

Date: 10th October 2018

To,

Manager - DSC

BSE Limited,

Floor 25, P J Towers,

Dalal Street, Mumbai – 400 001

Subject: Submission of 13th Annual Report for the FY 2017- 18 under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Reference: Scrip Code: 536456. Scrip ID: RJBIOTECH

Dear Sir,

As required under Regulation 34 of the SEBI, (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find Enclosed herewith is the 13th Annual Report of the Company for the financial year 2017-18 approved and adopted by the members as per the provisions of the Companies Act, 2013, at the 13th Annual General Meeting of the Company held on Saturday, 29th day of September 2018 at 11.00 a.m. at the registered office of the Company situated at Siddharth Arcade, Opp. Holiday Camp., Station Road, Aurangabad-431005

Kindly take the same on the record and acknowledge the receipt.

Thanking You,

Yours Truly,

For R J BIO-TECH LIMITED


Anand Phalke
(Company Secretary)





13th Annual Report 2017-18



R J BIO-TECH LIMITED

Regd. Office: Siddharth Arcade, Opp.Holiday Camp, Station Road, Aurangabad-431005 (Maharashtra)

BOARD OF DIRECTORS:

- | | |
|--------------------------|-----------------------|
| ➤ Mr. Raghavendra Joshi | Chairman Cum Director |
| ➤ Mrs. Meena Joshi | Director |
| ➤ Mr. Anil Dharmadhikari | Independent Director |
| ➤ Mr. Jayant Deshpande | Independent Director |

KEY MANAGERIAL PERSON:

- | | |
|-------------------------------------|--|
| ➤ Mr. Anand Phalke | Compliance Officer and Company Secretary |
| ➤ Mrs. Aarti Pawar | Chief Financial Officer |
| ➤ Mr. Ravikumar Venkata Singamsetty | Manager |

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BANKERS:

- State Bank of India

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REGISTERED OFFICE:

Siddharth Arcade, Opp. Holiday Camp,
Station Road, Aurangabad -431 005 MH
Tel No. 0240-2354913-17
Fax No. 0240-2332111

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STATUTORY AUDITORS:

Ashok Patil & Associates
A P Heights,
Near Gopal Tea Centre
Aurangabad 431005

REGISTRAR AND SHARE TRANSFER AGENT:

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis Makwana Road,
Marol, Andheri East, Mumbai-400059

For any Queries regarding Annual report contact:

Mr. Anand Phalke
Company Secretary & Compliance Officer
R J Bio-Tech Limited
CIN: L24234MH2005PLC158420
Siddharth Arcade, Opp. Holiday Camp, Station Road,
Aurangabad -431 005 Tel No. 0240-2354912-17
Fax No. 0240-2332111
E-Mail Id: cs@rjbiotech.com

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CHAIRMAN'S STATEMENT

Dear Shareholders,

Heartiest greetings to you, I would like to share with you, performance of your company during financial year 2017-2018. I think it was the year of decision making for transformation of the company and the year which has laid foundation of sustainable and profitable growth.

Your company had been facing challenges and difficulties for last 2-3 years which is described to you with total clarity and transparency time to time. With the same clarity and conviction, we are confident and certain about the path to overcome the challenges. The main priority was to reverse the trend of worsening financial position of the company. We have succeeded in recouping the faith from market, which was lost due to dishonest marketing staff in the past.

During the period, the company has decided to focus in the states of Maharashtra, Andhra Pradesh, Telangana, Karnataka and Madhya Pradesh. We have re-established our goodwill in many potential pockets of these states. We had stopped our Branches in Uttar Pradesh & Bihar, where our recovery was poor. Supplying our products to these states are limited to only against advance payments & the dealers are paying us advance due to demand for our products. This is a good sign for your company.

This season, in Maharashtra, our Paddy, Cotton & Maize were sold in the potential markets like Vidharbha & Marathwada & Konkan region with good realization. This will give us added advantage for the next year sale with very good realization.

As informed to you earlier, the decision of discarding old inventory owing to its deteriorating shelf life and making provision for doubtful debts have collectively contributed in the huge losses of Rs.15.01 Cr in FY 2016-17 and Rs.20.76 Cr in FY 2017-18. Due to above decisions, the company's networth had eroded, but it was essential for the future of company. Placing the old inventory (with below average germination) in the market would have cost your company's brand image and goodwill earned over the years. Your company never compromises on quality & is best known for its premium quality seeds.

The promoters have so far provided an amount of Rs.6.55 Cr as interest-free unsecured loan and it's moving on the right path. Such efforts of promoters can turn around the company, which is witnessed in the history of business.

For the FY 2018-19, as informed in my update dated 28/05/2018, in Kharif 2018, as expected the monsoons arrived timely which boosted our sales and as per our expectation, we could achieve a turnover of above Rs.12 Cr with major contribution of Maharashtra. However, soon the monsoons started playing hide and seek and the market got affected. The material started returning and the net sale we arrived at is Rs.9 Cr for Kharif-18. Now we are concentrating on Rabi-2018. The initial reports of our cotton, Maize & paddy in Maharashtra are encouraging & we will focus on showing the performance of the crops to the farmers to generate next year sale.

I would like to further inform you that, for transforming and developing your company, a Strategic Plan is framed for year 2018-2022 consisting following elements:

- Implementation of strategic framework to convert Research and Development department achievements into profit.
- Strategic targets for growth, performance and cash generation.

Your company is following this roadmap to make this challenging transformation happen positively, for which your continued patronage and utmost faith is mostly needed.

Once again, I would like to recall that, your company is amongst the very few seed companies in India having its own R&D with a team of highly qualified breeders led by renowned Scientists. We are carrying out continuous research work for crop improvement and development, which makes the company sustainable for a very long time. Profit earning alone cannot be the benchmark for the company's performance evaluation. There are other factors also which has to be considered while evaluating performance of the company.

I would like to sincerely thank each one of you for your support and co-operation without which your company would not have been able to pass through the difficulties.

Sd/-

Raghavendra Joshi
Chairman

NOTICE

NOTICE is hereby given that the **Thirteenth Annual General Meeting** of the Members of **R J Bio-tech Limited** will be held on **Saturday, 29th day of September, 2018** at **11.00 A.M.** at the registered office of the Company at **Siddharth Arcade, Opp. Holiday Camp, Station Road, Aurangabad-431005** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2018 and the Balance Sheet as at that date along with the reports of the directors and auditors there on.
2. Mr. Raghavendra Shripatrao Joshi (holding DIN 00307124) retires by rotation under Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

1. To regularize the appointment of Mr. Jayant Govind Deshpande (DIN 08025641), Additional Director as a Director (Non-Executive – Independent) 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 section 149, 152, 160 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 19 (4) read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Jayant Govind Deshpande (DIN: 08025641), who was appointed as an Additional Director of the Company with effect from 20th December, 2017 by the Board of Directors pursuant to section 161 of the Act and as recommended by the Nomination and Remuneration Committee and who holds office only upto the date of the ensuing Annual General Meeting of the Company, on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, and who meets the criteria of the independence as provided under Section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, from the date of this Annual General Meeting till the conclusion of the 18th Annual General Meeting of the Company.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matter and things for giving effect to this resolution.”

Explanatory statement under Section 102 of the Companies Act, 2013

Item no. 3

Mr. Jayant Govind Deshpande is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in December, 2017. Mr. Jayant Govind Deshpande (DIN: 08025641) is a member of Nomination & Remuneration Committee, Shareholder/ Investor Grievance Committee and Audit Committee, of the Board of Directors of the Company. Since from 3 decades, he is involved in agriculture and horticulture activities adopting Modern technologies. He is taking various initiatives and Projects for sustainable growth of agriculture. His inputs will be very much useful for the betterment of the Company. Mr. Jayant Govind Deshpande (DIN: 08025641) does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Mr. Jayant Govind Deshpande (DIN: 08025641), who was appointed as an Additional Director of the Company with effect from 20th December, 2017 and who holds office only upto the date of the ensuing Annual General Meeting of the Company. His age is more than 75 years but capable to take responsibility as independent director. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Jayant Govind Deshpande (DIN: 08025641) being eligible to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2023. A notice has been received from a member proposing Mr. Jayant Govind Deshpande (DIN: 08025641) as a candidate for the office of Director of the Company. In the opinion of the Board, Mr. Jayant Govind Deshpande (DIN: 08025641) fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Jayant Govind Deshpande (DIN: 08025641) as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. 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. Jayant Govind Deshpande (DIN: 08025641) as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Jayant Govind Deshpande (DIN: 08025641) as an Independent Director, for the approval by the shareholders of the Company.

Your Directors recommend a special resolution for approval of the Members.

Except Mr. Jayant Govind Deshpande (DIN: 08025641), none of the other Directors of the Company is in any way concerned or interested in this resolution.

The Board of Directors recommend passing of the resolution set out in Item No. 3 of this Notice.

Additional Details as required under Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015

Brief Resume of Mr. Jayant Govind Deshpande

Name	Mr. Jayant Govind Deshpande
DIN	08025641
Citizenship	Indian
Date of Birth	02/04/1939
Aged	77yrs
Nature of Expertise in specific functional areas	Mr. Jayant Govind Deshpande is a retired I.A.S (Indian Administration Service) officer. For the last three decades, he is involved in agriculture and horticulture activities adopting Modern technologies. He is taking various initiatives and Projects for sustainable growth of agriculture. His inputs will be very much useful for the betterment of the Company.
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil
Shareholding in the Company	Nil

By order of the Board

SD/-

Anand Phalke
(Company Secretary)

Date: 31th August 2018

Place: Aurangabad

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTER AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
3. The proxy Forms to be effective must reach to the Registered Office of the company not later than 48 hours before the time fixed for the Annual General Meeting.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September 2018 to 29th September 2018, both days inclusive.
6. The members desiring any information regarding accounts are requested to write to company at least seven days before the date of the Meeting so as to enable the management to keep the information ready.
7. All the documents referred to in accompanying notice are open for inspection at the Registered Office of the company on all the working days except Sunday and Holiday, between 11.00 a.m. to 5.00 p.m. up to the date of Annual General Meeting. Members are requested to notify changes in their addresses, if any.
8. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding the shares in physical form can submit their PAN details to the Company.
9. The shareholders who attend the Meeting are requested to fill in the attendance slip and deliver the same at the entrance of the Meeting hall. The shareholders holding shares in dematerialized form should indicate the DP ID and Client ID numbers in the attendance slip.
10. The shareholders are requested to bring their copy of the Annual Report to the Meeting.
11. The Ministry of Corporate Affairs has taken a corporate “Green Initiative in the Corporate Governance” by allowing paperless compliance by companies. Accordingly, the Notice of

the Annual General Meeting along with Annual Report for the year 2017-2018 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any member has specifically requested for a physical copy of the same. In order to support the “Green Initiative”, the Members who have not yet registered their e-mail addresses are requested to register the same with R&T Agent/ Depositories.

12. The Notice of the 13th Annual General Meeting and the Annual Report 2017-18 will also be available on the Company’s website www.rjbiotech.com for being downloaded. 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 till the date of the meeting.

DETAILS OF MR. RAGHAVENDRA SHRIPATRAO JOSHI, DIRECTOR OF THE COMPANY, SEEKING RE-APPOINTMENT IN ANNUAL GENERAL MEETING

Particulars	
Date of Birth	11/05/1960
Date of Appointment	28 th December, 2005
Qualification	Civil Engineer
Expertise in specific functional are	Mr. Joshi has a vast knowledge and wide experience in the field of Fertilizer related business & allied activities.
List of Public Companies in which outside Directorship held (including Foreign Companies)	<ol style="list-style-type: none"> 1. MARUTI FERTOCHEM LIMITED 2. MARUTI PHOSPHATES LIMITED 3. KDELITE FOODS LIMITED 4. KHADKESHWAR HATCHERIES LIMITED 5. MARUTI FERRO-TECH LIMITED 6. R J FEEDS LIMITED
Chairman/Member of the Committee of Board of Directors of Public Companies	<p>R J Feeds Limited: Audit Committee – Member</p> <p>R J Feeds Limited: Nomination & Remuneration Committee – Member</p> <p>Maruti Fertochem Limited: Shareholders / Investors Grievance Committee - Member</p>
Shareholding in the Company	3050000 Shares

Note: In accordance with the Companies Amendment Act, 2017 enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

R J BIO-TECH LIMITED

**Registered Office: Siddharth Arcade, Opp. Holiday Camp, Station Road, Aurangabad- 431005.
CIN-L24234MH2005PLC158420**

Attendance Slip

Regd. Folio No.		Name	
DP ID		No. of Shares held	
Client ID		Proxy No.	

I hereby record my presence at the 13th Annual General Meeting of the Company at Siddharth Arcade, Opp. Holiday Camp, Station Road, Aurangabad-431005 at 11.00 a.m. on Saturday, 29th day of September 2018.

Member/ Proxy's Name (in block letter)

Member/ Proxy's Signature

Notes:

1. Members attending the Meeting in person or by Proxy are requested to fill up the attendance slip and hand it over at the entrance of the meeting hall.

R J BIO-TECH LIMITED

Registered Office: Siddharth Arcade, Opp. Holiday Camp, Station Road, Aurangabad-431005.

CIN-L24234MH2005PLC158420

Form No. MGT-11

Proxy

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

Name of the Member(s).....

Registered Address

.....

E-mail Id.....Folio No /Client ID.....

DP ID.....

I/We, being the shareholder(s) of.....shares of the R J Bio-Tech Limited hereby appoint

Name:.....

E-mail Id:.....

Address:.....

.....

Signatureor failing him

Name:.....

E-mail Id:.....

Address:.....

.....

Signatureor failing him

Name:.....

E-mail Id:.....

Address:.....

.....

Signature.....

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13th Annual General Meeting of the company, to be held on the 29th day of September, 2018 at 11 a.m. at Siddharth Arcade, Opp. Holiday Camp, Station Road, Aurangabad-431005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year ended 31 st March, 2018		
2.	Re-appointment of Mr. Raghavendra Shripatrao Joshi (holding DIN 00307124) as the Director of the Company.		
3.	To regularize the appointment of Mr. Jayant Govind Deshpande (DIN 08025641), Additional Director as a Director (Non-Executive-Independent) of the Company.		

Signed this _____ day of _____ 20____

Affix
Revenue
Stamps

Signature of Shareholder

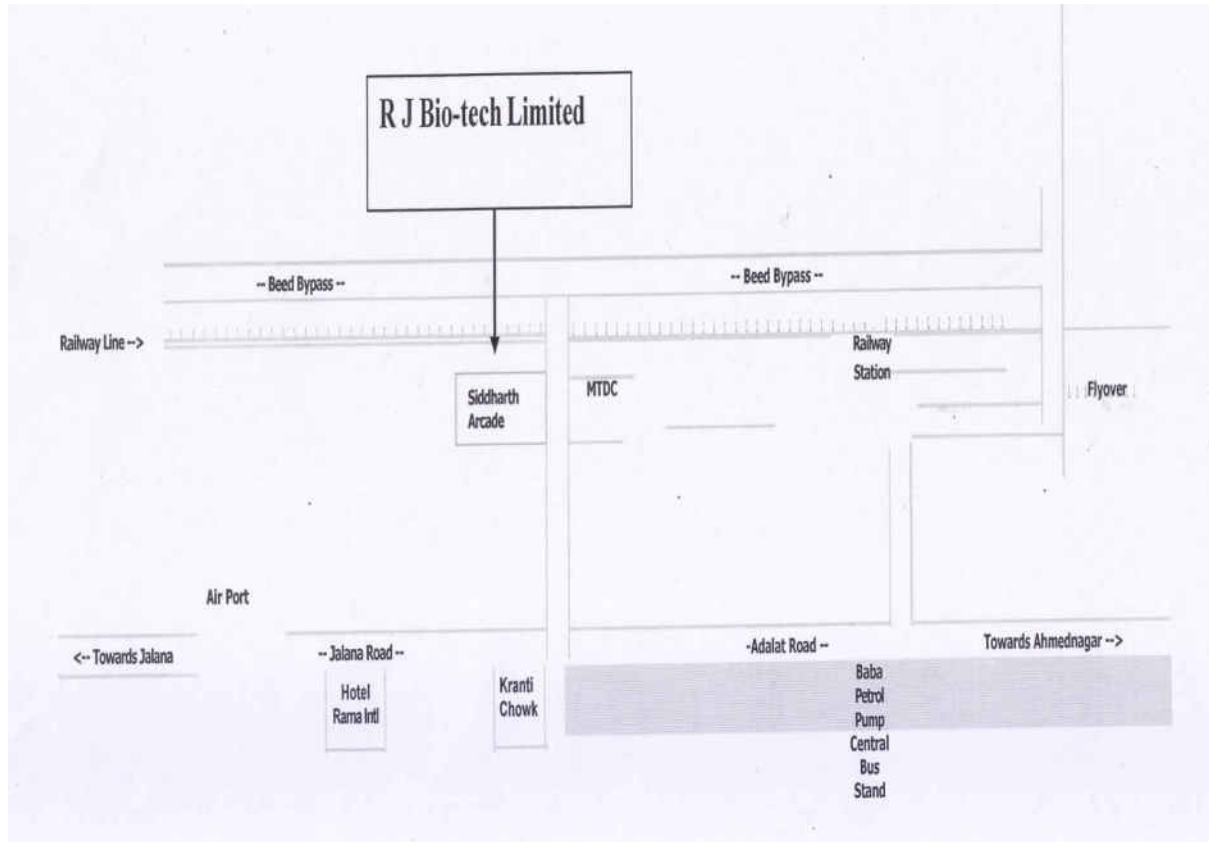
Signature of Proxy holder

Signature of the
Shareholder across
Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' Column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing proxy does not prevent a member from attending in person if he so wishes.
4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated

ROUTE MAP FOR THE VENUE OF THE ANNUAL GENERAL MEETING



DIRECTORS' REPORT

To the Members,

Your directors have pleasure in presenting the Thirteenth Annual Report on the business and operations of Company and the financial accounts for the year ended 31st March 2018.

- **Financial Highlights:**

The financial highlights of your Company, for the year ended 31st March, 2018 are summarized below:

(Rs. In Lakhs)		
Particulars	2017-2018	2016-2017
Net Sales	902.76	1573.83
Less: Total Expenses	1707.39	2721.13
Operating Profit	-1193.48	-1507.39
Less: Interest Expenses	388.84	360.09
Profit Before Tax	-2076.66	-1501.68
Profit After Tax	-2076.66	-1501.70
Surplus carried forward to Balance Sheet	-2076.66	-1501.70
Basic Earnings per share (In Rs.)	-21.93	-15.86

- **Operational review:**

Kindly refer to Corporate Governance Report and Management Discussion & Analysis annexed as ANNEXURE I and III forms part of this report

- **Dividend:**

There is no profit during financial year 2017-18 to the company. Board of Directors has not recommended dividend for the period.

- **Share Capital**

The paid up equity share capital as on 31st March, 2018 was Rs.9,46,76,000/- divided into 94,67,600 equity shares of face value of Rs.10/- each. There was no public issue, rights issue, bonus issue or preferential issue, etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares, nor has it granted any stock options.

- **Financial Statements**

Full version of the Annual Report 2017-18 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, prepared as per the requirements of Schedule III to the Companies Act, 2013, Directors' Report (including

Management Discussion and Analysis, Corporate Governance Report) are being sent via email to all shareholders who have provided their email address (es).

Full version of Annual Report 2017-18 is also available for inspection at the registered office of the Company during working hours upto the date of ensuing Annual General Meeting (AGM). It is also available at the Company's website at www.rjbiotech.com

- **Subsidiaries**

The Company does not have any subsidiary within the meaning of the Companies Act, 2013.

- **Particulars of remuneration of Directors / KMP / Employees**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this Report as **ANNEXURE IV**.

- **The conservation of Energy and Technology Absorption, Foreign Earnings and Outgo:**

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in **ANNEXURE V** which forms part of this Report

- **Statutory Auditors:**

In the Ninth Annual General Meeting of the Company, M/s Ashok Patil & Associates, Chartered Accountants (ICAI Registration No. 122045W), were appointed as the Statutory Auditors of the Company to hold office until the conclusion of the Fourteenth Annual General Meeting.

Statutory Auditors Comments on their Report:

The Statutory Auditors have made certain disclaimer. The disclaimer made by the Statutory Auditors in the Auditors Report is as follows:

- i. Following events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact. However, the standalone financial statements of the Company have been prepared on a going concern basis.

We draw attention to the standalone financial statements, which indicates that -

- The Company has incurred a net loss of Rs. 20.76 Crores during the year ended 31st March, 2018 and also its current liabilities over current assets exceeded by Rs. 7.53 Crores.
 - The company has accumulated losses and its Net Worth has been fully eroded.
 - The Company's financing arrangements expired and the amount outstanding of Rs. 31.98 Crores was payable on March 31, 2018. The Company has been unable to re- negotiate or obtain replacement financing and is currently classified by bank as Non-Performing Assets.
- ii. As per the information & explanations given, management has sent balance confirmations to outstanding debtors but we have not received the confirmations. In the absence of unavailability of confirmations we are unable to confirm or verify by alternative means accounts receivable included in the Balance Sheet at a total amount of Rs.20.64 crores (before provision for bad & doubtful debts of Rs. 4 Crores) as at March 31, 2018.
- iii. The management has not made available any record to us, regarding quantity, amount & net realizable values in respect of closing stock held as on 31.03.2018 at Rs. 13.57 Crores. Also, Company has not offered record of verification of stock counting of physical inventories at the end of the year. During the year under review, Company has discarded the expired Inventories & Finished Goods of Rs. 8.83 Crores from the books of accounts. Relevant supporting, valuation, quantity details of the inventories discarded has not been provided to us for verification.

Directors Comments on the Statutory Auditors Report:

- i. The Company is engaged in Seed Industry which takes long time to establish the brand name in the farming community. Once the products are established in market there is no looking back. Our company has also faced initial problem like identifying good dealers' network and honest marketing staff.

This year management has taken bold decision to scrap non-moving inventory which was carried forward from last three years. If this inventory would have been placed in market for sale we could have lost our brand image and goodwill, hence it was necessary to take step to scrap old and non-moving product.

In two years Company has written off the expired /Discarded Inventories and made provision for doubtful debts which resulted in losses of Rs. 15.01 Cr in FY 2016-17 and Rs. 20.76 in FY 2017-18 along with operating losses caused to erosion of Net worth.

The Promoter is funding in company by way of interest free unsecured loan.

The Company is Liaoning for getting support from lender for settlement of the outstanding dues.

- ii. The Company had taken due efforts to provide the confirmation of outstanding balances from all its debtors. Management has already sent balance confirmations to outstanding debtors but due to ongoing season, the Company could not get their confirmations in full well in time, confirmations are still awaited and as a matter of safety Company has made the provision of 10% for the Doubtful Debts for the Current Financial Year.
- iii. Considering the huge quantum and difficulty in recognizing non-moving products which are failed in laboratory tests like GOT (Grow out Test) and germination we are unable to provide details of the non-moving products which are procured and processed in past.

- **Secretarial Auditors:**

As per the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Nitin S. Sharma & Associates, Practicing Company Secretaries, Aurangabad to undertake the Secretarial Audit of the Company for the FY 2017-18. The Secretarial Audit Report in Form No MR-3 for the FY 2017-18 is annexed herewith as **ANNEXURE II** and forms a part of this report.

There are no qualifications or observations or other remarks mentioned by the Secretarial Auditors in their Report for the financial year 2017-18 which call for any explanation from the Board of Directors.

- **Adequacy of Internal Financial Control System:**

According to Section 134(5) (e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the company 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.

Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. The Company has a well-placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Internal Auditors are an integral part of the internal control system of the Company. To maintain its objective and independence, the Internal Auditors report to the Audit Committee of the Board. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company.

The Management has been also taking effort to more improve internal financial control at all level of the company.

- **Directors:**

Director retiring by rotation:

Mr. Raghavendra Shripatrao Joshi (holding DIN 00307124) retires by rotation under Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

The brief resume of Mr. Raghavendra Shripatrao Joshi (holding DIN 00307124), the nature of his expertise in specific functional areas, names of the companies in which he has held directorships, committee memberships / chairmanships, his shareholding etc. are furnished in the explanatory statement to the notice of the ensuing AGM.

Declaration by Independent Directors:

In terms of Section 149(7) of the Act, the Independent Directors of the Company have submitted their declaration confirming compliance with the criteria of independence as stipulated under Section 149(6) of the Act.

Mr. Chandra Prakash Tripathi resigned from the post of director because of personal reason on 20th December, 2017.

Mr. Balaji Singh resigned from the post of director because of personal reason on 26th March, 2018.

Key Managerial Personnel:

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

- 1) Mr. Anand Phalke-Company Secretary
- 2) Mrs. Aarti Pawar -Chief Financial Officer
- 3) Mr. Ravikumar Venkata Singamsetty - Manager

Miss. Neha Agrwal has resigned as Company Secretary and Compliance officer of the Company on January 15, 2018

Mr. Anand Phalke has been appointed as the Compliance Officer and Company Secretary of the Company on January 16, 2018.

- **Extract of the Annual Return:**

In accordance with requirements under Section 134(3) (a) of the Companies Act, 2013, the details forming part of the extract of the Annual Return in form MGT 9 is available on Company's website www.rjbiotech.com

- **Corporate Governance:**

Company continues to adhere to better Corporate Governance, true & fair practices. A detailed report is annexed as **ANNEXURE I** and forms part of this report.

- **Number of Meetings of the Board of Directors and Committee Meetings:**

The details regarding the number of meetings of the Board of Directors and Committee meetings during the period under review is given in the Corporate Governance Report.

- **Performance Evaluation of the Board, its Committees and Individual Directors:**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

- **Management Discussion and analysis:**

A detailed report on the Management Discussion and analysis is annexed as **ANNEXURE III** and forms part of this report.

- **Vigil Mechanism for Directors and Employees:**

Pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has in place a vigil mechanism for Directors and employees of the Company.

- **Nomination and Remuneration Policy:**

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board of Directors has in place a policy which deals with the manner of selection of Board of Directors and Managing Director and their remuneration. The objectives and key features of this policy are:

- a) Formulation of the criteria for determining qualifications, positive attributes of directors, Key Managerial Personnel (KMP) and senior management personnel and also independence of Independent Directors;
- b) Aligning the remuneration of Directors, KMPs and senior management personnel with the Company's financial position, remuneration paid by its industry peers etc.;
- c) Performance evaluation of the Board, its committees and Directors including Independent Directors;
- d) Ensuring Board diversity;

- e) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down; and
- f) Directors' induction and continued training.

The Nomination and Remuneration policy of the Company is available on Company's website www.rjbiotech.com

- **Related Party Transactions:**

Pursuant to Sub-Section 1 of Section 188 of the Companies Act, 2013, there was no related party transactions entered into by the Company during the financial year 2017-18. The related party disclosures as per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, are as mentioned in Note No. 33 of Notes to Accounts in the Annual Report.

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

There is no loan given or guarantee provided or investment made by the Company during the financial year 2017-18 as per Section 186 of the Companies Act, 2013.

- **Disclosure on Audit Committee:**

The Audit Committee as on March 31, 2018 comprises of the following Independent Directors:

- 1) Mr. Anil Vasant Dharmadhikari (Chairman)
- 2) Mr. Jayant Govind Deshpande (Member)
- 3) Mrs. Meena Raghavendra Joshi (Member)

All the recommendations of the Audit Committee were accepted by the Board of Directors.

- **Risk Assessment and Management:**

Your company is exposed to various business risks. These risks are driven through external factors like economic environment, competition, regulations etc. Your Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business. Your Company also takes all efforts to train its manpower from time to time to handle and minimize these risks.

- **Directors' Responsibility Statement:**

Pursuant to the requirements under Section 134 (3) (c) of the Companies Act, 2013, with respect to Directors Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
 - b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits and loss of the Company for that period;
 - c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - d) the Directors have prepared the annual accounts on a going concern basis;
 - e) the Directors have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
 - f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.
- **Details in respect of frauds reported by auditors under Section 143 (12) of Companies Act, 2013:**

During the financial year ended 31st March 2018, there were no frauds reported by the auditors to the Audit Committee or the Board under Section 143 (12) of the Companies Act, 2013.

- **Fixed Deposits:**

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013 during the period under review.

- **Contingent Liabilities:**

The details of contingent liabilities are given in Note No. 37 of the Notes to Financial Statements

- **Nature of Business:**

There has been no change in the nature of business of the Company.

- **Industrial Relations:**

The Company enjoyed cordial relations with its employees at all levels. Your Directors appreciate the support and co-operation provided by all the employees.

- **Listing:**

Your Company's shares continue to be listed on the SME platform of BSE Limited and are actively traded.

- **Policy against Sexual Harassment at Workplace:**

Pursuant to the provisions of Section 4(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place an Internal Complaints' Committee. The following is a summary of sexual harassment complaints received and disposed off during the year

No. of complaints received: Nil

No. of complaints disposed off: NA

- **Code of conduct for prevention of insider trading and code of practices and procedures for fair disclosure of unpublished price sensitive information:**

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has in place the Code of Conduct for prevention of Insider Trading and code of practices and procedures for fair disclosure of unpublished price sensitive information. The Code of Conduct is available on the Company's Website www.rjbiotech.com.

- **Policy for preservation of documents and archival policy:**

In compliance with Regulation 9 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company has in place policy for preservation of document.

- **Acknowledgements:**

Your Directors are pleased to express their gratitude for all the co-operation and assistance received from bankers, members, customers, vendors, various Government authorities and employees for their support and faith in the Company.

Date: 31st August, 2018

Place: Aurangabad

For and on Behalf of Board

SD/-
RAGHAVENDRA JOSHI
(Chairman)
DIN: 00307124

ANNEXURE I **CORPORATE GOVERNANCE REPORT**

I. CODE OF GOVERNANCE

Corporate Governance is all about ethical conduct, openness, integrity and accountability of an enterprise. Healthy Corporate Governance enjoins a commitment of the Company to run the business in legal, ethical and transparent manner emanating from the top and permeating throughout the organization. It involves a set of relationships between a Company's Management, its Board, Shareholders and Stakeholders. It is one of the key elements in improving the economic efficiency of the enterprise. Credibility generated by sound Corporate Governance enables an enterprise in enhancing the confidence of the investors and in establishing productive and lasting business relationship with all stakeholders.

II. BOARD OF DIRECTORS'

Composition of Board

As on 31st March 2018, the Board of your company consists of Four directors comprising of Two Non-Executive Directors and Two Independent Directors of which Mr. Raghavendra Shripatrao Joshi, Chairman is Non-Executive Promoter Director of the Company. The composition of the Board as on 31st March 2018 is in conformity with Clause 17 of Listing Regulations 2015 having specified combination of Executive and Non-Executive Directors and at least one-half comprising of Independent Directors for a Board chaired by Non-Executive Promoter Director.

Classification of Board

Category	No. Of Directors	% of Total No. Of Directors
Executive Directors	0	0%
Non-Executive Independent Directors	2	50%
Other Non-Executive Directors (including Woman Director)	2	50%
Total	4	100%

Non-Executive Directors' Compensation and Disclosures

As the Company is in growing state, hence the Directors of the Company (including Independent Directors) have not drawn any managerial remuneration till date.

Number of Board Meetings

During the Financial year 2017-18, the Board of Directors met 8 times on- 30th May 2017, 6th July 2017, 31st August 2017, 30th October 2017, 8th November 2017, 20th December 2017, 17th January 2018 and 26th March 2018.

The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Listing Regulations and Secretarial Standards. None of the Directors on the Board is a member of more than 10 committees and chairman of more than 5 committees.

Apart from Mr. Raghavendra Joshi and Mrs. Meena Raghavendra Joshi, who are husband and wife, none other Directors of the Company are related to each other.

Directors Attendance Record and Their Other Directorships / Committee Memberships

As required under the Listing Regulations, none of the Director is a member of more than Ten Board level Committees or Chairman of more than Five Committees across companies in which he/she is a Director. Relevant details of the Board as on 31st March 2018 are given below:

Name of Director	Category	Attendance of No. of meetings held during the year		Attendance of last AGM	No. of other Directorship/Committee Membership / Chairmanship held in Board Committees*		
		Meetings held During their Office of Directorship	Attended		No. of Other Directorship	Committee Membership	Chairmanship held in Board Committees
Mr. Raghavendra Shripatrao Joshi	Chairman , PD, NED	8	8	YES	12	0	-
Mr. Shashikant Vinayakrao Shastri	PD, NED	8	4	YES	5	0	-
Mrs. Meena Raghavendra Joshi	PD, NED	8	8	YES	12	2	1
Mr. Anil Vasant Dharmadhikari	ID	8	8	YES	-	3	-
Mr. Chandra Prakash Tripathi	ID	8	5	YES	4	0	2
Mr. Balaji Prithviraj Singh	ID	8	8	YES	-	0	1

PD- Promoter Director; NED- Non Executive Director; ID- Non-Executive Independent Director

* 1. For this purpose, private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 are excluded.

2. For this purpose, Four Committees viz. the Audit Committee, the Stakeholders Relationship Committee, Nomination and Remuneration Committee and Complaint redressal Committee are considered.

Directors Shareholding

The details of the shares held by the Directors of the Company as on 31st March 2018 are as follows:

Name of Director	Category	No. of shares held	% of the shares held
Mr. Raghavendra Shripatrao Joshi	Chairman, PD, NED	30,50,000	32.22%
Mrs. Meena Raghavendra Joshi	PD, NED	9,20,000	09.72%
Mr. Anil Vasant Dharmadhikari	ID	0	0.00%
Mr. Jayant Govind Deshpande	ID	0	0.00%
Total		3970000	41.94

PD- Promoter Director; NED- Non Executive Director; ID- Non-Executive Independent Director

Separate Meeting of the Independent Directors

All Independent Directors of the Company met separately on 04th March, 2018 without the presence of Non-Independent Directors and Members of Management. In accordance with Schedule IV of Companies Act, 2013, following matters were, inter-alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Code of Conduct

The code of conduct for all Board Members and Senior Management has been laid down by the Company and is available on the website of the company. All the Board Members and Senior Management Personnel affirm the compliance with the Code of Conduct annually.

III. COMMITTEES OF THE BOARD

R J Bio-tech has three Board level Committees:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Shareholders / Investors Grievance Committee

A. AUDIT COMMITTEE

Composition of Audit Committee

As on 31st March 2018, the Audit Committee comprises of the following two Non-Executive Independent Directors. The composition of the Committee is in conformity with the Listing Regulations.:

1. Mr. Anil Vasant Dharmadhikari (Chairman)
2. Mr. Jayant Govind Deshpande
3. Mrs. Meena Raghavendra Joshi

The Company Secretary of the Company acted as Secretary to the Audit Committee Meetings.

Meetings and Attendance

During the Financial 2017-18, the Audit Committee met 4 times on- 30th May 2017, 31st August 2017, 18th November 2017 and 04th March 2018. The requisite quorum was present during all the meetings of the Audit Committee. The time gap between any two meetings of Audit Committee was less than 120 days.

The details of attendance of Audit Committee meetings are as under.

Name of Member	Category*	Status	No. Of Meetings held during the year	No. Of Meetings attended during the year
Mr. Balaji Prithviraj Singh	ID	Chairman	4	4
Mr. Chandra Prakash Tripathi	ID	Member	4	4
Mr. Anil Vasant Dharmadhikari	ID	Member	4	4

* ID- Non-Executive Independent Director

The terms of reference to the Audit Committee cover all matters specified in the Listing Regulations, 2015 and the Companies Act, 2013. Chief Financial Officer of the Company assists the Committee on financial concerns of the Company. The Chairman of the Committee briefs the Board members about the significant discussions at Audit Committee Meetings. All the members of the Audit Committee have accounting and financial management expertise. Chairman of the Audit Committee, Mr. Balaji Prithviraj

Singh was present at the Twelfth Annual General Meeting, held on 29th Sep, 2017 at the registered office of the Company, to answer the shareholders' queries.

B. NOMINATION AND REMUNERATION COMMITTEE

Composition of Nomination and Remuneration Committee

As on 31st March 2018, the Nomination and Remuneration Committee comprises of the following three Non-Executive Independent Directors:

1. Mr. Jayant Govind Deshpande (Chairman)
2. Mr. Anil Vasant Dharmadhikari (Member)
3. Mrs. Meena Raghavendra Joshi (Member)

The Company Secretary of the Company acted as Secretary to the Nomination and Remuneration Committee Meetings.

Meetings and Attendance

During the Financial 2017-18, the Nomination and Remuneration Committee met once on-18th September, 2018. The requisite quorum was present during all the meetings of the Nomination and Remuneration Committee.

The details of attendance of Nomination and Remuneration Committee meetings are as under:

Name of Member	Category*	Status	No. Of Meetings held during the year	No. Of Meetings attended during the year
Mr. Chandra Prakash Tripathi	ID	Chairman	1	1
Mr. Balaji Prithviraj Singh	ID	Member	1	1
Mr. Anil Vasant Dharmadhikari	ID	Member	1	1

* ID- Non-Executive Independent Director

The roles and responsibilities of the Committee are in accordance with the requirements as specified in the Listing Regulations, Companies Act, 2013. The same can be viewed at the website of the Company www.rjbiotech.com under Policy Framework.

Chairman of the Nomination and Remuneration Committee, Mr. Chandra Prakash Tripathi was present at the Twelfth Annual General Meeting, held on 29th Sep, 2017 at the registered office of the Company, to answer the shareholders' queries.

Note:

Since the Company is in growing stage, the Board of Directors of the Company (including Independent Directors) have not drawn any managerial remuneration / Commission / Sitting Fees till date.

C. SHAREHOLDERS /INVESTOR GRIEVANCE COMMITTEE

Composition of Shareholders / Investors Grievance Committee

As on 31st March 2018, the Shareholders / Investors Grievance Committee comprises of the following three Non-Executive Independent Directors:

1. Mr. Jayant Govind Deshpande (Chairman)
2. Mr. Anil Vasant Dharmadhikari (Member)
3. Mrs. Meena Raghavendra Joshi (Member)

The Company Secretary of the Company acted as Secretary to the Shareholders Committee Meetings.

Meetings and Attendance

During the Financial year 2017-18, the Shareholders / Investors Grievance Committee met once on- 04th March 2018. The requisite quorum was present during all the meetings of the shareholders grievance committee.

The details of attendance of Shareholders / Investors Grievance Committee meetings are as under:

Name of Member	Category*	Status	No. Of Meetings held during the year	No. of Meetings attended during the year
Mr. Chandra Prakash Tripathi	ID	Chairman	1	1
Mr. Balaji Prithviraj Singh	ID	Member	1	1
Mr. Anil Vasant Dharmadhikari	ID	Member	1	1

* ID- Non-Executive Independent Director

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non- receipt of dividend and other allied complaints.

The Committee performs the following functions:

1. Transfer/ transmission of shares.
2. Split up/ sub-division and consolidation of shares.
3. Dematerialization/ rematerialization of shares.
4. Issue of new and duplicate share certificates.
5. Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
6. To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.

7. To look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, non- receipt of declared dividends, etc.
8. Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

Investor Grievance Redressal:

During the financial year 2017-18, there were no complaints received by the Company from any of the shareholders, therefore no complaint is pending with the Company.

IV. GENERAL BODY MEETINGS

Location, time & date, regarding three immediately preceding Annual General Meetings of the company are given below;

Year	Date	Venue	Time	Whether any Special resolution passed in the AGM
2014-2015	29/09/2015	Siddharth Arcade, Opp. Holiday camp, Station Road, Aurangabad	11.00 A.M	Yes
2015-2016	26/09/2016	Siddharth Arcade, Opp. Holiday camp, Station Road, Aurangabad	11.00 A.M	YES
2016-2017	29/09/2017	Siddharth Arcade, Opp. Holiday camp, Station Road, Aurangabad	11.00 A.M	YES

V. SUBSIDIARY COMPANIES

Company doesn't have any subsidiary company or associate company in terms of definition mentioned under Companies Act, 2013.

DISCLOSURES

Related Party Transactions

Summary of related party transactions were placed before audit committee for their review from time to time. No transactions were entered into with the related parties at a price other than arm's length price. The related party disclosures as per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, are as mentioned

in Note No. 33 of Notes to Accounts in the Annual Report and may be referred for further details.

Accounting Treatment

The Company has followed prescribed Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

Risk Management

The Company has a well-defined risk management framework in place and Company follows balanced risk to return strategy. The Company periodically places before the Audit Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company. Till date, Company has not entered into transaction which has material effect on company's financial position.

Remuneration of Directors

Since the Company is in growing stage, the Board of Directors of the Company (including Independent Directors) have not drawn any managerial remuneration / Commission / Sitting Fees till date.

Management Discussion and Analysis

A detailed report on the Management Discussion and Analysis is annexed as **ANNEXURE III** and forms part of this report.

Details of Non-Compliance by the Company

No penalties were imposed on the Company, during last three years, by any Statutory Authority on any matter related to Capital Market.

Code of Prevention of Insider Trading

The Company has formulated a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Whistle Blower Policy / Vigil Mechanism

The Company has established a system through which Directors, employees, business associates may report unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Vigil (Whistle Blower) Mechanism, under which all directors, employees, business associates have direct access to the Chairman of the Audit Committee for this purpose. The Audit Committee periodically reviews the existence and functioning of the mechanism.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has implemented all mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The non-mandatory requirements have been adopted to the extent and in the manner stated under the appropriate headings detailed below.

i. The Board

A non-executive Chairman heads the Board.

Independent Directors possess the requisite qualification and experience to contribute effectively to the company in their capacity as independent director.

ii. Shareholder rights

The audited Quarterly/ half yearly results of the company are uploaded in the website of the Company. These are not sent individually to the shareholders

iii. Separate posts of Chairman and CEO

Mr. Raghavendra Joshi is the Non-Executive Director cum Chairman of the Company.

Prevention of Sexual Harassment Policy

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

VI. MEANS OF COMMUNICATION

All the material information about the company and any significant material changes effecting shareholders interest are posted on company's website i.e. <http://www.rjbiotech.com>

VII. GENERAL SHAREHOLDERS INFORMATION

(i) Date, time and venue of Annual General Meeting:

Saturday, 29th September 2018 at 11.00 am at Siddharth Arcade, Opposite Holiday Camp, Station Road, Aurangabad – 431 005.

(ii) Financial year of the Company:

1st April 2017 to 31st March 2018

(iii) Book Closure Date:

24rd September 2018 to 29th September 2018 (both days inclusive)

(iv) Payment of Dividend:

There is no profit during financial year 2017-18 to the company. Board of Directors has not recommended dividend for the period.

(v) Listing on Stock Exchanges:

Your Company is listed on the SME platform of Bombay Stock Exchange, Dalal Street, Mumbai – 400023 having Stock Exchange code “A-1”

GROUP INDEX: M / S&P BSE SME IPO
SCRIP ID: RJBIOTECH
SCRIP CODE: 536456
ISIN CODE: INE594001015

(vi) Market Price Data: High. Low during each month in last financial year

Following is the Monthly High-Low Trading price in each month in last financial year.

Month	Open	Close	High	Low
April-2017	25	29	25	29
May-2017	29	24	30	24
June-2017	19.2	21.5	22.5	15.2
July-2017	21.5	27.5	27.5	18.2
August-2017	27.5	27.5	27.5	27.5
September-2017	27.5	23.5	27.5	22
October-2017	23.5	23.5	23.5	23.5
November-2017	23.5	14.5	23.5	13.2
December-2017	15.89	20.79	20.79	18.05
January-2018	20.79	20.65	21.75	20.65
February-2018	20.65	22	22	17.75
March-2018	22	24.5	24.5	22



(vii) Registrar and Transfer Agents & Share Transfer System :

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis
Makwana Road, Marol, Andheri East
Mumbai- 400059.

(viii) Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc should be addressed to Registrar and Transfer Agents. Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. Such transfers take place on weekly basis. A summary of all the transfers/transmissions etc. so approved by officers of the Company is placed at every Committee Meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchanges.

(ix) Shareholding Pattern as on March 31, 2018

Particulars	No. of Shares held at the end of the year [As on 31-March-2018]			
	Demat	Physical	Total	% of Total Shares
A. Promoters				
(1) Indian				
a) Individual/ HUF	4,020,000	-	4,020,000	42.46%
b) Body Corporate	1,687,700	-	1,687,700	17.83%
Sub Total (A) (1)	5,707,700	-	5,707,700	60.29%
B. Public Shareholding				0.00%
a) Indian Bodies Corp.	312295	-	312295	3.30%
b) Resident Individuals	2153705	1257900	3,411,605	36.03%
c) Non Resident Indians	24000	-	24000	0.25%
d) Clearing Members	12000	-	12000	0.13%
e) Market Maker	-	-	-	-
Total Public(B)	2,502,000	1,257,900	3,759,900	39.71%
Grand Total (A+B+C)	8,209,700	1,257,900	9,467,600	100.00%

(x) Distribution of shareholding

No. of Equity Shares held	No of Shares	% to equity	No of Share holders	% to holders
Up to 1000	300	0.00%	3	1.39%
1001-10000	507395	5.36%	107	49.76%
10001-100000	2369705	25.03%	93	43.26%
100001-1000000	3540200	37.39%	11	5.12%
1000001 and above	3050000	32.22%	1	0.47%
Total	9467600	100%	215	100%

(xi) Dematerialization of Shares

As of 31st March, 2018, 86.71% of Shares are held in Demat mode, following is the detail of share held in various modes.

No. of shares held in dematerialised form in CDSL:	1470000	15.53%
No. of shares held in dematerialised form in NSDL:	6739700	71.18%
No. of shares held in physical form:	1,257,900	13.29%
Total No. of shares	9,467,600	100.00%

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with the respective depository participants.

(xii) Reconciliation of Share Capital Audit

M/s Nitin Sharma & Associates, an Independent firm of practicing Company Secretary, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Stakeholders` Relationship Committee of the Board.

(xiii) Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

(xiv) Outstanding GDRs/ADRs/Warrants or any convertible instruments

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments during the financial year 2017-18

(xv) Registered Office and Correspondence Address:

R J BIO-TECH LIMITED
Siddharth Arcade, Opposite Holiday Camp,
Station Road, Aurangabad, Maharashtra- 431005
Ph. (0240) 2354912 to 17 Fax: (0240) 2332111
E-mail: info@rjbiotech.com
Website: www.rjbiotech.com

(xvi) Plant Location:

- a. Plot No. J-1/8, MIDC, Chikalthana, Aurangabad, Maharashtra.
- b. C/O Ultra Seed-tech (India) Pvt. Ltd, Survey No. 110,112 & 118, Dibblepura Chowrah, Yellampeth Village, Medchal Mandal, Ranga Reddy, Hyderabad, Andhra Pradesh.
- c. C/O Samridhi Agritech, Kothur Mulugu, Mulugu, Siddipet Telangana-509228.

(xvii) Research Centre:

- a. Gut No. - 245, Farola, Vilege Bidkin, Tq. Paithan, Dist. - Aurangabad, Maharashtra
- b. S. No.- 272, 273, 274 & 279, Near PDR Function Hall, Aushapur Village, Ghatkesar Mandal, Rangareddy, Andhra Pradesh

(xviii) SCORES (SEBI Complaints Redressal System):

- c. SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

Date: 31th August 2018

Place: Aurangabad

By order of the Board

SD/-

Raghavendra Joshi

(Chairman)

DIN:00307124

ANNEXURE II

FORM NO. MR.3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
R J BIO-TECH LIMITED

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on **March 31, 2018**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **R J Bio-tech Limited** ("**The Company**") for the financial year ended on **March 31, 2018** 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, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable
 - (h) Securities and Exchange Board of India (buyback of Securities) Regulations, 1998; Not Applicable
- VI. The other Laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector / industry are:
- (i) The Seeds Act, 1966
 - (ii) The Standards of Weights and Measures Act, 1976

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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes

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.

We further report that during the audit period the Company has following specific events / actions that having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Nitin S. Sharma & Associates

Company Secretaries

Date: 19th July, 2018
Place: Aurangabad

SD/-
Nitin S. Sharma
Proprietor
M. No. FCS 8518, C. P. No. 9761

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A to the Secretarial Audit Report

To
The Members
R J BIO-TECH LIMITED

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.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random 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.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the 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 the random test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Nitin S. Sharma & Associates

Date : 19th July, 2018
Place: Aurangabad

Company Secretaries

SD/-
Nitin S. Sharma
Proprietor
M. No. FCS 8518, C. P. No. 9761

ANNEXURE III

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Outlook:

Seed is the basic and most critical input for sustainable agriculture. The response of all other inputs depends on quality of seeds to a large extent. It is estimated that the direct contribution of quality seed alone to the total production is about 15 – 20% depending upon the crop and it can be further raised up to 45% with efficient management of other inputs. The developments in the seed industry in India, particularly in the last 30 years, are very significant. Farmer has a wide product choice and seed industry today is set to work with a 'farmer centric' approach and is market driven.

Opportunity

- Government policy framework for double the income of the farmer.
- Rise in consumption pattern of food has provided a room to Indian seed industry to provide more high quality seeds with better productivity.
- The company has continuously invested and focused on its R & D, thus in forthcoming period, there are more high quality seeds to hit the market.
- Faster adoption of new technological seeds by Indian farmers
- Sprawling demand for the food.
- Slow and Steady improvement in the domestic as well as global economy.

Threat

- Worsening of domestic and global economy
- Cultural resistance to change by farmers
- Inadequate Working Capital during the peak period
- High Marketing Cost
- Dependency on monsoon

Segment wise performance:

Segment wise sales breakup of the Company for the Financial Year 2015-16, 2016-17 and 2017-18 is as follows:

Segment wise Sales						
Type of Crop	Sales for FY 2017-18 (in Lakhs)	% as to the Total Sales for FY 2017-18	Sales for FY 2016-17 (in Lakhs)	% as to the Total Sales for FY 2016-17	Sales for FY 2015-16 (in Lakhs)	% as to the Total Sales for FY 2015-16
Cotton	99.38	11%	188.62	12%	572.42	16%
Paddy	506.30	56%	522.61	33%	1057.24	30%
Maize	127.93	14%	430.17	27%	899.59	25%
Vegetables	117.08	13%	295.50	19%	552.53	15%
Other field Crops	52.07	6%	136.93	9%	514.10	14%
Total	902.76	100%	1573.83	100%	3595.88	100%

Risk and Concerns:

- Drastic changes in weather pattern, erratic climate, unseasonal rain, drought etc. have major impact on the cropping pattern in the country & normal sowing cycles are disturbed due to rain.
- Volatility in farm harvest prices & farmers' willingness and ability to spend will be an important driver to demand generation.

Internal Control Systems and their adequacy:

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations and protecting assets from unauthorised use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

Financial Performance with respect to Operational Performance::

	Particulars	2017-2018	% to revenue	2016-2017	% to revenue	Growth rate
I	Revenue from Operations	902.76	100	1573.83	100	-42.64
II	Expenses :					
	Cost of Materials Consumed	601.63	67.70	1034.20	65.71	-41.83
	Purchases of Stock-in-Trade					
	Changes in Inventories of Finished goods, work-in-progress and Stock-in-Trade	176.20	19.83	212.20	13.48	-16.97
	Employee Benefit Expenses	157.09	12.02	133.75	8.50	17.45
	Finance Costs	388.83	29.75	360.09	22.88	7.98
	Depreciation & Amortization Expenses	30.02	1.62	31.81	2.02	-5.63
	Other Expenses	742.43	43.69	1309.17	83.18	-43.29
	Total Expenses	2096.23	141.05	3081.23	195.78	-31.97
III	Profit/(Loss) before exceptional and extraordinary items and tax	-1193.47	-133.71	-1507.40	-95.78	-20.83
	Exceptional Items	883.18	82.49	5.71	0.36	15367.25
IV	Profit/(Loss) before extraordinary items and tax	-2076.66	-166.66	-1501.69	-95.42	38.29
V	Profit before tax	-2076.66	-166.66	-1501.69	-95.42	38.29
VI	Tax Expense:					
	(1) Income tax	0.00	0	0.01	0	-100
	(2) Current tax					
	(3) Deferred tax charge / (credit)					
	(4) MAT Credit					
	(5) Wealth Tax	0.00	0	0.00	0	0
VII	Profit after Tax	-2076.66	-166.66	-1501.70	-95.42	38.29
VII I	Earning per equity share:					
	Basic & Diluted	-21.93		-15.86		

Material Developments in Human Resources / Industrial Relation:

The Company believes that the success of any organization depends upon availability of human capital. Our assets are our people who work to innovate beyond and challenge established boundaries. Thus, employees are vital to the Company. We have favourable work environment that encourages innovation and meritocracy. We focus on attracting the best and brightest talent and the meritocracy is the sole criteria for selection. The Company firmly believes that manpower is the most important asset, above all. No Strikes, Lock out's or any anarchy occurred during the period under review and Company enjoys cordial industrial relations with its employees.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic market in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

By order of the Board**Date: 31th August 2018****Place: Aurangabad****SD/-****Raghavendra Joshi****(Chairman)****DIN: 00307124**

ANNEXURE IV

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule	Particular		
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.		As the Company is in growing state, hence the Directors of the Company (including Independent Directors) have not drawn any managerial remuneration till date.
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Manager, Company Secretary in the financial year.		There is no increase in the remuneration of any Director, Chief Financial Officer, Manager and Company Secretary in the financial year 2017-18.
(iii)	The percentage increase in the median remuneration of employees in the financial year.	Increase in Median	04.23%
(iv)	The number of permanent employees on the rolls of the company.		71
(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.		As the Company is in growing stage, hence the Directors of the Company (including Independent Directors) have not drawn any managerial remuneration till date. Therefore the comparison is not possible.
(vi)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.		
VII	Top Ten Employees in terms of remuneration drawn during the year 2017-18		Details given in table below

Top Ten Employees in terms of remuneration drawn during the year 2017-18

Sr. No	Name	Designation	Remuneration (In Rs.)	Qualification & Experience in Years	Date of Commencement of employment	Age in Years	Particular of last employment
1	VENKATA RAVI KUMAR SINGAMSETTY	GENERAL MANAGER	1,053,000	M.B.A & 21	2/4/2016	50	NATH BIO-GENES(I)LTD.
2	ANIL MARUTI JAGTAP	ZONAL MANAGER	720000	B.A. & 31	17/04/2017	56	SHRI SATYA AGRI BIOTECH
3	A V MAHESH	SR REGIONAL SALES MANAGER	600000	B.SC. (AGRI) & 26	01/03/2017	56	NATH BIO-GENES(I)LTD.
4	UJWALA DEEPAK KULKARNI	ADMINISTRATOR	570,000	B.COM & 14	1/1/2010	51	EXPERT HUMAN RESOURCES DEVELOPMENT SOCIETY
5	KARRI SATYA SIVA PRASAD	REGIONAL MANAGER	570000	B.A. & 17	01/01/2010	47	NATH BIO-GENES(I)LTD.
6	SIDHAYYA BAMYAYYA SWAMI	AREA MANAGER	540000	MBA&14	12/12/2017	34	NATH BIO-GENES(1)LTD.
7	SANDEEP KUMAR SINGH	DY.REGIONAL MANAGER	480000	M.A. & 18	17/01/2008	45	MULTIPLEX FERTILIZER PRIVATE LIMITED
8	YOGESH SHALIGRAM SHELKE	ASSISTANT MANAGER	480000	M.COM & 14	19/11/2007	34	ACCOUNTS WORK (SELF EMPLOYMENT)
9	SHARAD DHRUPADRA OSABLE	HR MANAGER	480,000	M.B.A & 20	23/2/2010	39	WIPRO LIGHTING LTD.
10	NAMDEO BHASKAR MORE	REGIONAL MANAGER	480000	B.SC. (AGRI) & 18	09/01/2018	47	DHANLAXMI CORP. PRIVATE LIMITED

Notes:

1. The employees have adequate experience to discharge responsibilities assigned to them
2. None of the employees are relatives of the Directors of the Company
3. The nature of employment is not contractual
4. No employee listed above holds by himself / herself or along with his / her spouse and dependent children any Equity Shares of the Company except Mr. Shelke who holds 0.22% Equity Shares

By order of the Board

Date: 31th August 2018

Place: Aurangabad

**SD/-
Raghavendra Joshi
(Chairman)
DIN: 00307124**

ANNEXURE V

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

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

A. Particulars with respect to conservation of energy.

i. Steps taken or impact on conservation of energy.

The power consumption of the Company as a percentage of the total turnover comes to a negligible per cent. The efforts of the company are aimed to minimise energy consumption in spite of the rapid increase in operations of the company

ii. Steps taken for utilizing alternative sources of energy

As the energy consumption to total turnover is very minimal, use of alternate source of energy is presently not required.

iii. Capital Investment on energy conservation equipment

As the energy consumption to total turnover is very minimal, investment in Energy Conservation Equipments is presently not required.

B. Particulars with respect to technology absorption

Your Company has not imported any technology.

C. Particulars of Foreign Exchange Earnings and Outgo

The details of earnings and expenditure in foreign currency are given in Note 36 in the Notes to the Accounts.

By order of the Board

Date: 31th August 2018

Place: Aurangabad

SD/-

Raghavendra Joshi

(Chairman)

DIN: 00307124

ASHOK PATIL & ASSOCIATES
CHARTERED ACCOUNTANTS

"A P Heights", Behind Gopal Cultural Hall, New Osmanpura, Aurangabad -431 005

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
R J Bio-Tech Limited,
"Siddharth Arcade", Opp. Holiday Camp, Station Road,
Aurangabad - 431 005

01] Report on the Financial Statements

We have audited the accompanying financial statements of **R J Biotech Limited**, which comprise the **Balance Sheet as at March 31, 2018**, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

02] Management's Responsibility for the Financial Statements

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

03] Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting our audit in accordance with the Standards on Auditing under Section 143(10) of the Act.

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 financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our *Qualified Audit Opinion*.

04] Basis for Qualified Opinion

- i) Following events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact. However, the standalone financial statements of the Company have been prepared on a going concern basis.

We draw attention to the standalone financial statements, which indicates that -

- The Company has incurred a net loss of Rs. 20.76 Crores during the year ended 31st March, 2018 and also its current liabilities over current assets exceeded by Rs. 7.53 Crores.
- The Company has accumulated losses and its Net Worth has been fully eroded.
- The Company's financing arrangements expired and the amount outstanding of Rs. 31.98 Crores was payable on March 31, 2018. The Company has been unable to re-negotiate or obtain replacement financing and is currently classified by bank as Non Performing Assets.

- ii) As per the information & explanations given, management has sent balance confirmations to outstanding debtors but we have not received the confirmations. In the absence of unavailability of confirmations we are unable to confirm or verify by alternative means accounts receivable included in the Balance Sheet at a total amount of Rs.20.64 crores (before provision for bad & doubtful debts of Rs. 4 Crores) as at March 31, 2018.
- iii) The management has not made available any record to us, regarding quantity, amount & net realizable values in respect of closing stock held as on 31.03.2018 at Rs. 13.57 Crores. Also, Company has not offered record of verification of stock counting of physical inventories at the end of the year. During the year under review, Company has discarded the expired Inventories & Finished Goods of Rs. 8.83 Crores from the books of accounts. Relevant supporting, valuation, quantity details of the inventories discarded has not been provided to us for verification.

As a result of the matters stated in Para 2 & 3, we were unable to determine whether any adjustments might have been found necessary in respect of recorded receivables, Inventories in the Balance Sheet and also written off of Discarded Inventories and the corresponding elements making up the Statement of Profit and Loss and Cash Flow Statement.

05] Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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 Standards and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its Loss and its cash flows for the year ended on that date.

06] Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2) As required by section 143(3) of the Act, we report that:

- a) Except for the effects of the matters described in Basis for Qualified Opinion paragraph, we have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) Except the matters described in Basis for Qualified Opinion paragraph, 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) Except for the effects of the matters described in Basis for Qualified Opinion paragraph, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- g) 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
- h) 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 details of pending litigations, amount involved, contingent liability for these litigations are given in **Note No. 37** to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no such amounts which are required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

(As per our report of even date)
 For Ashok Patil & Associates
 Chartered Accountants
 Firm Reg. No. 122045W

SD/-
 (Ashok P.Patil)
 Partner
 M. No. 34423

Date : 28.05.2018
 Place : Aurangabad

**ASHOK PATIL & ASSOCIATES,
CHARTERED ACCOUNTANTS**

"A P Heights", Behind Gopal Cultural Hall, New Osmanpura, Aurangabad - 431 005

**ANNEXURE A' TO THE AUDITOR'S REPORT
REFERRED TO IN PARAGRAPH 5 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF
R J BIO-TECH LIMITED ON THE FINANCIAL STATEMENTS;
FOR THE YEAR ENDED AS ON 31.03.2018**

(i) Fixed Assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (C) Title deeds of immovable property has been held in the name of company, for this purpose we have relied on Title Investigation Report issued by advocate dated 30.06.2014.

(ii) Inventory:

According to the information & explanations given by the management, they have conducted physical verification of inventories on periodical basis and at the year end but the management has not made available any such record during the course of audit hence we are unable to comment that whether the management has conducted or not physical verification of inventories at reasonable intervals and whether any material discrepancies were noticed on physical verification of inventories and same have been properly dealt with or not in the books of accounts.

(iii) Loans:

During the year under review, the company has not granted any loan secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in register maintained u/s 189 of the Companies Act, 2013 hence clause (iii) (a) to (c) are not applicable.

(iv) Loans , Investment and Guarantees

As per the information and explanations given to us we are of the opinion that the Company has complied the provisions of Section 185 and 186.

(v) Deposits:

In our opinion & according to the information & explanations given to us, the company has not accepted any deposits during the year. Hence, Not Applicable.

(vi) Cost Records :

As explained to us Central Government has not prescribed for maintenance of cost records under sub-section (1) of section 148 of Companies Act, 2013.

(vii) Statutory Dues:

- (a) As observed by us during the course of our examination of the books of accounts carried out in accordance with generally accepted auditing principles in India, company has generally been regular in depositing undisputed statutory dues including Provident Fund, Sales Tax, Local Body Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities except in following cases noticed during the period under review:

- i) Income Tax demand reflected on Income Tax website of Rs.18,825/- for the period from A.Y. 2007-08 to 2014-15 for which rectification u/s 154 is pending.
- ii) Undisputed demand for TDS defaults shown on TDS Traces website of Rs.11,79,890.00 /-which are not provided in books.
- (b) According to the information and explanations given to us, there are no material disputed dues in respect of Service Tax, Duty of Customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us & on the basis of documents examined, the following dues of Income tax has not been deposited by the Company on account of disputes :

NAME OF THE STATUE : THE INCOME TAX ACT, 1961

Period	Income Tax Demand	Details	Forum
A. Y. 2013-2014	NIL (Refer Note)	Income Tax Department Filed Appeal against the Order of Commissioner Of Income Tax (Appeals)-1, Aurangabad	Income Tax Appellate Tribunal, Pune
A. Y. 2014-2015	Rs. 82,44,360/-	Income Tax Department Filed Appeal against the Order of Commissioner Of Income Tax (Appeals)-1, Aurangabad	Income Tax Appellate Tribunal, Pune

Note :-

Income Assessed at Rs. 16,72,387/- by the Assessing Officer i.e. ACIT, Circle - I, Aurangabad & it has been set off against the B/F Business Loss hence Tax Liability is NIL.

(viii) Default to FIS & Banks:

In our opinion & according to the information given to us, the company has defaulted in repayment of dues to the financial institutions and bank, details are as under -

Details of defaults in repayment of Loans :				(Amount in Rs.)
Account No.	Type of Loan	Amount of Default	Date on Which Installment / Interest due	Date on Which Installment / Interest Paid
32133824088	Cash Credit - SBI	12,95,821.00	01.05.2016	Yet to be paid
		23,20,784.00	01.06.2016	Yet to be paid
		28,64,986.35	01.07.2016	Yet to be paid
		25,96,114.99	01.08.2016	Yet to be paid
		26,19,531.51	01.09.2016	Yet to be paid
		25,25,629.40	01.10.2016	Yet to be paid
		26,17,300.94	01.11.2016	Yet to be paid
		25,35,852.94	01.12.2016	Yet to be paid
		26,19,635.97	01.01.2017	Yet to be paid
		25,97,037.89	01.02.2017	Yet to be paid
		23,65,819.75	01.03.2017	Yet to be paid
		26,01,008.93	01.04.2017	Yet to be paid
		20,99,40,558.51	27.06.2016	Yet to be paid
		3,30,69,129.00	Accrued Int for the F. Y. 17-18	Yet to be paid

		3,54,758.00	01.05.2016	Yet to be paid
		3,69,877.00	01.06.2016	Yet to be paid
		3,97,332.27	01.07.2016	Yet to be paid
		3,89,613.97	01.08.2016	Yet to be paid
		3,92,844.86	01.09.2016	Yet to be paid
		3,80,205.77	01.10.2016	Yet to be paid
		3,92,762.98	01.11.2016	Yet to be paid
		3,80,204.93	01.12.2016	Yet to be paid
		3,92,762.97	01.01.2017	Yet to be paid
		3,92,878.43	01.02.2017	Yet to be paid
		3,54,859.05	01.03.2017	Yet to be paid
		3,92,529.61	01.04.2017	Yet to be paid
		3,15,00,000.00	27.06.2016	Yet to be paid
		49,81,657.00	Accrued Int for the F. Y. 17-18	Yet to be paid
32929483076	Term Loan - SBI	50,963.72	01.07.2016	Yet to be paid
		52,051.69	01.08.2016	Yet to be paid
		52,489.92	01.09.2016	Yet to be paid
		50,801.27	01.10.2016	Yet to be paid
		52,478.90	01.11.2016	Yet to be paid
		50,801.16	01.12.2016	Yet to be paid
		52,478.89	01.01.2017	Yet to be paid
		52,494.53	01.02.2017	Yet to be paid
		47,414.57	01.03.2017	Yet to be paid
		52,447.29	01.04.2017	Yet to be paid
		41,65,405.00	27.06.2016	Yet to be paid
		6,64,434.00	Accrued Int for the F. Y. 17-18	Yet to be paid
321340917079	Term Loan - SBI	9,094.69	01.07.2016	Yet to be paid
		10,238.75	01.08.2016	Yet to be paid
		10,324.95	01.09.2016	Yet to be paid
		9,992.79	01.10.2016	Yet to be paid
		10,244.93	01.11.2016	Yet to be paid
		9,992.07	01.12.2016	Yet to be paid
		10,322.78	01.01.2017	Yet to be paid
		10,325.86	01.02.2017	Yet to be paid
		9,326.61	01.03.2017	Yet to be paid
		10,316.57	01.04.2017	Yet to be paid
		6,26,025.00	01.04.2016	Yet to be paid
		1,03,105.00	Accrued Int for the F. Y. 17-18	Yet to be paid

Above mentioned defaults has been made during the period 01.04.2016 to 31.03.2017 and on 27 June 2016 State Bank of India, MIDC Waluj, Aurangabad Branch (Currently shifted to Stressed Assets Management Branch -II, Mumbai) has classified above accounts as Non Performing Asset in accordance with the directions/guidelines relating to asset classification issued by the Reserve Bank of India.

As per the Balance Confirmation given by the SBI Bank, Stressed Assets Management Branch-II, Mumbai vide letter dated 10.05.2018 has stated that, interest has not been applied on the balances since the date of NPA i.e. 27.06.2016.

Company is following the Mercantile system of accounting hence Interest as per the Sanction Letter rates has been charged & shown as payable in the Financial Statements.

(ix) Utilization of IPO, Further Public Offer & Term Loan:

During the current financial year, the company has not raised any public issue and any fresh term loan, hence not applicable.

(x) Frauds:

During the course of our examinations of the books & records of the company, carried out in accordance with the generally accepted auditing practices in India & according to the information & explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by management.

(xi) Approval of Managerial Remuneration :

During the year company has not paid any Managerial Remuneration. Hence, not applicable.

(xii) Nidhi Company : Company is not a Nidhi Company. Hence, Not Applicable.**(xiii) Related Party Transactions:**

As per the information and explanation given to us, during the year under review company has not entered into any transactions with related parties are in accordance with section 177 and 188 of Companies Act ,2013 hence disclosure of related Party Transactions are Not Applicable.

(xiv) Private Placement or Preferential Issues

The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) Non Cash Transactions:

According to the information given to us, the company has not entered into any non-cash transactions with directors or person connected with him .

(xvi) Register under RBI Act 1934 :

The company is not required to be registered u/s 45-IA of Reserve Bank of India Act ,1934.

(As per our report of even date)

For Ashok Patil & Associates

Chartered Accountants

Firm Reg. No. 122045W

SD/-

(Ashok P.Patil)

Partner

M. No. 34423

Date : 28.05.2018

Place : Aurangabad

**ASHOK PATIL & ASSOCIATES,
CHARTERED ACCOUNTANTS**

"A P Heights", Behind Gopal Cultural Hall, New Osmanpura, Aurangabad - 431 005

Annexure B' to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of 'R J Biotech Limited' ('the Company') as of 31 March 2018 conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the Company's internal financial controls over financial reporting as at March 31, 2018:

- a) The Company did not have an appropriate internal control system for customer acceptance, credit evaluation and establishing customer credit limits for sales, which could potentially result in the Company recognizing revenue without establishing reasonable certainty of ultimate collection.
- b) The Company did not have an appropriate internal control system for inventory with regard to receipts, issue for production and physical verification. Further, the internal control system for identification and allocation of overheads to inventory was also not adequate. These could potentially result in material misstatements in the Company's trade payables, consumption, inventory and expense account balances.
- c) The Internal controls adopted by the Company did not adequately consider risk assessment, which is one of the essential components of internal control, with regard to the potential for fraud when performing risk assessment.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion:-

In our opinion, to the best of our information and according to the explanations given to us, because of the effects/ possible effects of the material weaknesses described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company has not maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were not operating effectively as of March 31, 2018, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2018, and these material weaknesses does not affect our opinion on the said standalone financial statements of the Company.

**For Ashok Patil & Associates
Chartered Accountants
Firm Reg. No. 122045W**

**Date : 28.05.2018
Place : Aurangabad**

**SD/-
(Ashok P.Patil)
Partner
M. No. 34423**

R J BIO-TECH LIMITED			
(CIN : L24234MH2005PLC158420)			
"Siddharth Arcade", Opp. Holiday Camp, Station Road, Aurangabad - 431 005			
Balance Sheet as at 31.03.2018			
(Amount in Rs.)			
Particulars	Note No.	As on 31.03.2018	As on 31.03.2017
I] EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	9,46,76,000.00	9,46,76,000.00
(b) Reserves & Surplus	2	(19,28,12,216.04)	1,48,53,985.30
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term Borrowings	3	5,25,70,821.60	1,46,50,014.10
(b) Deffered Tax Liabilities (Net)			
(c) Other Long term Liabilities	4	59,59,900.00	84,70,900.00
(d) Long-term Provisions			
(4) Current Liabilities			
(a) Short-Term Borrowings	5	31,36,41,497.99	27,56,66,711.99
(b) Trade Payables	6	3,35,07,788.46	1,86,68,794.18
(c) Other Current Liabilities	7	3,60,53,863.14	4,22,76,821.54
(d) Short-Term Provisions	8	71,64,559.09	60,52,199.00
TOTAL		35,07,62,214.24	47,53,15,426.11
II] ASSETS			
(1) Non Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		1,83,93,984.00	1,95,23,210.91
(ii) Intangible Assets		21,867.00	5,112.00
(iii) Capital Work-in-progress			
(iv) Intangible Assets under Development			
(b) Non-Current Investments			
(c) Deffered tax Assets (Net)			
(d) Long-term loans & Advances	10	27,60,162.00	32,64,492.00
(e) Other non-Current assets	11	1,45,55,569.89	1,74,72,404.30
(2) Current Assets			
(a) Current Investments			
(b) Inventories	12	13,57,32,297.00	23,52,33,228.00
(c) Trade Receivables	13	16,63,76,035.01	18,97,58,994.65
(d) Cash & Cash equivalents	14	(1,66,593.66)	3,74,268.10
(e) Short-term loans and advances	15	1,25,82,265.00	75,97,050.15
(f) Other current assets	16	5,06,628.00	20,86,666.00
TOTAL		35,07,62,214.24	47,53,15,426.11
Notes on Financial Statements		1 to 38	-
Notes referred to above form an integral part of the Balance Sheet .			
For & On Behalf of the Board of R J Bio-Tech Limited		(As per our report of even date) For Ashok Patil & Associates Chartered Accountants Firm Reg. No. 122045W	
SD/- (Meena Joshi) Director DIN : 00307708	SD/- (Raghavendra Joshi) Director DIN : 00307124	SD/- (Ashok P.Patil) Partner M. No. 34423	
SD/- (Anand Phalke) Company Secretary	SD/- (Aarti Pawar) Chief Financial Officer		
Place : Aurangabad			
Date : 28.05.2018			

R J BIO-TECH LIMITED				
(CIN : L24234MH2005PLC158420)				
"Siddharth Arcade", Opp. Holiday Camp, Station Road, Aurangabad - 431 005				
Statement of Profit & Loss for the year ended 31st March, 2018 (Amount in Rs.)				
No.	Particulars	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
	Income :			
I	Revenue from Operations	17	8,88,73,380.08	15,73,83,443.24
II	Other Income	18	14,02,237.91	-
III	Total Revenue (I+II)		9,02,75,617.99	15,73,83,443.24
IV	Expenses :			
	Cost of Materials Consumed (Cultivation)	19	6,01,63,513.69	10,34,20,373.61
	Purchases of Stock-in-Trade		-	-
	Changes in Inventories of Finished goods, work-in-progress and Stock-in-Trade	20	1,76,20,405.00	2,12,19,578.00
	Employee Benefit Expenses	21	1,57,09,134.00	1,33,75,136.00
	Finance Costs	22	3,88,83,841.82	3,60,09,426.82
	Depreciation & Amortization Expenses	23	30,02,495.98	31,81,326.00
	Other Expenses	24	7,42,43,865.13	13,09,17,461.19
	Total Expenses (IV)		20,96,23,255.62	30,81,23,301.62
V	Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		(11,93,47,637.63)	(15,07,39,858.38)
VI	Exceptional Items	25	8,83,18,563.71	5,71,128.00
VII	Profit/(Loss) before extraordinary items and tax (V-VI)		(20,76,66,201.34)	(15,01,68,730.38)
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII-VIII)		(20,76,66,201.34)	(15,01,68,730.38)
X	Tax Expense:			
	(1) Income tax / Interest on TDS		-	1,440.00
	(2) Wealth tax		-	-
XI	Profit/(Loss) from the period from continuing operations (IX-X)		(20,76,66,201.34)	(15,01,70,170.38)
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax Expense of discontinuing operations		-	-
XIV	Profit / (Loss) from discontinuing operations		-	-
XV	Net Profit / (Loss) for the period (XI+XIV)		(20,76,66,201.34)	(15,01,70,170.38)
XVI	Earning per equity share:			
	(1) Basic	26	(21.93)	(15.86)
Notes on Financial Statements		1 to 38		
The Notes referred to above form an integral part of the Statement of Profit & Loss.				
For & On Behalf of the Board of R J Bio-Tech Limited			(As per our report of even date) For Ashok Patil & Associates Chartered Accountants Firm Reg. No. 122045W	
SD/- (Meena Joshi) Director DIN : 00307708	SD/- (Raghavendra Joshi) Director DIN : 00307124		SD/- (Ashok P.Patil) Partner M. No. 34423	
SD/- (Anand Phalke) Company Secretary Place : Aurangabad Date : 28.05.2018	SD/- (Aarti Pawar) Chief Financial Officer			

R J BIO-TECH LIMITED (CIN : L24234MH2005PLC158420) "Siddharth Arcade", Opp. Holiday Camp, Station Road, Aurangabad - 431 005 Notes on Financial Statements for the year ended 31st March, 2018			
Note:1 Share Capital			
Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
1	Capital		
I)	Authorised Capital - Equity Shares 1,00,00,000 (1,00,00,000) Equity Shares of Rs.10 Each	10,00,00,000.00	10,00,00,000.00
II)	Issued, Subscribed & Paid Up Capital 94,67,600 (94,67,600) Equity Shares of Rs.10 each as fully paid up	9,46,76,000.00	9,46,76,000.00
	Total	9,46,76,000.00	9,46,76,000.00
1.1 The details of Shareholders holding more than 5% shares			
Sr.No.	Shareholders Name	As on 31.03.2018	As on 31.03.2017
1	Raghavendra Shripatrao Joshi 30,50,000 (30,50,000) shares - 32.22% (32.22%) held	3,05,00,000.00	3,05,00,000.00
2	Meena Raghvendra Joshi 920,000 (920,000) shares - 9.72% (9.72%) held	92,00,000.00	92,00,000.00
3	Khadkeshwar Breeders Pvt. Ltd. 500,000 (500,000) shares - 5.28% (5.28%) held	50,00,000.00	50,00,000.00
4	Maruti Fertochem Ltd. 500,000 (500,000) shares - 5.28% (5.28%) held	50,00,000.00	50,00,000.00
5	Others	4,49,76,000.00	4,49,76,000.00
	Total	9,46,76,000.00	9,46,76,000.00
1.2 Reconciliation of Shares outstanding at the begining & at the end of reporting period			
Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
	Authorised Share Capital	1,00,00,000.00	1,00,00,000.00
	Less : Issued, Subscribed & Paid Up Share Capital Fully Paid up	94,67,600.00	94,67,600.00
	Shares Available for Allotment	5,32,400.00	5,32,400.00
1.3 Term / rights attached to equity shares			
The Company has only one class of equity shares having at par value. Each share holder is entitled to one vote per share.			

Note:2 Reserves & Surplus			
Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
A)	Securities Premium A/c		
	Balance as per Last Balance Sheet	6,40,64,000.00	6,40,64,000.00
	Add: Amount credited during the year	-	-
	Closing Balance Sub Total (A)	6,40,64,000.00	6,40,64,000.00
B)	Surplus / Deficit in Statement of Profit & Loss		
	Balance as per Last Balance Sheet	(4,92,10,014.70)	10,09,60,155.68
	Add: Profit / (Loss) for the year	(20,76,66,201.34)	(15,01,70,170.38)
	Closing Balance Sub Total (B)	(25,68,76,216.04)	(4,92,10,014.70)
	Total (A+B)	(19,28,12,216.04)	1,48,53,985.30

Note: 3 Long Term Borrowings

Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
A)	<u>Term Loans</u>		
B)	<u>Others</u>		
	Vehicle Loans (From Banks - Secured)	46,225.10	2,25,014.10
	From Others (Unsecured)	5,25,24,596.50	1,44,25,000.00
	Sub Total (B)	5,25,70,821.60	1,46,50,014.10
	Total	5,25,70,821.60	1,46,50,014.10

3.1 Vehicle Loans taken from ICICI Bank is secured by hypothecation of vehicle purchased out of said loan.

3.2 Balances of Unsecured Loans are subject to confirmation & reconciliation, (if any).

Note:4 Other Long-term Liabilities

Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
1	Dealers Security Deposits (Interest free security deposits)	59,59,900.00	84,70,900.00
	Total	59,59,900.00	84,70,900.00

4.1 Balances of security deposits are subject to confirmations & reconciliation, (if any).

Note:5 Short-term Borrowings

Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
	<u>Secured Loans</u>		
1	Cash Credit - State Bank of India A/c No. 4088	20,99,40,558.51	21,00,16,558.51
2	Cash Credit - State Bank of India A/c No. 0896	3,15,00,000.00	3,15,00,000.00
3	Interest payable on Cash Credits	7,22,00,939.48	3,41,50,153.48
	Total	31,36,41,497.99	27,56,66,711.99

- 5.1 The working capital facility i.e. cash credit & Term Loan, from the State Bank of India, MIDC Waluj, Aurangabad Branch (Currently shifted to Stressed Assets Management Branch -II, Mumbai) is Secured by :-
- Hypothecation of Stock, Semi-finished Goods & Finished Goods and Book Debts, etc. Pledge of movable assets like Plant & Machineries, lab Equipments, Polyhouse, Tools & Other assets situated at Gut No. 245 & 246 at Village Pharola, Tq. Paithan, Dist. Aurangabad.
 - Primary Security - Equitable Mortgage of Land & Building in the name of the Company, situated at Gut No.245-246, Village Pharola, Paithan Road, Taluka Paithan, Dist. Aurangabad.
 - Hypothecation of existing as well as future entire stocks of raw materials, finished goods, stock-in-process, spares, packing material of the unit at their factory premises or at some other places including goods in transit, outstanding moneys, book debts & receivables.
 - Collateral Security - Equitable Mortgage of Industrial Plot & Factory Building, Office Building, etc. in the name of Khadkeshwar Oil Mill Pvt Ltd. At Plot No. J-1/8, MIDC, Chikalhana, Aurangabad.
 - Personal Guarantee of Mr.Raghvendra S.Joshi & Mrs. Meena R. Joshi. Corporate Guarantee of Khadkeshwar Oil Mill Pvt. Ltd.
 - Default in Repayment of Cash Credit :-
- All above Cash Credit limits has been overdrawn and on 27 June 2016 State Bank of India, MIDC Waluj, Aurangabad Branch (Currently shifted to Stressed Assets Management Branch -II, Mumbai) has classified above accounts as Non Performing Asset in accordance with the directions/guidelines relating to asset classification issued by the Reserve Bank of India.
 - Unapplied Interest on Loan Accounts:-
As per the Balance Confirmation given by the State Bank Of India, Stressed Assets Management Branch-II, Mumbai vide letter dated 10.05.2018, interest has not been applied on the balances since the date of NPA i.e. 27.06.2016.
Company is following the Mercantile system of accounting hence Interest as per the Sanction Letter has been charged & shown as payable in the Financial Statements.

Note:6 Trade Payables

Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
1	Trade Payables	3,35,07,788.46	1,86,68,794.18
	Total	3,35,07,788.46	1,86,68,794.18

- 6.1 Balances of Trade Payables are subject to confirmations & reconciliations, if any.

Note:7 Other Current Liabilities

Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
I)	<u>Current Maturities of Long term debts</u>		
	Vehicle Loans-ICICI Bank Ltd Swift De-Zire	1,78,789.00	5,57,948.00
	Term Loans	47,91,430.00	47,91,430.00
	Interest payable on Term Loans	13,82,140.94	6,14,601.94
	Sub Total (I)	63,52,359.94	59,63,979.94
II)	<u>Other Payables</u>		
	Advances from Customers	2,88,31,207.20	3,49,70,304.10
	Staff Payables	8,70,296.00	13,42,537.50
	Sub Total (II)	2,97,01,503.20	3,63,12,841.60
	Total (I + II)	3,60,53,863.14	4,22,76,821.54

- 7.1** Balances of Advance from Customers are subject to confirmations.
- 7.2** Installments of Loans Due in Next 12 Months are subject to Sanction Letter issued by the respective Bank. The amount of these installments which are due in next 12 months may vary depending on the change in rate of Interest or repayment schedule.
- 7.3** Default in Repayment of Term Loans
 - All above Term Loan limits except vehicle loan has been overdue and on 27 June 2016 State Bank of India, MIDC Waluj Branch has classified above accounts as Non Performing Asset in accordance with the directions/guidelines relating to asset classification issued by the Reserve Bank of India.

Note:8 Short-term provisions

Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
I)	<u>Provision For Employees Benefits</u>		
	PF Employee's Contribution Payable	86,017.00	72,692.00
	PF Employer's Contribution Payable	92,288.00	81,070.00
	ESIC Employer's Contribution Payable	8,788.00	11,225.00
	ESIC Employee's Contribution Payable	3,245.00	4,115.00
	R.J.Group Employees Credit Co-op. Society	9,52,961.00	8,49,172.00
	Salary Payable	18,30,184.00	13,70,870.00
	Bonus Payable (FY 14-15)	3,58,634.00	3,58,634.00
	Bonus Payable (FY 15-16)	7,89,524.00	7,89,524.00
	Bonus Payable (FY 16-17)	2,64,120.00	6,42,834.00
	Bonus Payable (FY 17-18)	6,66,233.00	-
	Group Gratuity Payable	3,64,524.00	-
II)	<u>Provision For Govt. Dues</u>		
	Payable TDS on Commission	4,500.00	4,500.00
	Payable TDS on Contractors	14,007.00	15,578.00
	Payable TDS on Professional Fees	11,472.00	39,412.00
	Payable TDS on Salary	36,300.00	65,600.00
	Payable TDS on Rent	12,051.00	11,957.00
	Payable Employees Profession Tax	11,300.00	9,600.00
III)	<u>Others</u>		
	Electricity charges Payable	1,679.00	1,679.00
	Travelling Expenses Payable	1,30,500.00	3,10,498.00
	Auditors Remuneration Payable	13,45,503.00	7,96,278.00
	Power & Fuel Payable	29,480.00	15,929.00
	Telephone Charges Payable	12,412.09	40,532.00
	Consultancy Charges Payable	1,38,837.00	5,60,500.00
	Total	71,64,559.09	60,52,199.00

Note:9 Fixed Assets			
Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
I)	<u>Tangible Assets</u>		
	Gross Block	4,34,12,236.19	4,44,70,639.91
	Less: Depreciation	2,50,18,252.20	2,49,47,429.00
		1,83,93,984.00	1,95,23,210.91
II)	<u>Intangible Assets</u>		
	Gross Block	1,15,323.00	85,823.00
	Less: Depreciation	93,456.01	80,711.00
		21,867.00	5,112.00
9.1	Details of Additions & deletions of Fixed assets are given in Annexure "A"		
9.2	The Fixed assets of the Company have not been revalued during the year under review.		
9.3	Depreciation on fixed assets is provided on Written Down Value Method.		
9.4	It is explained by the management that the Company has assessed recoverable value of assets, which worked out to higher than corresponding than book value of net assets, hence no impairment loss has been recognized.		
9.5	Fixed Assets except freehold land are carried at cost of acquisition, construction or at manufacturing cost, as the case may be, less Accumulated Depreciation.		
Note:10 Long-term Loans & Advances			
Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
1	Deposits	27,60,162.00	32,64,492.00
	Total	27,60,162.00	32,64,492.00
Note:11 Other non-current Assets			
Sr. No.	Particulars	As on 31.03.2018	As on 31.03.2017
1	<u>Miscellaneous Expenditure</u>		
	A] Expenses for IPO		
	Opening Balance	11,19,639.00	22,39,287.00
	Less: Written off during the period	11,19,639.00	11,19,648.00
	Sub Total (A)	-	11,19,639.00
	B] Research & Development Cost		
	Opening Balance	1,25,03,688.30	1,56,40,667.80
	Add : Expenses incurred during the year	67,89,261.59	63,29,969.50
	Less: Amount trf. To Statement of Profit & Loss	85,86,457.00	94,66,949.00
	Sub Total (B)	1,07,06,492.89	1,25,03,688.30
2	MAT Credit Entitlement	38,49,077.00	38,49,077.00
	Sub Total (C)	38,49,077.00	38,49,077.00
	Total (A to C)	1,45,55,569.89	1,74,72,404.30
11.1	Please refer Note No. 35 for amortization of Research & Development Expenses.		
11.2	IPO Expenses have been incurred in F.Y 2013-14. As the expenditure incurred is going to benefit in more than one year, the same has been amortized in 5 years i.e. only 20% of the expenses has been claimed in current F.Y .		

Year in Which Expenses are	2013-14		
Amount of Expenditure	55,98,229.00		
1/5 th To be Written Off	11,19,646.00		
Last year in which expenses will be fully written of	2017-18		
11.3 MAT Credit Entitlement is shown under Non Current Assets, as the company is of the view that it can't be utilized in period of 12 months.			
Note:12 Inventories			
Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
1	Raw Materials - (Refer Note 12.1)	7,28,95,114.00	
	Less : Expired & Discarded	5,13,52,871.00	
		2,15,42,243.00	6,64,68,481.00
2	Finished Goods - (Refer Note 12.2)	15,11,44,342.00	
	Less : Expired & Discarded	3,69,54,288.00	
		11,41,90,054.00	16,87,64,747.00
	Total	13,57,32,297.00	23,52,33,228.00
12.1 Raw Material includes Seeds - unprocessed, Packing Materials & Stores and consumables.			
12.2 Finished Goods includes Seeds - Processed.			
12.3 Closing Stock is taken as valued and certified by the Management.			
12.4 Closing stock has been valued at cost or market price whichever is lower.			
12.5 Expired & Discarded Raw Material & Finished Goods value has been reduced from the respective stock values.			
Note:13 Trade Receivables			
Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
1	Outstanding exceeding Six months		
	Unsecured		
	a) Considered good	16,01,42,805.04	18,57,70,432.80
	b) Considered Doubtful	4,00,35,701.00	2,10,84,300.00
	Less : Provision for Doubtful Debts	(4,00,35,701.00)	(2,10,84,300.00)
	Opening Provision : Rs. 2,10,84,300		
	Add : Current Year : Rs. 1,89,51,401		
	Sub Total (1)	16,01,42,805.04	18,57,70,432.80
2	Others		
	a) Secured, considered good	-	-
	b) Unsecured, considered good	62,33,229.97	39,88,561.85
	c) Doubtful	-	-
	Sub Total (2)	62,33,229.97	39,88,561.85
	Total	16,63,76,035.01	18,97,58,994.65
13.1 Balance of Trade Receivables are subject to confirmations & Reconciliations (if any).			
13.2 Management has made Provision for Bad & Doubtful Debts @20% on balances outstanding for more than 6 months.			

Note:14 Cash & Cash Equivalents			
Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
1	<u>Balances with Banks</u>		
	a) Gratuity A/c - SBH, A'bad No. 8180	31,803.50	9,950.00
	b) Current A/c - SBI Agri. Br. A'bad No. 94099	-	-
	c) Current A/c - BU Co Op Credit Society Ltd	2,042.00	2,042.00
	d) Current A/c - ICICI Bank Ltd CA 004405010043	(5,12,253.66)	1,35,593.83
2	<u>Cash in Hand</u>	3,11,814.50	2,26,682.27
	Total	(1,66,593.66)	3,74,268.10

14.1 Balances with Banks are subject to reconciliation ,if any.

Note:15 Short-term Loans & Advances

Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
I)	<u>Loans and Advances</u>		
	Staff Advances	1,73,750.00	4,29,938.15
	Advances to Growers	1,24,08,515.00	71,67,112.00
	Total	1,25,82,265.00	75,97,050.15

15.1 Balances of Advances Paid to Growers/Suppliers are subject to confirmations and reconciliation ,if any.

15.2 Advances paid to Growers/Suppliers is in normal course of business which will be cleared in the normal operating business cycle of the Company.

Note:16 Other Current Assets

Sr.No.	Particulars	As on 31.03.2018	As on 31.03.2017
A)	<u>Balances with Govt. Authorities</u>		
	Income Tax Refund receivable F.Y. 2012-2013	-	10,00,000.00
	Income Tax -Appeals F.Y. 2013-14	-	5,00,000.00
	VAT Refund Receivable	2,36,478.00	2,38,050.00
	Sub Total (A)	2,36,478.00	17,38,050.00
B)	<u>Prepaid Expenses & Others</u>	2,70,150.00	3,48,616.00
	Total (A+B)	5,06,628.00	20,86,666.00

16.1 As these items are not fit into any other assets categories, these are grouped under other current assets.

Note:17 Revenue from Operations

Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
	Sales of Seeds - Processed (Net)	8,88,73,380.08	15,73,83,443.24
	Total	8,88,73,380.08	15,73,83,443.24

Note:18 Other Income			
Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
i)	Interest on Income Tax Refund	2,72,370.00	-
ii)	Debtors / Creditors Written off (Net)	11,29,867.91	-
	Total	14,02,237.91	-
Note:19 Cost of Materials Consumed (Cultivation)			
Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
	Opening Stock	6,64,68,481.00	10,71,18,396.00
	Add: Agricultural & Cultivation Expenses	6,65,90,146.69	6,27,70,458.61
	Less: Closing Stock	7,28,95,114.00	6,64,68,481.00
	Total	6,01,63,513.69	10,34,20,373.61
Note:20 Changes in inventories of Finished goods, Work-In-Progress and Stock-in-Trade.			
Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
	Opening Stock of Seeds - Processed	16,87,64,747.00	18,99,84,325.00
	Closing Stock of Seeds - Processed	15,11,44,342.00	16,87,64,747.00
	Total	1,76,20,405.00	2,12,19,578.00
Note:21 Employee Benefit Expenses			
Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
1	Salary & Wages	1,34,18,261.00	1,15,36,666.00
2	Provident Fund [Employer's Contribution]	10,56,984.00	9,42,426.00
3	Staff Welfare	99,664.00	1,34,514.00
4	Staff Bonus	6,66,233.00	6,42,834.00
5	Labour Welfare Fund	3,888.00	1,764.00
6	Group Gratuity Premium	3,64,524.00	57,599.00
7	ESIC [Employer's Contribution]	99,580.00	59,333.00
	Total	1,57,09,134.00	1,33,75,136.00

Note:22 Finance Cost			
Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
1	Bank Commission & Charges	21,383.42	1,28,687.30
2	Interest on Vehicle Loans	44,133.40	1,20,893.10
3	Interest on Term Loans	7,67,539.00	7,26,135.94
4	Interest on Cash Credit	3,80,50,786.00	3,50,47,298.48
5	Profit / (Loss) on Foreign Exchange Transactions	-	(13,588.00)
	Total	3,88,83,841.82	3,60,09,426.82

22.1 Bank has not applied the interest on loans due to classification of account as Non Performing Asset as the company is following the Mercantile system of accounting, Interest rate as per the Sanction Letter has been charged to the statement of Profit & Loss.

Note:23 Depreciation & Amortization Expenses

Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
1	Depreciation	18,82,856.98	20,61,678.00
2	IPO Expenses	11,19,639.00	11,19,648.00
	Total	30,02,495.98	31,81,326.00

23.1 Depreciation on fixed assets is provided on written down value method as per Schedule II of The Companies Act, 2013

Note:24 Other Expenses

Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
	A) Direct Expenses		
1	Power & Fuel Charges	1,86,411.00	3,51,484.00
2	Processing Charges	57,45,326.00	58,23,608.00
3	Consumables	1,25,802.00	61,196.00
4	Repairs & Maintenance - Machinery	3,80,856.00	1,67,208.00
5	Research & Development Expenses	85,86,457.00	94,66,949.00
6	Securities Charges	62,591.98	-
	Total (A)	1,50,87,443.98	1,58,70,445.00
	B) Office & Administrative Expenses		
7	Local Conveyance	58,342.00	57,165.00
8	Profession Tax	2,500.00	2,500.00
9	Electricity Charges	27,334.13	21,927.00
10	Insurance Charges	4,81,182.00	6,31,155.00
11	Postage & Telegram	1,29,029.05	1,34,510.00
12	Printing & Stationery	1,94,586.68	1,64,357.00
13	Membership & Subscriptions	66,000.00	1,14,000.00
14	Legal & Professional Fees	14,37,104.00	11,64,655.00
15	Telephone charges	1,79,857.90	2,95,976.50

16	Repairs & Maintenance - Vehicles	1,51,616.84	2,50,514.00
17	Repairs & Maintenance - Others General	39,012.74	64,258.00
18	Repairs & Maintenance - Computers	23,010.00	1,95,950.00
19	Repairs & Maintenance - Building	-	5,15,716.00
20	Office Rent	4,82,088.00	4,83,748.00
21	Internal Audit Fees	30,000.00	-
22	Office & Misc. Expenses	3,47,708.35	3,24,292.72
23	Auditors Remuneration		
	Audit Fees	86,250.00	1,15,000.00
	VAT Audit Fees	57,500.00	57,500.00
	Legal & Professional Fees	45,425.00	92,000.00
	Tax Audit Fees	57,500.00	80,500.00
	Appeal Consultancy Fees	3,00,000.00	-
	Total (B)	41,96,046.69	47,65,724.22
	C) Selling & Distribution Expenses		
24	Advertisement & Publicity	33,660.00	2,33,071.00
25	Carriage Outward	59,90,424.25	50,53,688.00
26	Discount Allowed	1,80,65,086.36	3,81,73,373.83
27	Travelling Expenses	44,25,267.60	40,05,927.00
28	Godown Rent & Charges	2,48,911.00	4,81,307.00
29	Sales Commission & Brokerage	3,60,000.00	4,40,000.00
30	Sales Promotion Expenses	9,55,127.00	18,02,021.00
31	Field Programme Expenses	53,74,228.86	3,88,62,090.50
32	Bad debts	-	33,443.64
33	GST and VAT Expenses	4,06,895.89	1,12,070.00
34	Penalties and Late Fees	1,49,372.50	-
35	Provision for Bad & Doubtful Debts	1,89,51,401.00	2,10,84,300.00
	Total (C)	5,49,60,374.46	11,02,81,291.97
	Total (A+B+C)	7,42,43,865.13	13,09,17,461.19

Note:25 Exceptional Items

Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
1	Loss / (Profit) on Sale of Vehicles	11,404.71	5,71,128.00
2	Expired & Discarded Stock	8,83,07,159.00	-
	Total	8,83,18,563.71	5,71,128.00

25.1 During the year under review, Company has discarded the Raw Materials & Finished Goods which has been expired due to low germination. Hence the cost of the such Raw Materials & Finished Goods discarded has been shown under the Exceptional Items.

Note:26 Earning per Share			
Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
	Net Loss Attributable to Share holders	(20,76,66,201.34)	(15,01,70,170.38)
	Weighted Average No. of Shares	94,67,600.00	94,67,600.00
	Earning per Share	(21.93)	(15.86)
27	It is explained by the management that the company has assessed recoverable value of assets, which worked out to higher than corresponding book value of net assets. Hence no impairment loss has been recognized.		
28	Balances of Sundry Debtors, Sundry Creditors, Secured Loans, Unsecured Loans, Advances and Deposits are subject to confirmations.		
29	Figures of previous year are regrouped and rearranged wherever necessary.		
30	<p>Micro, Small & Medium Enterprises Development Act, 2006 :</p> <p>Under the Micro, Small & Medium Enterprises Development Act, 2006 which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not made available, no disclosure have been made in the accounts.</p>		
31	<p>Sales has been accounted for net of Sales return.</p> <p>Discount on sales for the period from 01.04.2017 to 31.03.2018 has been shown separately as expenses in Statement of Profit & Loss A/c.</p>		
32	Prior Period Items :-		
	Income :	Nil	
	Expenses :		
	Legal & Professional Fees	5,54,330.00	
33	Related Party Transactions		
	As per Accounting Standard 18 "Related Party Disclosures" , issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below		
33.1	Name of Key Management Personnel & Signatories :		
	Mr. Raghvendra Shripatro Joshi (Director)		
	Mrs. Meena R. Joshi (Director)		
	Mr. Shashikant Vinayakrao Shastri (Director)		
	Mrs. Arati Sandeep Pawar (CFO)		

33.2 Related Party Transactions :

Particulars	Key Management Personnel	Other Related Parties
Loans Taken	4,51,08,746.50	-
Loans Repaid	70,09,150.00	-
Closing Balance (Loans Taken)	(5,25,24,596.50)	

34 Particulars of the Company :

a) Registration No. - CIN	L24234MH2005PLC158420
b) Date of Incorporation	28.12.2005
c) Balance Sheet as on	31st March 2018
d) Nature of Business	Production of Hybrid Seeds
e) Name of Bank and A/c No.	State Bank of India, SME Branch, Waluj, Aurangabad (Currently shifted to Stressed Assets Management Branch - II, Mumbai) C/ C A/C No. - 32133824088
f) PAN	AADCR1924L

35 Balance Sheet Abstract & Companies General Business Profile**I. Capital Raised during the year: (Rs. In Lacs)**

NIL

II. Position of Mobilization and Development of Funds: (Rs in Lacs)

Total Liabilities	3,507.62	Total Asset	3,507.62
Sources Of Fund		Application Of Fund	
Paid Up Capital	946.76	Net Fixed Asset	184.16
Reserve and Surplus	(1,928.12)	Net Current Asset	3295.86
Deferred tax Liability	-	Investment	
Secured Loan	525.71	Long Term Assets	27.60
Long Term Liabilities	59.60		
Net Current Liabilities	3,903.68		

III. Performance of the Company: (Rs. In Lacs)

Turnover:	888.73
Profit before Tax:	(2,076.66)
Profit After Tax:	(2,076.66)
Total Expenditure:	1,318.39
Earning Per Share:	(21.93)
Dividend Rate (%):	-

IV. Generic Names of Three Principal Products/ Services of Company (As per Monetary Terms)**a) Item Code No. (ITC Code)-**

Product Description	Item Code
Production of Hybrid Seeds	0101

36 Details of Value of Imports, Earnings in foreign currency, and Expenditure in foreign currency:

Particulars	2017-18	2016-17
i) CIF value of Imports	Nil	24,57,968.60
ii) Earnings in foreign currency	Nil	Nil
iii) Expenditure in foreign currency Travel Expenses	Nil	Nil

37. Contingent Liability (not provided in Books) :

a) Income Tax - TDS

TDS defaults reflected on the Traces website, details of the same are as under. Out of these defaults, company has paid interest dues which is not updated on Traces website yet, hence same has been reduced from the liability.

TDS defaults as per Traces(In Rs.)	Year of Default	Payment made during the year	Balance contingent liability
31,870.00	F.Y. 2008-09	6,644.00	25,226.00
1,38,110.00	F.Y. 2009-10	5,042.00	1,33,068.00
35,390.00	F.Y. 2010-11	26,152.00	9,238.00
1,09,540.00	F.Y. 2011-12	12,271.00	97,269.00
1,25,860.00	F.Y. 2012-13	64,907.00	60,953.00
61,510.00	F.Y. 2013-14	32,299.00	29,211.00
1,38,670.00	F.Y. 2014-15	-	1,38,670.00
3,08,710.00	F.Y. 2015-16	-	3,08,710.00
1,73,780.00	F.Y. 2016-17	-	1,73,780.00
56,450.00	F.Y. 2017-18		56,450.00
11,79,890.00		1,47,315.00	10,32,575.00

b) Income Tax - Demand Reflected on Income Tax Website

Income Tax Demand as per Intimation orders reflected on Income Tax website of Rs. 18,825/- for the period from A. Y. 2007-08 to A. Y. 2014-15. As informed compliances of these demands are pending till date.

(Both the above demands are not provided for in the books of the company).

C) Income Tax - Disputed Dues

i) Income Tax - A. Y. 2013-14

Particulars	Forum	Income Tax Demand
Income Tax Department Filed Appeal against the Order of Commissioner Of Income Tax (Appeals)-1, Aurangabad	Income Tax Appellate Tribunal, Pune	NIL

ii) Income Tax - A. Y. 2014-15

Particulars	Forum	Income Tax Demand
Income Tax Department Filed Appeal against the Order of Commissioner Of Income Tax (Appeals)-1, Aurangabad	Income Tax Appellate Tribunal, Pune	82,44,360/-

Note :-

Income Assessed at Rs. 16,72,387/- by the Assessing Officer i.e. ACIT, Circle - I, Aurangabad & it has been set off against the B/F Business Loss hence Tax Liability is NIL.

38 Research & Development Expenses :-

Research and Development expenses includes revenue expenses incurred by the company such as Staff Salary, Testing Fees, Technical Fees, Farm Expenses, etc. at its research plant for the purpose of research of seeds. As the company is engaged in the business of producing & marketing of seeds, it has incurred heavy expenditure on research & development, even though revenue expenditure incurred on R & D in one year, its benefit may be derived by the company not only in the year in which it is incurred but over some further period. Therefore company has adopted the policy to claim total revenue expenditure incurred on R & D as deduction while computing taxable income in the year in which this expense is incurred. But in books of accounts, it is deferred for a total period of four years & accordingly it is disclosed in the Balance sheet & Statement of Profit & Loss. The expenditure which is deferred as above is added back in the relevant years, while computing taxable income, as it is claimed 100 % in the year in which it is incurred. Details of revenue R & D exp. incurred, deferred & debited to statement of profit and loss are as under -

F. Y. In which it is incurred	Amount	Deferred (Financial Years)						
		2014-15	2015-16	2016-2017	2017-2018	2018-19	2019-20	2020-21
2011-2012	1,49,61,898.65		-	-	-			
2012-2013	1,49,34,548.00	37,33,637	37,33,637	-	-			
2013-2014	1,03,11,244.50	25,77,810	25,77,811	25,77,805	-			
2014-2015	1,14,28,359.83	28,57,090	28,57,089	28,57,089	28,57,089			
2015-2016	97,98,253.50		24,49,562	24,49,562	24,49,562	24,49,562		
2016-2017	63,29,969.50			15,82,492	15,82,492	15,82,492	15,82,492	
2017-2018	67,89,261.59	-	-	-	16,97,315	16,97,315	16,97,315	16,97,315
Total	7,45,53,535.57	91,68,537	1,16,18,099	94,66,949	85,86,457	57,29,370	32,79,807	16,97,315

B. SIGNIFICANT ACCOUNTING POLICIES**1 Method of Accounting**

The accounts of the Company are prepared in accordance with the accounting principles generally accepted in India. The company has maintained its accounts on mercantile system of accounting.

2 Basis for preparation of Financial Statements

The financial statements have been prepared under the historical cost conventions and in accordance with generally accepted accounting principles. Accounting policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles.

3 Fixed Assets

Fixed Assets are stated at cost of acquisition/construction less accumulated depreciation. None of the fixed assets have been revalued during the year under review.

4 Depreciation

Depreciation has been calculated by WDV Method, as per Schedule II of Companies Act, 2013. The estimated useful lives of fixed assets have been revised in accordance with Schedule II to Companies Act, 2013.

5 Inventories

The company has valued the Inventory at cost or market price, whichever is lower and on the basis of physical verification of stock by the management at the end of the year. There is no change in the method of valuation of stock as compared to previous year.

6 Revenue Recognition

The company is following the policy, which is normally followed in seed industry, of billing of its products on its dispatch to dealers and deducting whatever goods are returned after the end of season from dealers by showing it as sales return and deducting the same from sales. As it is agriculture related industry, the sale is bifurcated between " Kharif " and " Rabi " season. The unsold goods / stock lying with dealers, which is booked as sales by the company, in Kharif & Rabi season are returned by dealers after the end of Kharif season, i.e., by the end of December and that of Rabi season by the end of March.

7 Current Assets, Loans & Advances

In the opinion of the management, the value of all current assets, loans & advances and other realizables are not less than their realizable value in the ordinary course of business.

8 Accounting for Taxes on Income**A) Income Tax**

During the year under consideration company has incurred losses and hence provision for tax is not made for current accounting period (Reporting Period) on the basis of the taxable profits computed in accordance with Income Tax Act, 1961.

B) Deferred Tax

Deferred tax asset & liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets & liabilities are measured using the tax rates enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax asset/liability are reviewed at each Balance Sheet date & recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

As per the AS -22 Deferred Tax Assets should be recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realized. Due to the unavailability of convincing evidence of virtual certainty & heavy losses incurred during the year & in previous years, Provision for Deferred Tax Assets has not been made in the books & restricted to the extent of Deferred Tax Liability only.

9 Contingencies and events occurred after the Balance sheet date :

There are no such events occurred after the Balance sheet date which will have bearing on profitability and / or State of Affairs of the company.

10 Borrowing Costs

Borrowing costs that are directly attributable to acquisition of assets has been capitalized and other borrowing costs has been treated as an expense during the period in which they have incurred.

11 Research and Development Expenditure

The company is following the policy of deferring revenue R & D expenses incurred for a total period of 4 year. Out of total revenue R & D expense incurred in a particular year, 1/4 is debited to statement of profit and loss in that year & balance 3/4 is carried as deferred revenue expenditure & transfer to statement of profit and loss, equally over a period of subsequent 3 years

12 Earnings Per Share

Basic Earning Per Share is calculated by dividing the Net Loss for the period attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year.

13 Segment Reporting

The company produces and deals primarily in Seeds and as such there is a single business segment. Further, the company is engaged in providing and selling its products in single economic environment in India i.e. there is a single geographical segment. Hence, no further disclosures are made.

14 Retirement Benefits

Retirement Benefits in the form of provident fund contributions and Family Pension Fund are charged to the Profit & Loss Account of the period when the contributions to the fund are due. There are no obligations other than the contribution payable to the fund. The company has participated in Group Gratuity Cum Life Assurance Scheme of Life Insurance Corporation of India for gratuity payable to the employees and contribution thereto is charged to the Statement of Profit & Loss.

15 Cash Flow Statement

Cash Flows are reported using the Indirect method, whereby Profit Before Tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of Income or expense associated with investing or financing Cash flows.

16 Impairment of Assets

The carrying amount of asset is reviewed periodically for any indication of impairment based on internal/ external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price & value in use. In Assessing value in use, the estimated future cash flow are discounted to their present value at the weighted average cost of capital. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

17 Operating Leases:

Assets acquired on lease where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating lease. Lease rentals are charged off to the Statement of Profit & Loss Account as incurred.

18 Prior Period Items

Prior Period Items are included in the respective heads of accounts and material items are disclosed by way of notes to the accounts.

For & On Behalf of the Board of
R J Bio-Tech Limited

(As per our report of even date)
For Ashok Patil & Associates
Chartered Accountants
Firm Reg. No. 122045W

SD/-
(Meena Joshi)
Director
DIN : 00307708

SD/-
(Raghavendra Joshi)
Director
DIN : 00307124

SD/-
(Ashok P.Patil)
Partner
M. No. 34423

SD/-
(Anand Phalke)
Company Secretary

SD/-
(Aarti Pawar)
Chief Financial Officer

Place : Aurangabad
Date : 28.05.2018

R J BIO-TECH LIMITED

(CIN : L24234MH2005PLC158420)

"Siddharth Arcade", Opp. Holiday Camp, Station Road, Aurangabad - 431 005

SCHEDULE 10 OF FIXED ASSETS & DEPRECIATION STATEMENT AS ON 31.03.2018

(As per Companies Act, 2013)

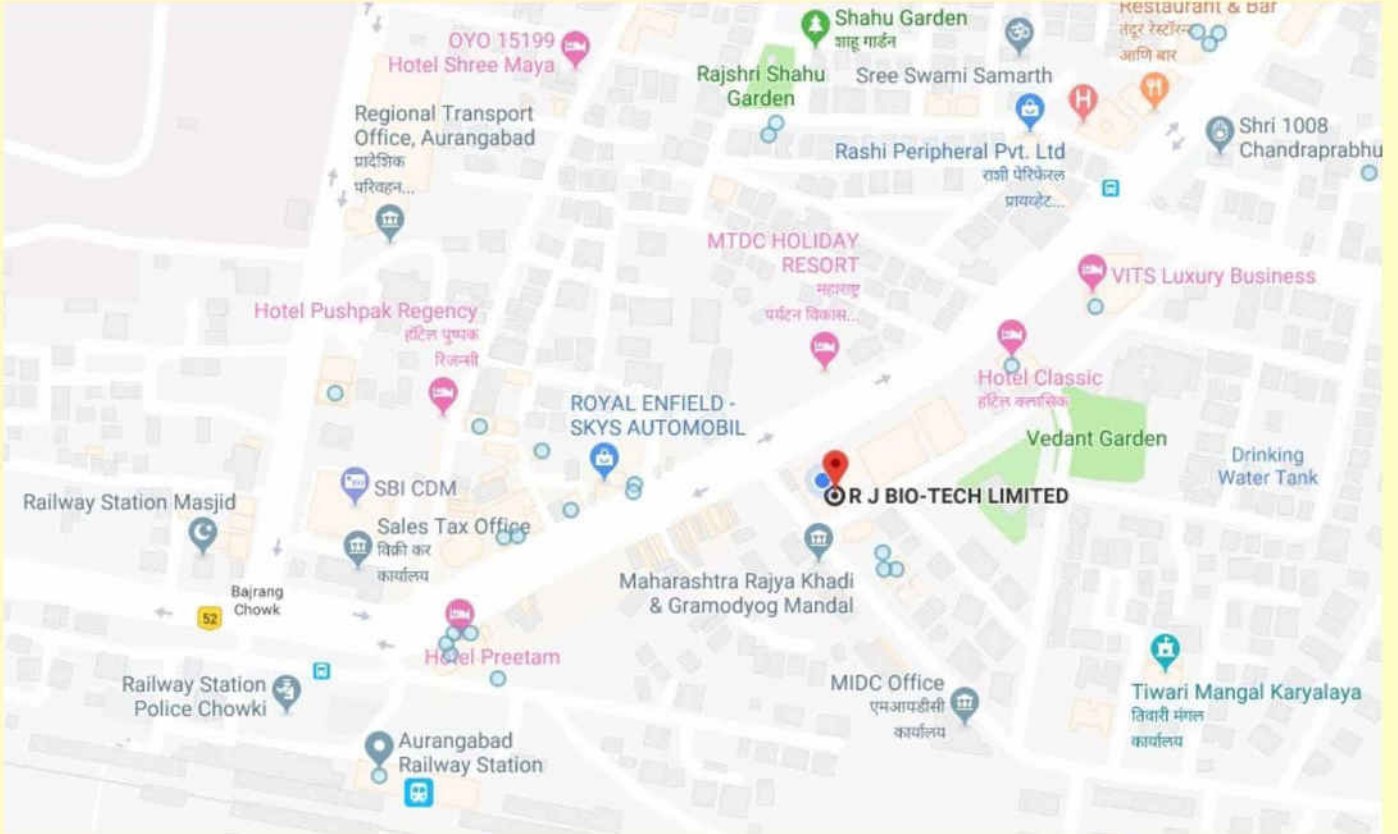
A) Tangible Assets		Gross Block				Depreciation		Net Block			
		As On 31.03.2017	Additions	Deletions	As On 31.03.2018	Upto 31.03.2017	For the period 2017-18	Depreciation on Assets Sold	Total 31.03.2018	As on 31.03.2018	As on 31.03.2017
1	Land at Pharola	93,00,650.00	-	-	93,00,650.00	-	-	-	-	93,00,650.00	93,00,650.00
2	Land Development & Internal Roads	40,93,759.00	-	-	40,93,759.00	-	-	-	-	40,93,759.00	40,93,759.00
3	Polynouse	35,21,777.79	3,33,095.00	-	38,54,872.79	32,75,771.00	1,95,121.00	-	34,70,892.00	3,83,981.00	2,46,006.79
4	Cold Storage	14,45,645.00	-	-	14,45,645.00	6,15,593.00	78,855.00	-	6,94,448.00	7,51,197.00	8,30,052.00
5	Electrical Fittings	1,31,376.00	-	-	1,31,376.00	1,08,243.00	5,361.00	-	1,13,604.00	17,772.00	23,133.00
6	Plant & Machinerries	52,02,839.24	-	-	52,02,839.24	34,61,930.00	3,15,101.00	-	37,77,031.00	14,25,808.00	17,40,909.24
7	Laboratory Equipments	9,20,141.85	-	-	9,20,141.85	7,31,648.00	47,824.00	-	7,79,472.00	1,40,670.00	1,88,493.85
8	Tools & Equipments	38,31,756.00	7,23,715.28	-	45,55,471.28	33,88,161.00	5,08,530.00	-	38,96,691.00	6,58,780.00	4,43,595.00
9	Office Equipments	5,54,592.00	11,990.00	-	5,66,582.00	5,03,467.00	21,681.00	-	5,25,148.00	41,434.00	51,125.00
10	Air Conditioner	1,09,896.00	-	-	1,09,896.00	1,04,402.00	-	-	1,04,402.00	5,494.00	5,494.00
11	Furniture & Fittings	32,22,793.00	-	-	32,22,793.00	27,34,066.00	1,24,250.00	-	28,58,316.00	3,64,477.00	4,88,727.00
12	Vehicles - Car	71,62,980.00	-	22,10,693.00	49,52,287.00	53,58,536.00	5,10,557.97	17,99,288.77	40,69,805.20	8,82,482.00	18,04,444.00
13	Computers & Softwares	49,72,434.03	83,489.00	-	50,55,923.03	46,65,612.00	62,831.00	-	47,28,443.00	3,27,480.00	3,06,822.03
	TOTAL (A)	4,44,70,639.91	11,52,289.28	22,10,693.00	4,34,12,236.19	2,49,47,429.00	18,70,111.97	17,99,288.77	2,50,18,252.20	1,83,93,984.00	1,95,23,210.91
B) Intangible Asset :											
1	Website	85,823.00	29,500.00	-	1,15,323.00	80,711.00	12,745.01	-	93,456.01	21,867.00	5,112.00
	TOTAL (B)	85,823.00	29,500.00	-	1,15,323.00	80,711.00	12,745.01	-	93,456.01	21,867.00	5,112.00
	TOTAL (A+B)	4,45,56,462.91	11,81,789.28	22,10,693.00	4,35,27,559.19	2,50,28,140.00	18,82,856.98	-	2,51,11,708.21	1,84,15,851.00	1,95,28,322.91
	Previous Year	4,71,78,508.91	3,29,038.00	-	4,75,07,546.91	2,30,78,140.00	32,38,996.00	-	2,63,17,136.00	2,11,90,410.91	2,41,00,368.91

For Ashok Patil & Associates
Chartered Accountants
Firm Reg. No. 122045W
SD/-
(Ashok P.Patil)
Partner
M. No. 34423

Place : Aurangabad
Date : 28.05.2018



Ready to overcome the challenges ahead...



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R J BIO-TECH LIMITED

Regd. Office: Siddharth Arcade, Opp.Holiday Camp,
Station Road, Aurangabad-431005 (Maharashtra)