **A. Conservation of Energy:**

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

#### **B. Technology Absorption:**

1. Research and Development (R&D):NIL
2. Technology absorption, adoption and innovation:NIL

#### **C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings : NIL

Foreign Exchange Outgo : NIL

### **27. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, read with Regulation 22 of SEBI (LO&DR) Regulations, 2015 a vigil Mechanism for Directors and employees to report genuine concerns has been established. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith.

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

**28. INVESTOR EDUCATION AND PROVIDENT FUND**

During the year, no amount was transferred to Investor education and Provident Fund.

**29. CORPORATE SOCIAL RESPONSIBILITY (CSR, COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY):**

Since the Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

**30. PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling within the meaning of Sec73, 74 & 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

**31. SIGNIFICANT & MATERIAL ORDERS PASSED BY COURTS / REGULATORS/ TRIBUNALS:**

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

**32. DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.



**33. INSURANCE:**

The Company does not have any major fixed assets and accordingly it is not required to take any insurance policy.

**34. CREDIT & GUARANTEE FACILITIES:**

The Company has not availed any facilities of Credit and Guarantee, for the business of the Company.

**35. SHARE CAPITAL**

The authorised share capital of the Company stands at Rs.3,50,00,000/-

The paid up share capital of the Company stands at Rs. 2,07,09,000 /- divided into 20,70,900 equity shares of Rs.10/- each.

**36. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance as envisaged in SEBI LODR Regulations is not applicable.

**37. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation appended as **Annexure III** for information of the Members.

**38. POLICIES:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (<https://www.orbisagri.com>).. The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

**39. ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:**

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

**40. STATUTORY COMPLIANCE:**

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

**41. 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 workplace (Prevention, Prohibition and Redressal) Act, 2013. The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No of complaints at the beginning of the year : Nil
- No. of complaints received: : Nil
- No. of complaints disposed off : Nil

**42. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure IV to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as Annexure V.

During the year NONE of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in

aggregate per month, the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **43. RATIO OF REMUNERATION TO EACH DIRECTOR**

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. Pabbathi Praveen Kumar, Whole-time Director of the Company to the median remuneration of the employees is 8.33:1.

#### **44. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website [www.orbisagri.com](http://www.orbisagri.com)

#### **45. SECRETARIAL STANDARDS**

The Company is in compliance with the applicable secretarial standards.

#### **46. EVENT BASED DISCLOSURES**

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA

7. Preferential Allotment of Shares: NA

**47. CEO/ CFO Certification**

The Managing Director cum CEO and CFO certification of the financial statements for the year 2018-2019 is annexed in this Annual Report.

**48. ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

**For and on behalf of the Board  
For Arunjyoti Bio Ventures Limited**

	<b>Sd/-</b>	<b>Sd/-</b>
	<b>Pabbathi Praveen Kumar</b>	<b>Raja Kumar Babulal</b>
<b>Place: Hyderabad</b>	<b>Whole-time Director cum CFO</b>	<b>Whole-time Director</b>
<b>Date: 13.08.2019</b>	<b>(DIN: 02009879)</b>	<b>(DIN: 07529064)</b>

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## ARUNJYOTI BIO VENTURES LIMITED

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### CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2018-19

The shareholders,

#### Code of Conduct

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

#### **Certificate of Code of Conduct for the year 2018-2019 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Arunjyoti Bio Ventures Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all Director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2018-2019.

**For and on behalf of the Board  
For Arunjyoti Bio Ventures Limited**

**Place: Hyderabad  
Date: 13.08.2019**

**Sd/-  
Pabbathi Praveen Kumar  
Whole-time Director cum CFO  
(DIN: 02009879)**

**Sd/-  
Raja Kumar Babulal  
Whole-time Director  
(DIN: 07529064)**

# ARUNJYOTI BIO VENTURES LIMITED

## ANNEXURE -I

### FORM NO. MGT – 9

### EXTRACT OF ANNUAL RETURN

**as on the financial year ended on 31<sup>st</sup> March, 2019**

*[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:

*[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	L01400TG1986PLC062463
ii)	Registration Date	27.02.1986
iii)	Name of the Company	M/s. Arunjyoti Bio Ventures Limited (formerly Century 21 <sup>st</sup> Portfolio Limited)
iv)	Category / Sub-Category of the Company	Company limited by shares/ Non-Government Company
v)	Address of the Registered office and contact details	Plot No. 45, P & T colony, Kharkhana Road, Secunderabad – 500009, Telangana.
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	M/s. Venture Capital And Corp. Invest. Pvt. Ltd. 12-10-167, Bharat Nagar Hyderabad - 500 018 Ph. No. 040-23818475/23818476/23868023 Fax : +91 040-23868024.

#### 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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Purchase and sale of fertilizers	46692	100

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

S. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
	NA	NA	NA	NA	NA

# ARUNJYOTI BIO VENTURES LIMITED

## 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
(1) Indian									
a) Individual / HUF	188491	--	188491	9.10	188491	--	188491	9.10	
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI's	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub Total (A) (1)</b>	188491	--	188491	9.10	188491	--	188491	9.10	
(2) Foreign	--	--	--	--	--	--	--	--	--
a) NRI - Individuals	--	--	--	--	--	--	--	--	--
b) Other –Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub Total (A) (2)</b>	--	--	--	--	--	--	--	--	--
<b>Total Shareholding of Promoter (A)=(A)(1) + (A)(2)</b>	188491	--	188491	9.10	188491	--	188491	9.10	--
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others	--	--	--	--	--	--	--	--	--
<b>Sub Total (B) (1)</b>	--	--	--	--	--	--	--	--	--

## ARUNJYOTI BIO VENTURES LIMITED

<b>2. Non Institutions</b>									
a) Bodies Corporate									
i) Indian	68815	--	68815	3.32	68795	--	68795	3.32	-
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal share capital up to Rs.1 Lakh	194969	78300	273269	13.2	191289	77300	268589	12.97	(0.23)
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh	1449215	69800	1519015	73.35	1474215	69800	1544015	74.56	1.21
c) Others									
i) IEPF									
ii) Clearing members	21310	--	21310	1.03	1010	--	1010	0.05	(0.98)
iii) Non-Resident Indian (NRI)									
<b>Sub Total (B) (2)</b>	<b>1734309</b>	<b>148100</b>	<b>1882409</b>	<b>90.90</b>	<b>1735309</b>	<b>147100</b>	<b>1882409</b>	<b>90.90</b>	<b>--</b>
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	<b>1734309</b>	<b>148100</b>	<b>1882409</b>	<b>90.90</b>	<b>1735309</b>	<b>147100</b>	<b>1882409</b>	<b>90.90</b>	<b>--</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	--	--	--	--	--	--	--	--	--
<b>GRAND TOTAL (A+B+C)</b>	<b>1922800</b>	<b>148100</b>	<b>2070900</b>	<b>100</b>	<b>1923800</b>	<b>147100</b>	<b>2070900</b>	<b>100</b>	<b>--</b>

### (ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year(as on 01-04-2018)			Shareholding at the end of the year (as on 31-03-2019)			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Mittapalli Ramarao	94441	4.56	-	94441	4.56	-	--
2	M Praveen Kumar	94050	4.54	-	94050	4.54	-	--

### (iii) Change in Promoters' Shareholding: NIL

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year	Cumulative Shareholding during the year



## ARUNJYOTI BIO VENTURES LIMITED

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

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase /Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Raghu Ram Renduchintala	205954	9.95	-	-	-	205954	9.95
2.	P LeelaMadhuri Devi	145984	7.05	-	-	-	145984	7.05
3.	SrinivasYalamarthy	100000	4.83	-	-	-	100000	4.83
4.	Ramesh BabuChedella	99750	4.82	-	-	-	99750	4.82
5.	SrinivasAyyalasomayajula	99739	4.82	-	-	-	99739	4.82
6.	P. SrinivasaRao	80315	3.88	-	-	-	80315	3.88
7.	PabbathiVenkata Mohan Rao	75881	3.66	-	-	-	75881	3.66
8.	NallapareddyVanaja	69800	3.37	-	-	-	69800	3.37
9.	SrinivasaRaoGrandhisiri	69500	3.36	-	-	-	69500	3.36
10.	Varun Naidu	66364	3.2	-	-	-	66364	3.2

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/Decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
<b>A</b>	<b>Directors</b>							
1	Mr.Phanindranathkoganthi	10393	0.50	-	-	-	10393	0.50
2	Mrs.VanajaKumariDokiparthi	-	-	-	-	-	-	-
3.	Polsanivenkata Rama Rao	-	-	-	-	-	-	-

## ARUNJYOTI BIO VENTURES LIMITED

3	Mr.Pabbathi Praveen Kumar	104076	5.03		(412)		103664	5.01
4	M AdityaVardhan Reddy	-	-	-	-	-	-	-
5	Raja Kumar Babulal	-	-	-	-	-	-	-
6.	ChandrashekarKon dari							
<b>B.</b>	<b>KeyManagerial Personnel</b>							
1.	RomiAgarwal	-	-	-	-	-	-	-

### V. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	--	1,934,999	--	1,934,999
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	--	1,934,999	--	1,934,999
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	-	19,34,999	-	19,34,999
<b>Net Change</b>	-	(19,34,999)	-	(19,34,999)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

### V. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No	Particulars of Directors	Mr.Phanindra nathKoganti	Mr.Pabbathi Praveen Kumar	Mr.RajakumarB abulal	Total Amount (Rs)
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961.	-	12,00,000	-	12,00,000

## ARUNJYOTI BIO VENTURES LIMITED

2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	as % of profit	-	-	-	-
	Others	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	-	12,00,000	-	12,00,000
	<b>Ceiling as per the Act</b>	-	60,00,000	-	-

### B. Remuneration to other Directors:

SL No	Particulars of Remuneration	Name of Directors				Total Amount (Rs)
		VanajakumarDo kiparthi	M. Adityavardh anreddy	Polsaniven kataramaR ao	Rama Mohan Challa	
1	<b>Independent Directors</b>					
	Fee for attending Board/Committee Meetings	-	-	-	32,500	32,500
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-
2	<b>Other Non-Executive Directors</b>					
	Fee for attending Board/Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B) = (1+2)</b>	-	-	-	-	-
	Total Managerial Remuneration	Nil	Nil	Nil	32500	32500
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

### C.REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (RomiAgarwal)	CFO Pabbathi Praveen Kumar	Total (Rs)
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	75,000	As mentioned above	75,000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify.....	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	-	75,000	-	75,000

## ARUNJYOTI BIO VENTURES LIMITED

### VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

FORM MR-3  
SECRETARIAL AUDIT REPORT

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

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

To,  
The Members  
Arunjyoti Bio Ventures Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Arunjyoti Bio Ventures Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes 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, we hereby report that in our opinion, the company has, during the financial year commencing from 1<sup>st</sup> April, 2018 and ended 31<sup>st</sup> March, 2019 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 herein after:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> of March, 2019 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;

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## ARUNJYOTI BIO VENTURES LIMITED

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2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2018-19:-
- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures, wherever applicable.**
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. [www.orbisagri.com](http://www.orbisagri.com)**
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable as the company has not issued any shares during the year under review.**
  - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
  - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**
  - vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the company has Venture Capital and Corporate Investments Private Limited as its Share Transfer Agent.**
  - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**

- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- a. The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975.
  - b. The Air (Prevention and Control of Pollution) Act, 1981.
  - c. The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975.
  - d. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
  - e. The Insecticides Act, 1968 and rules made thereunder.
  - f. Fertilizer Control (Order)
  - g. The Payment of Gratuity Act, 1972
  - h. Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - i. Employees State Insurance Act, 1948

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above including the following:

- a) During the year the Company has conducted 7 meetings of the Board of Directors, 4 meetings of the Audit committee, 4 Meetings of Stakeholder Relationship Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.

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## ARUNJYOTI BIO VENTURES LIMITED

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- b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
- (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
- External Commercial Borrowings were not attracted to the Company under the financial year under report;
  - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
  - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
- (ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

**We further report that:**

- The Company has appointed Mr. Pabbathi Praveen Kumar as CFO on 27.03.2019 and Mr. Romi Agarwal as Company Secretary and compliance officer as on 09.11.2018.
- The Company has not appointed internal auditors.
- The website of the Company contains policies as specified by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the 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 of board meeting is given to all the directors along with agenda 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 meaningful participation at the meeting.



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## ARUNJYOTI BIO VENTURES LIMITED

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- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, 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.
- The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Vivek Surana & Associates**

**Sd/-**

**Vivek Surana**

**Proprietor**

**C.P. No : 12901**

**M. No.: A24531**

**Place: Hyderabad**

**Date: 13.08.2019**

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## ARUNJYOTI BIO VENTURES LIMITED

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### Annexure A

To

The Members of

Arunjyoti Bio Ventures Limited

**Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Vivek Surana & Associates**

**Sd/-**

**Vivek Surana**

**Proprietor**

**C.P. No : 12901**

**M. No.: A24531**

**Place: Hyderabad**

**Date: 13.08.2019**

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## ARUNJYOTI BIO VENTURES LIMITED

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### CERTIFICATE BY THE WHOLE-TIME DIRECTOR AND CFO OF THE COMPANY

To  
The Board of Directors  
ArunJyoti Bio Ventures Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2019 and to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b. These statements 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 my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board  
Arunjyoti Bio Ventures Limited

Place: Hyderabad  
Date: 13.08.2019

Rajkumar Babulal  
Whole-time Director

Pabbathi Praveen Kumar  
Whole-time Director cum CFO

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/  
UNCLAIMED SUSPENSE ACCOUNT**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
NIL	NIL	NIL	NIL

***\*\* Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.***

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industry structure, developments and performance**

In India's agriculture sector, fertilizers play an important role and accounts for about a seventh of the country's GPD. Fertilizers enhance growth of plants by supplying crucial nutrients to them. Demand for fertilizer has been soft and shrinking international prices saw imports rise. Another challenge the industry faces is delayed subsidy payments from the government. The budget allocation on decontrolled fertilizers (P&K) has been reduced. Put together, these challenges are putting a strain on the working capital of fertilizer companies.

Fertilizer, alone accounts for large subsidy, the second highest after food. Owing to poor monsoons in last two years and low commodity prices, there was slowdown in the fertilizer sector. Currently, this sector is showing strong signs of revival owing to good monsoon last years and reforms taken by government.

**OPPORTUNITIES:**

The volume growth during FY18-19 has been driven by good opening inventory levels compared with the previous and low base effect and was supported by moderate growth in the domestic production of urea and higher import for non-urea fertilizers.

**THREATS**

The challenges before the Indian fertilizer industry relate to the incertitude in the supply of fertilizers. The robust growth in consumption propensity has not been met with the required surge in fertilizer production. This has widened the gap between the demand and supply of fertilizers, which has led to an increase in the dependence of the country on imports. This also reflects on the lack of realizing of the domestic capacity utilization of the reserves in the country. The environmental damage caused by the inappropriate use of fertilizers is certainly a matter of serious concern in many states. The net result has been an overall increase in fertilizer prices, with neither the government benefiting due to subsidy reduction nor the farmer benefiting, as fertilizer prices more than doubled in the last four years. While rationalizing fertilizer subsidy across nutrients may be the short-term and immediate solution to the problem, the need of the hour is to have a policy framework that incentivizes domestic production of fertilizers.

**Segment-wise or product-wise performance:**

During the year under review, the Company has recorded revenue of Rs 37,174,710 and made a profit of Rs. 4,38,248 against revenue of Rs. 466,023 and made a loss of Rs. 2,470,138 in the previous financial year 2017-18.

The Company does not have any geographical segment.

**Outlook:**

GOI has approved the New Urea Policy effective over next four financial years. The policy has multiple objectives of maximizing indigenous production of Urea and promoting energy efficiency. In order to enhance the use efficiency of Urea, Government had also mandated to produce 75% of domestic Urea as neem coated, so that farmers are benefited.

**Risks and concerns:**

The growth trajectory of the Indian fertilizer industry has camouflaged the impending challenges with which it is faced. Adverse Agro climatic conditions can impact the performance of the company. Scanty rains because of monsoon failures which affect the industry. Fertilizer marketing is undergoing a sea change in the emerging scenario in the view of entry of new players and competitors.

**Internal control systems and their adequacy:**

The company's internal control/supervisory system is established to ensure that the board and management are able to achieve their business objectives in a prudent manner, safeguarding the interest of company's shareholders and other stakeholders whilst minimizing the key risk such as fraud, misleading financial statements, breach of legal and contractual obligations, unauthorized business activities.

**Discussion on financial performance with respect to operational performance:**

Financial and operational performance forms part of the Annual Report and is presented elsewhere in the report.

**Material developments in Human Resources / Industrial Relations front, including number of people employed.**

There are no material developments in the Human Resources area. The Industrial relations have been considered to be satisfactory. The Company constantly reviews the manpower requirements and effective steps are being taken to meet the requirements.

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## ARUNJYOTI BIO VENTURES LIMITED

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Your company follows a strategy of attracting and retaining the best talent and keep employees engaged, motivated and innovative. The company continues to have cordial relations with its employees and provide personnel development opportunities for all round exposure to them.

**Details of significant changes in key financial ratios, along with detailed explanation thereof**

## ARUNJYOTI BIO VENTURES LIMITED

### ANNEXURE-IV

The details of remuneration during the year 2018-2019 as per Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2015 are as follows

Sl. No	Disclosure Requirement	Disclosure Details	
i.	Ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the Financial year	The ratio of remuneration of Mr. P. Pabbathi Praveen Kumar to the median remuneration of the employees is 8.33:1.	
ii.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
		P. Pabbathi Praveen Kumar	No remuneration was paid last financial year

iii. Percentage increase in the median remuneration of employees in the financial year 2018-2019: NIL

iv. Number of permanent employees on the rolls of the Company as on 31st March, 2019: 13.

v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase in salaries of employees was NIL  
Increase in the managerial remuneration for the year was NIL.

vi. **Affirmation that the remuneration is per the remuneration policy of the Company:**

The Company is in compliance with its remuneration policy.



S No	Name of the Employee	Designation of the employee	Remuneration received	Nature of employment whether contractual or otherwise
1	Pabbathi Praveen Kumar	Whole Time Director	12,00,000	
2	A E Govindh	Sales Officer	2,29,500	
3	M Bas	Sales Officer	90,000	
4	K	S	52,250	
			1,44,000	

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## ARUNJYOTI BIO VENTURES LIMITED

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### Form No. AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis: Nil**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

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# ARUNJYOTI BIO VENTURES LIMITED

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## Independent Auditors' Report

To

The Members,

ARUNJYOTHI BIO VENTURES LIMITED

### **Report on the Ind AS financial statements**

We have audited the accompanying Ind AS financial statements of M/S ARUNJYOTHI BIO VENTURES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (Including other comprehensive income), the Statement of cash flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as 'Ind AS financial statements').

### **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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March, 2019, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **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 section 143(11) 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.

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## ARUNJYOTI BIO VENTURES LIMITED

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- (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, the statement of Cash flows and the changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid IndAS financial statements comply with the Accounting Standards specified under Section 133 of the Act, relevant rules issued there under.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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”; and
- (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.

For M M REDDY & Co.,  
Chartered Accountants  
Firm Regd No. 010371S

M MADHUSUDHANA REDDY  
Membership No. 213077

Place: HYDERABAD  
Date: 30.05.2019

**Annexure – A to the Independent Auditors' Report:**

The Annexure referred to the Independent auditors' report to the members of the company on the Ind AS financial statements for the year ended 31 March 2019, we report that

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) A major portion of fixed assets have been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the company does not have any immovable property hence paragraph 3 (i) (c) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- ii. The inventory has been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification and have been properly dealt with in the books of account.
- iii. The Company has Not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal.
- vi. In our opinion and according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.

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## ARUNJYOTI BIO VENTURES LIMITED

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- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company is 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 to the appropriate authorities and no undisputed amounts payable were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or duty of customs or duty of excise or value added tax or cess as at 31st March, 2019 which have not been deposited on account of a dispute.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- ix. The Company has not raised any money 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 Companies (Auditor's Report) Order, 2016 is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. The company has not paid or provided any managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment of equity share converted in to equal number equity shares of the company. The requirement of Section 42

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## ARUNJYOTI BIO VENTURES LIMITED

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and all the other applicable provisions of the Companies Act, 2013 and SEBI Regulations were complied with.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M M REDDY & Co.,  
Chartered Accountants  
Firm Regd No. 010371S

M MADHUSUDHANA REDDY  
Membership No. 213077

Place: HYDERABAD  
Date: 30.05.2019



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## **ARUNJYOTI BIO VENTURES LIMITED**

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### **Annexure - B to the Independent Auditors' Report:**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/S **ARUNJYOTHI BIO VENTURES LIMITED** ("the Company") as of 31st March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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.

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M M REDDY & Co.,  
Chartered Accountants  
Firm Regd No. 010371S

M MADHUSUDHANA REDDY  
Membership No. 213077

Place: HYDERABAD  
Date: 30.05.2019

# ARUNJYOTI BIO VENTURES LIMITED

## BALANCE SHEET AS AT 31st MARCH 2019

	PARTICULARS	Note No.	As at March 31, 2019	As at March 31, 2018
<b>I</b>	<b><u>ASSETS:</u></b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	2	-	-
	(b) Capital work-in-progress		-	-
	(c) Goodwill		-	-
	(d) Other Intangible Assets		-	-
	(e) Intangible Assets under development		-	-
	(f) Biological Assets		-	-
	(g) Financial assets			
	(i) Investments		-	-
	(ii) Other Financial Assets	3	1,49,71,192	1,77,56,314
	(h) Deferred tax assets (net)		-	-
	(i) Other non-current assets		-	-
(2)	<b>Current assets</b>			
	(a) Inventories	4	52,89,553	-
	(b) Financial assets			
	(i) Investments		-	-
	(ii) Trade receivables	5	2,35,59,851	4,51,32,272
	(iii) Cash and cash equivalents	6	34,58,225	3,24,61,397
	(iv) Bank Balances other than (iii) above		-	-
	(v) Loans and advances		-	-
	(vi) Investments held for Sale		-	-
	(c) Other current assets	7	75,59,658	74,21,122
	<b>TOTAL ASSETS</b>		<b>5,48,38,478</b>	<b>10,27,71,105</b>
<b>II</b>	<b><u>EQUITY AND LIABILITIES:</u></b>			
	<b>Equity</b>			
	(a) Equity Share Capital	8	2,07,09,000	2,07,09,000
	(b) Other Equity			
	(ii) Reserves and Surplus	9	(30,00,205)	(34,38,453)
	<b>Liabilities</b>			
(1)	<b>Non Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	10	-	19,34,999
	(b) Deferred tax liabilities (Net)		-	-
(2)	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade Payables	11	2,10,57,321	7,01,33,491
	(iii) Other financial liabilities		-	-
	(b) Other current liabilities	12	1,59,88,043	1,33,13,867
	(c) Provisions	13	84,319	1,18,201
	(d) Current tax liabilities(Net)		-	-
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,48,38,479</b>	<b>10,27,71,105</b>
	<b>Significant accounting policies and notes to accounts</b>	1 to 23		

As per our report of even date  
For M M REDDY & Co.,  
Chartered Accountants  
Firm Registration No.010371S

(M Madhusudhana Reddy)  
Partner  
Membership No. 213077

Place: Hyderabad  
Date : 30.05.2019

For and on behalf of the Board of Directors of  
**ARUNJYOTI BIO VENTURES LIMITED**

Sd/-  
**PABBATHI PRAVEEN KUMAR**  
Wholtime Director cum CFO  
(DIN: 02009879)

Sd/-  
**BABULAL RAJA KUMAR**  
Wholtime Director  
(DIN:07529064)

Sd/-  
**Romi Agarwal**  
Company Secretary

# ARUNJYOTI BIO VENTURES LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2019

(Amount in Rs.)

	PARTICULARS	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
I	Revenue from operations		3,71,74,710	4,65,668
II	Other Income	14	15,627	355
III	<b>Total Income (I+II)</b>		<b>3,71,90,337</b>	<b>4,66,023</b>
IV	<b>Expenses:</b>			
	<b>Material C</b>			
	Operating Expenses	15	3,14,23,626	2,90,669
	Employee Benefits Expense	16	43,00,133	3,61,502
	Depreciation and amortization expense	2	-	30,845
	Finance Cost	17	1,431	9,656
	Other expenses	18	10,26,899	22,43,489
	<b>Total Expenses</b>		<b>3,67,52,089</b>	<b>29,36,160</b>
V	Profit before exceptional and extraordinary items and tax (III - IV)		4,38,248	-24,70,137
	-Exceptional Items		-	0
	-Prior period expenses		-	0
VI	Profit before tax		4,38,248	-24,70,137
VII	Tax Expense			
	- Current tax		84,319	0
	- Mat Credit		-84,319	0
VII	Profit for the period (V-VI)		<b>4,38,248</b>	<b>-24,70,137</b>
VIII	Other Comprehensive Income (OCI)			
	i) Items that will not be reclassified to profit & loss		-	0
	ii) Income tax relating to items that will not be reclassified to profit & loss		-	0
	Other comprehensive income for the year (net of tax)		-	0
IX	Total Comprehensive Income (VII+VIII)		<b>4,38,248</b>	<b>-24,70,137</b>
X	Earnings per equity share: (Equity shares of par value of Rs.10/- each)			
	- Basic		0.21 -	1.19
	- Diluted		0.21 -	1.19
	<b>Significant accounting policies and notes to accounts</b>	1 to 23		

As per our report of even date  
For M M REDDY & Co.,  
Chartered Accountants  
Firm Registration No.010371S

(M Madhusudhana Reddy)  
Partner  
Membership No. 213077

Place: Hyderabad  
Date : 30.05.2019

For and on behalf of the Board of Directors of  
**ARUNJYOTI BIO VENTURES LIMITED**

Sd/-  
**PABBATHI PRAVEEN KUMAR**  
Wholetime Director cum CFO  
(DIN: 02009879)

Sd/-  
**BABULAL RAJA KUMAR**  
Wholetime Director  
(DIN:07529064)

Sd/-  
**Romi Agarwal**  
Company Secretary

# ARUNJYOTI BIO VENTURES LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	Year ended 31-03-2019 Amount in Rs.	Year ended 31-03-2018 Amount in Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax	4,38,248	(24,70,137)
<b><u>Adjustment for:</u></b>		
Depreciation and Amortisation	-	30,845
Preliminary Expenses Written off	-	-
Interest Earned	-	-
Cash Flows from Operations before changes in assets and liabilities	4,38,248	(24,39,292)
<b><u>Movements in Working Capital::</u></b>		
(Increase)/ Decrease in trade receivables	2,15,72,421	12,66,32,277
(Increase)/Decrease in othe		39,176
(Increase) / Decrease in Inventories	(52,89,553)	-
(Increase) / Decrease in Loans and Advances	-	-
(Increase) / Decrease in Trade Payables	(4,90,76,170)	(9,12,51,793)
(Increase) / Decrease in Short Term Provision	(33,882)	(27,084)
Increase/(Decrease) in Other current liabilities	26,74,176	(15,94,991)
<b>Change in Working Capital</b>	<b>(3,02,91,543)</b>	<b>3,37,97,585</b>
<b><u>Changes in non current assets and liabilities</u></b>		
Decrease/(Increase) in loans & advances	<b>27,85,122</b>	-
Decrease/(Increase) in Long Term Provisions	-	-
Decrease/(Increase) in Other non Current Assets	-	-
<b>Changes in non current assets and liabilities</b>	<b>27,85,122</b>	-
<b><u>Cash Generated From Operations</u></b>	<b>(2,70,68,173)</b>	<b>3,13,58,292</b>
Less: Taxes paid	-	4,58,715
<b>Net Cash from operating activities(A)</b>	<b>(2,70,68,173)</b>	<b>3,08,99,577</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Increase) / Decrease in Fixed assets and Capital Work In progress	-	-
Bank Balances not considered as Cash and Cash equivalents	-	-
Investment in equity Shares	-	-
<b>Net cash used in Investing activities (B)</b>	-	-
<b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Share Capital	-	-
Increase / (Decrease) in Borrowings	(19,34,999)	-
Interest paid	-	-
<b>Net cash Flow from Financing Activities ( C )</b>	<b>(19,34,999)</b>	-
<b>Net Increase/(Decrease) in cash &amp; cash equivalents [A+B+C]</b>	<b>(2,90,03,172)</b>	<b>3,08,99,577</b>
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3,24,61,398	15,61,820
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	<b>34,58,225</b>	<b>3,24,61,398</b>

As per our report of even date  
For M M REDDY & Co.,  
Chartered Accountants  
Firm Registration No.010371S

(M Madhusudhana Reddy)  
Partner  
Membership No. 213077

Place: Hyderabad  
Date : 30.05.2019

For and on behalf of the Board of Directors of  
**ARUNJYOTI BIO VENTURES LIMITED**

Sd/-  
**PABBATHI PRAVEEN KUMAR**  
Wholetime Director cum CFO  
(DIN: 02009879)

Sd/-  
**BABULAL RAJA KUMAR**  
Wholetime Director  
(DIN:07529064)

Sd/-  
**Romi Agarwal**  
Company Secretary

**Notes to accounts**

**1. Significant Accounting Policies & Notes annexed to and forming part of the financial Statements**

**1.1. Basis for preparation of financial statements:**

**a) Compliance with Indian Accounting Standards (Ind As)**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind As) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013. Up to the year ended March 31, 2017, the Company prepared financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are the Company's second Ind As financial statements. The date of transition to Ind As is April 1, 2018.

**b) The same accounting policies have been applied for all the periods presented except when the company has made use of certain exceptions.**

The financial statements have been prepared on the historical cost basis except for certain instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating as per the Company's normal operating cycle and other criteria set out in the schedule III of the Act. The Company has determined its operating cycle as twelve months for the purpose of current-noncurrent classification of assets and liabilities.

The financial statements are presented in Indian Rupees which is also its functional currency. All amounts have been rounded – off to the nearest rupees, unless otherwise indicated.

**c) Use of estimates and judgment**

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

### **1.2. Property, Plant and Equipment & Depreciation**

Items of Property, Plant and Equipment are stated at cost less accumulated depreciation.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Depreciation on the fixed assets has been provided based on useful lives as prescribed under part C of the schedule II of the Companies act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

### **1.3 Impairment of non-financial assets**

The Company's non-financial assets, other than deferred tax assets are



reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

#### **1.4 Intangible assets**

Intangible assets are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as change in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in profit or loss.

#### **1.5 Inventory**

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.

Stores and consumables are valued at cost arrived at on FIFO basis or net realisable value, whichever is lower

#### **1.6 Foreign currencies transactions and translations**

Transactions in foreign currencies are recorded at the exchange rate

prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

### **1.7 Provisions**

A provision is recognised when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (other than employee benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### **1.8 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable.

#### **Interest Income**

Interest income from a financial asset is recognised using effective interest rate method. However, in respect of certain financial assets where it is not probable that the economic benefits associated with the transaction will flow to the entity and amount of revenue cannot be measured reliably, in such cases interest income is not recognised.

### **1.9 Dividend Income**

Dividends will be recognised when the company's right to receive has been established

### **1.10 Employee benefits**

#### **1.10.1 Short term employee benefits**

The undiscounted amount of short term employee benefits are expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

#### **1.10.2 Defined benefit plans**

**a) Provident fund**

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon is paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the Regional Provident Fund Commissioner equal to a specified percentage of the covered employee's salary.

**b) Employee State Insurance Fund**

Eligible employees (whose gross salary is less than 21,000 per month) are entitled to receive benefit under employee state insurance fund scheme. The employer makes contribution to the scheme at a predetermined rate (presently 4.75%) of employee's gross salary. The Company has no further obligations under the plan beyond its monthly contributions. These contributions are made to the fund administered and managed by the Government of India. Monthly contributions are charges to income in the year it is incurred.

**1.11 Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

### **1.12 Leases**

Leases are classified as finance lease whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.

### **1.13 Borrowing costs**

Borrowing costs incurred for obtaining assets which takes substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets. Other borrowing costs are treated as expense for the year.

Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method.

### **1.14 Earnings per equity share**

#### **(i) Basic earnings per share**

Basic earnings per share are calculated by dividing:

- The profit attributable to owner of the company.
- By the weighted number of equity shares outstanding during the financial year

#### **(ii) Diluted earnings per share**

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### **1.15 Financial Instruments**

#### **i. Financial assets**

##### **A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

**a) Financial assets carried at amortized cost (AC)**

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through profit or loss (FVTPL)**

A Financial asset which is not classified as AC or FVOCI are measured at FVTPL e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

**c) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose Objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**B. Investments in subsidiaries**

The Company has accounted for its investments in subsidiaries at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

**ii. Financial Liabilities**

**A. Initial recognition**

All financial liabilities are recognized at fair value.

**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## ARUNJYOTI BIO VENTURES LIMITED

	Computers	Furniture and Fixtures	Plant & Mahchinary	Vehicles	Office Equipment	Total
<b>Deemed cost (gross carrying amount)</b>						
Balance at 1 April 2017	18,07,170	74,653	-	8,83,191	1,61,491	29,26,505
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Balance at 31 March 2018</b>	<b>18,07,170</b>	<b>74,653</b>	<b>-</b>	<b>8,83,191</b>	<b>1,61,491</b>	<b>29,26,505</b>
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	<b>18,07,170</b>	<b>74,653</b>	<b>-</b>	<b>8,83,191</b>	<b>1,61,491</b>	<b>-</b>
<b>Balance at 31 March 2018</b>	<b>18,07,170</b>	<b>74,653</b>	<b>-</b>	<b>8,83,191</b>	<b>1,61,491</b>	<b>29,26,505</b>
Depreciation for the year	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	<b>18,07,170</b>	<b>74,653</b>	<b>-</b>	<b>8,83,191</b>	<b>1,61,491</b>	<b>29,26,505</b>
<b>Carrying amounts(net)</b>						
At 1 April 2017	17,500	2,989	-	-	10,356	30,845
At 31 March 2018	-	-	-	-	-	-
At 31 March 2019	-	-	-	-	-	-

# ARUNJYOTI BIO VENTURES LIMITED

## Notes to accounts

### NOTE NO: 3 other Non Current Financial Assets

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
<b>Capital Advances</b>	-	-
Security Deposits Unsecured	1,49,71,192	1,77,56,314
	<b>1,49,71,192</b>	<b>1,77,56,314</b>

### NOTE NO: 4 Inventories

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Closing Stock	52,89,553	-
	<b>52,89,553</b>	-

### NOTE NO: 5 Trade receivables

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
" (a) Outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good "	30,87,125	4,51,32,272
(b) Outstanding for a period not exceeding six months Unsecured, considered good	2,04,72,726	
	<b>2,35,59,851</b>	<b>4,51,32,272</b>

# ARUNJYOTI BIO VENTURES LIMITED

## Notes to accounts

### NOTE NO: 6 CASH AND CASH EQUIVALENTS:

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
(a) Balance with banks	34,55,929	3,24,61,397
(b) Cheques in Hand	-	-
(c) Cash on Hand	2,296	-
	<b>34,58,225</b>	<b>3,24,61,397</b>

### NOTE NO: 7 OTHER CURRENT ASSETS:

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Advance to Staff, Rent Advance and Others Advances	1,91,401	-
Balances in Indirect Tax payables Accounts	72,83,938	74,21,122
Mat Credit	84,319	-
	<b>75,59,658</b>	<b>74,21,122</b>

### NOTE NO: 8 Reserves and Surplus

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
(a) Securities Premium:	-	-
(b) General Reserve:	-	-
(c') Capital Reserve - Forfeiture of shares	23,33,750	23,33,750
(d) Retained earnings:		
Opening balance	(57,72,203)	(33,02,065)
(+) Net profit during the year	4,38,248	(24,70,138)
Closing balance	(53,33,955)	(57,72,203)
(e) Other Comprehensive income:	-	-
<b>Total (a+b+c)</b>	<b>-30,00,205</b>	<b>-34,38,453</b>



# ARUNJYOTI BIO VENTURES LIMITED

## Notes to accounts

### NOTE NO: 9: EQUITY SHARE CAPITAL:

PARTICULARS	As At March 31,2019		As At March 31,2018	
	Number	Amount in Rs.	Number	Amount in Rs.
<b>Authorised</b> Equity Shares of Rs. 10/- each	3,500,000	35,000,000	3,500,000	35,000,000
<b>Issued, Subscribed and Paid up</b>  Equity Shares of Rs. 10/- each fully paid up	2,070,900	20,709,000	2,070,900	20,709,000
<b>Total</b>	<b>2,070,900</b>	<b>20,709,000</b>	<b>2,070,900</b>	<b>20,709,000</b>

#### Foot note:

#### (a) Reconciliation of the number of shares outstanding as at March 31, 2019, March 31, 2018 and

PARTICULARS	As At March 31,2019		As At March 31,2018	
	Number	Amount in Rs.	Number	Rs. In lakhs
Equity Shares outstanding at the beginning of the year	20,70,900	2,070,900	2,070,900	2,070,900
	-	-	-	-
Equity Shares outstanding at the end of the year	20,70,900	2,070,900	2,070,900	2,070,900

\*48 70,606 shares of Rs. 10 each allotted as fully paid up pursuant to contract without payment being received in cash.

#### (b) Details of Shareholders holding more than 5 % shares:

PARTICULARS	As At March 31,2019		As At March 31,2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
P SRINIVASA RAO	1,25,815	6.08%	1,25,815	6.08%
P LEELA MADHURI DEVI	1,45,984	7.05%	1,32,802	6.41%
RAGHU RAM RENDUCHINTALA	2,05,954	9.95%	2,05,954	9.95%
PRAVEEN KUMAR PABBATHI	1,04,076	5.03%	1,04,076	5.03%

#### (c) Terms and rights attached to the equity shares:

The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled for one vote per share. Distribution of dividends and repayment of capital, if any, by the company, shall be subject to the provisions of applicable laws.

# ARUNJYOTI BIO VENTURES LIMITED

## Notes to accounts

### NOTE NO: 10 Long Term Borrowings

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Secured Term Loans form Banks (secured by fixed assets and guaranteed by directors and others)	-	-
Unsecured	-	19,34,999
From Directors	-	-
	-	<b>19,34,999</b>

### NOTE NO: 11 Trade Payables

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Dues to Micro, Small and Medium Enterprises	-	-
Dues to others	2,10,57,321	7,01,33,491
	<b>2,10,57,321</b>	<b>7,01,33,491</b>

### NOTE NO: 12 OTHER CURRENT LIABILITIES:

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Advances from customers	-	-
Other amounts payable	1,57,22,224	1,32,07,150
Other liabilities	1,25,392	1,06,717
TDS Payable	1,40,427	-
	<b>1,59,88,043</b>	<b>1,33,13,867</b>

## ARUNJYOTI BIO VENTURES LIMITED

### Notes to accounts

#### NOTE NO: 13 Short Term Provisions

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Provision for Expenses	-	1,18,201
Provision for Income Tax	84,319	-
	<b>84,319</b>	<b>1,18,201</b>

#### NOTE NO: 14 Other Income

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Non Operating Income	-	-
Finance Income on	-	-
Deposits with bank	-	-
Others	15,626.78	355.00
	<b>15,626.78</b>	<b>355.00</b>

# ARUNJYOTI BIO VENTURES LIMITED

## Notes to accounts

### NOTE NO: 15 Operating Expenses

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Opening Cost	-	-
Add: Material Purchases	3,57,51,185.53	2,81,440.00
Less: Closing Stock	-52,89,553.32	-
Material Consumed	3,04,61,632.21	2,81,440.00
Development expenses	-	-
Agri Expences	-	-
Labour Charges	-	-
Contract Expenses	-	-
Dairy Lease Charges	-	-
Consumables	-	-
Repairs & Maintanance	-	-
Transport and Delevery Charges	9,61,994.00	9,229.00
Packing Charges	-	-
	<b>3,14,23,626.21</b>	<b>2,90,669.00</b>

### NOTE NO: 16 EMPLOYEE BENEFITS EXPENSE:

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
(a) Salaries & Wages	30,49,931.00	3,61,502.00
(b) Remuneration	12,32,500.00	
(c) Contribution to provident and other funds	-	-
(d) Gratuity and Leave Encashment	-	-
(e) Staff welfare expenses	17,702.00	-
	<b>43,00,133.00</b>	<b>3,61,502.00</b>

## ARUNJYOTI BIO VENTURES LIMITED

### NOTE NO: 17 Finance Cost

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Bank Charges	1,430.80	1,808.75
Interest on Vehicle Loans	-	7,847.00
	<b>1,430.80</b>	<b>9,655.75</b>

### NOTE NO: 18 OTHER EXPENSES:

PARTICULARS	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
Business Promotion Exp	18,584.70	-
Commission / Brokerage Charges	25,000.00	-
Conveyance	2,251.00	4,12,549.00
Electricity charges	1,228.00	-
Miscellaneous expenses	59,268.72	1,50,000.00
Office maintenance	7,517.00	4,250.00
Printing & stationery	33,569.00	2,50,000.00
Professional & consultancy	1,15,800.00	2,90,557.00
Rent	2,01,600.00	-
Telephone Expenses	18,796.24	-
Travelling Expenses	4,05,237.00	3,76,094.00
Vehicle Maintenance	-	-
Advertisement	53,388.60	76,891.50
Audit fees	50,000.00	40,000.00
Interest on on taxation FY 15-16	-	50,685.13
Listing Fee	33,740.00	5,92,462.00
Rates and Taxes	919.00	-
	<b>10,26,899.26</b>	<b>22,43,488.63</b>

## ARUNJYOTI BIO VENTURES LIMITED

### 19. Related Party Disclosures

As per Ind As 24 the disclosure of transactions with the related parties are given below

a) Related Parties and nature of relationship:

VENKATRAMA RAO POLSANI	Director
PABBATHI PRAVEEN KUMAR	Wholetime Director
KOGANTI PHANEEDRANADH	Wholetime Director
MANDA ADITYA VARDHAN REDDY	Director
VANAJA KUMARI DOKIPARTHI	Director
BABULAL RAJA KUMAR	Wholetime Director

b) Transactions with Related Parties: Nil

### 20. Auditors remuneration:

Amount in Rs.

Particulars	2018-19 (Rupees)	2017-18 (Rupees)
Audit Fee	50,000	50,000
Total	<b>50,000</b>	<b>50,000</b>

### 21. The Board of Directors assesses the financial performance of the Company and make strategic

Decisions. The Company has only one reportable segment i.e "trading of hardware and agriculture inputs" and hence no separate disclosures are required under Ind AS 108.

### 22. Earnings per share (EPS):

The details of number of Equity shares used in calculating Basic and Diluted earnings per share are set out below:

## ARUNJYOTI BIO VENTURES LIMITED

Amount in Rs.

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Weighted average Equity shares for computing Basic EPS	20,70,900	20,70,900
Dilutive impact of Share Warrants	-	-
Weighted average Equity shares for computing Diluted EPS	20,70,900	20,70,900
Profit After Tax	4,38,248	(24,70,138)
Earnings per Share	0.21	(1.19)

23. The Company has not received any information from any of the supplier of their being Micro, Small and medium enterprises. Hence, the amounts due to Micro, Small and Medium enterprises outstanding as on 31-03-2019 was Rs. Nil
24. Balances in respect of trade payables, various advances and trade receivables are subject to confirmation from the respective parties.

As per our report of even date  
For M M REDDY & Co.,  
Chartered Accountants  
Firm Registration No.010371S

(M Madhusudhana Reddy)  
Partner  
Membership No. 213077

Place: Hyderabad  
Date : 30.05.2019

For and on behalf of the Board of Directors of  
**ARUNJYOTI BIO VENTURES LIMITED**

Sd/-  
**PABBATHI PRAVEEN KUMAR**  
Wholetime Director cum CFO  
(DIN: 02009879)

Sd/-  
**BABULAL RAJA KUMAR**  
Wholetime Director  
(DIN:07529064)

Sd/-  
**Romi Agarwal**  
Company Secretary

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## ARUNJYOTI BIO VENTURES LIMITED

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Form No. MGT-11

### Proxy form

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

CIN : L01400TG1986PLC062463  
Name of the company : Arunjyoti Bio Ventures Limited  
(Formerly Century 21st Portfolio Limited)  
Registered office : Plot No. 45, P & T Colony, Kharkhana Road,  
Secunderabad – 500009, Telangana

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company,  
hereby appoint

1. Name : .....

Address : \_

E-mail Id :

Signature: ....., or failing him

2. Name : .....

Address:

E-mail Id :

Signature: ....., or failing him

3. Name : .....

Address:

E-mail Id:

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Monday, 30th day of September, 2019 at 09:00 A.M. at 2nd Floor, M S Nilayam, 15 HACP Colony, Kharkhana, Secunderabad – 500009, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:



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## ARUNJYOTI BIO VENTURES LIMITED

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### Resolution No.

1. Approval of financial statements for the year ended 31.03.2019.
2. Appointment of Mr P. Praveen Kumar as Director who retires by rotation and being eligible offers himself for reappointment.
3. Reappointment of Mr. P. Praveen Kumar as Whole-Time Director of the Company.
4. Reappointment of Mr. Raja kumar Babulal as Whole-Time Director of the Company.
5. Reappointment of Mr. M. Aditya Vardhan Reddy as Independent Director of the Company.
6. Appointment of Mr. Chandra Shekar Kondari as Independent Director of the Company.

Signed this ..... day of ..... 2019

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the

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### M/s. ARUNJYOTI BIO VENTURES LIMITED

(Formerly CENTURY 21ST PORTFOLIO LIMITED)

PLOT NO. 45, P & T COLONY, KHARKHANA ROAD, SECUNDERABAD,  
TELANGANA - 500009

### ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 33rd Annual General Meeting of the Company to be held on Monday, 30th day of September, 2019 at 09:00 A.M. at 2nd Floor, M S Nilayam, 15 HACP Colony, Kharkhana, Secunderabad – 500009, Telangana and at any adjourned meeting thereof.

Shareholders/Proxy's Signature \_\_\_\_\_

Shareholders/Proxy's full name \_\_\_\_\_  
(In block letters)

Folio No./ Client ID \_\_\_\_\_

No. of shares held \_\_\_\_\_

### Note:

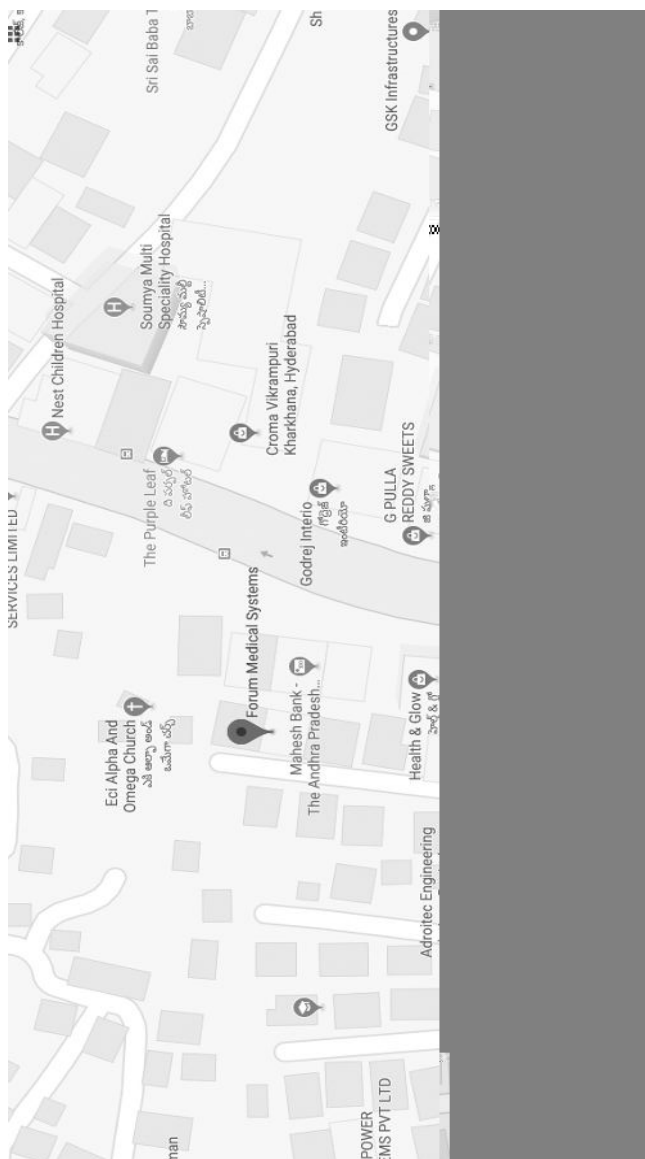
Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

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## ARUNJYOTI BIO VENTURES LIMITED

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### Route map of the venue of the AGM for the financial year 2018-2019



*If undelivered please return to :*

**ARUNJYOTI BIO VENTURES LIMITED**

(FORMERLY KNOWN CENTURY 21st PORTFOLIO LIMITED)

Plot No. 45, P & T Colony,

Karkhana, Secunderabad – 500009

E-mail id: cenport@gmail.com