



**Jeevan Scientific Technology Limited**

**19<sup>th</sup> Annual Report 2016 - 2017**





## **Clinical Pharmacology Unit**

B-17, TIE, Phase II, Balanagar,  
Hyderabad, Telengana-500 037.  
Phone: +91-40-2372 1008

## Nineteenth Annual Report 2016-2017

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

Mr. SSR Koteswara Rao	–	Chairman, Independent Director (DIN: 00964290)
Mr. K. Krishna Kishore	–	Executive Vice Chairman & Managing Director (DIN: 00876539)
Mr. M. Rajendra Prasad	–	Executive Director & CEO (DIN: 06781058)
Mrs. K. Vanaja	–	Non-Executive Director (DIN: 01030437)
Mr. Raghav Beeram	–	Non-Executive Director (DIN: 07176417)
Mr. T. Ravi Babu	–	Independent Director (DIN: 01274099)
Mr. G. Bhanu Prakash	–	Independent Director (DIN: 00375298)
Mr. K. Rama Krishna Prasad	–	Independent Director (DIN: 00754823)
Mr. A. Vijay Kumar	–	Independent Director (DIN: 00124685)

#### COMPLIANCE OFFICER & COMPANY SECRETARY

Mrs. G. Krishna Sowjanya

#### REGISTERED OFFICE

Plot No. 1 & 2,  
Sai Krupa Enclave, Manikonda Jagir,  
Near Lanco Hills, Goloconda Post,  
Hyderabad,  
Telangana -500008.  
Ph No 040-67364700, Fax: 040- 67364707

#### STATUTORY AUDITORS

M/s. L N P & Co.,  
Chartered Accountants  
H. No 7-1-636/23, 2<sup>nd</sup> Floor,  
Sri Ganesh Nilayam,  
Model Colony,  
Near ESI, S.R. Nagar,  
Hyderabad - 500038.

#### BANKERS

Karur Vysya Bank Ltd.  
Oriental Bank of Commerce.  
Andhra Bank.  
State Bank of India.

#### AUDIT COMMITTEE

Mr. A. Vijay Kumar	-	Chairman
Mr. SSR Koteswara Rao	-	Member
Mr. K. Rama Krishna Prasad	-	Member
Mr. K. Krishna Kishore	-	Member

#### INTERNAL AUDITORS

M/s. K P & Associates  
Chartered Accountants  
Hyderabad

#### SECRETARIAL AUDITORS

M/s. S. S. Reddy & Associates  
Practicing Company Secretaries  
Plot No.6-3-354/13, A1,  
Suryateja Apartments,  
Hindi Nagar, Panjagutta,  
Hyderabad-500034

## **Jeevan Scientific Technology Limited**

### **NOMINATION & REMUNERATION COMMITTEE**

Mr. A. Vijay Kumar	-	Chairman
Mr. SSR Koteswara Rao	-	Member
Mrs. K. Vanaja	-	Member
Mr. K. Krishna Kishore	-	Member

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. K. Rama Krishna Prasad	-	Chairman
Mr. A. Vijay Kumar	-	Member
Mr. S S R Koteswara Rao	-	Member
Mr. K. Krishna Kishore	-	Member

### **INDEPENDENT DIRECTORS COMMITTEE**

Mr. SSR Koteswara Rao	-	Chairman
Mr. A. Vijay Kumar	-	Member
Mr. K. Rama Krishna Prasad	-	Member
Mr. G. Bhanu Prakash	-	Member

### **RISK MANAGEMENT COMMITTEE**

Mr. K. Rama Krishna Prasad	-	Chairman
Mr. A. Vijay Kumar	-	Member
Mr. S S R Koteswara Rao	-	Member
Mr. K. Krishna Kishore	-	Member

### **ANTI - SEXUAL HARRASSMENT COMMITTEE**

Mrs. Nalini Rama. Y	-	Chairman
Mrs. Teja.T	-	Member
Mrs. Krishnaveni N	-	Member
Dr. K. Rajani	-	Outside Member

### **REGISTRAR & SHARE TRANSFER AGENTS**

M/s. CIL Securities Limited,  
214, Raghavaratna Towers,  
Chiragali Lane, Hyderabad -500001  
Phone Number: 040-23202465 / 66612093  
Fax: 040-23203028

### **CORPORATE IDENTITY NUMBER**

L72200TG1999PLC031016

**LISTED AT:** BSE Limited.

**ISIN :** INE237B01018

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

**INVESTOR E-MAIL ID:** [shareholders@jeevanscientific.com](mailto:shareholders@jeevanscientific.com)

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### NOTICE

Notice is hereby given that the 19<sup>th</sup> Annual General Meeting of the Shareholders of M/s Jeevan Scientific Technology Limited will be held on 27<sup>TH</sup> day of September, 2017 at 9.30 A.M at 3<sup>rd</sup> floor, North Block, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad-500001 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Statement of Profit & Loss and Cash Flow Statement (including consolidated financial statements) for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. T. Ravi Babu (DIN: 01274099) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Raghav Beeram (DIN 07176417) who retires by rotation and being eligible, offers himself for re-appointment.
4. **“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Pavuluri & Co., Chartered Accountants (Firm Registration No. 012194S), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. L N P & Co., Chartered Accountants (Firm Registration No. 008918S), to hold office from the conclusion of this 19<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 24<sup>th</sup> AGM, subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

For and on behalf of the Board  
**Jeevan Scientific Technology Limited**

**Sd/-**

**K. Krishna Kishore**

Vice Chairman & Managing Director  
(DIN : 00876539)

Place : Hyderabad  
Date : 14.08.2017

## Jeevan Scientific Technology Limited

### NOTES:

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

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
2. A route map giving directions to reach the venue of the 19<sup>th</sup> Annual General Meeting is given at the end of the Notice.
3. In terms of Section 152 of the Companies Act, 2013, Sri. T. Ravi Babu and Sri. Raghav Beeram, Directors of the Company, retire by rotation at the meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commends their re-appointment. Brief profile of Directors, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given at the end of the notes”.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2017 to 27<sup>th</sup> September, 2017(Both days inclusive) for the purpose of AGM.
5. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
6. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
7. Corporate Members are requested to send to the Company’s Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
8. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
9. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can

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submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. CIL Securities Limited.)

11. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
12. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to **M/s. CIL Securities Limited**, Share Transfer Agents of the Company for their doing the needful.
13. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
14. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/ transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
15. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
16. Electronic copy of the Annual Report for 2016-2017 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-2017 is being sent in the permitted mode.
17. Members may also note that the Notice of the 19<sup>th</sup> Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website [www.jeevanscientific.com](http://www.jeevanscientific.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [shareholders@jeevanscientific.com](mailto:shareholders@jeevanscientific.com).
18. Voting through electronic means  
Pursuant to Section 108 of the Companies Act, 2013, a read with the relevant Rules of the Act and Regulation 44 of SEBI ( Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 20-Sep-2017, i.e. the dates prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 a.m. on 24-Sep-2017 and will end at 5.00 p.m. on 26-Sep-2017. The Company has appointed Mrs. D. Renuka (C.P.

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No. 3460), Practising Company Secretary, to act as the Scrutinizer, to scrutinize remote e-voting and physical voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

### I. Procedure for remote e-voting

- i. The voting period begins on 24-Sep-2017 at 9.00 A.M. and ends on 26-Sep-2017 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (20-Sep-2017) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii. Click on Shareholders.
- iv. Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the

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new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN Jeevan Scientific Technology Limited.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**(II) In case of members receiving the Physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:**

- A. Please follow all steps from sl. no. (ii) to sl. no. (xvii) above, to cast vote.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- B. The voting period begins on 24-Sep-2017 at 9.00 A.M. and ends on 26-Sep-2017 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 20-Sep-2017 may cast their vote electronically. The

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e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

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

19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 20-Sep-2017.
20. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively . Please follow the instructions as prompted by the mobile app while voting on your mobile.
21. Mrs. D. Renuka, Practising Company Secretary, bearing C.P. Number 3460 has been appointed as the Scrutinizer to scrutinize the e-voting process.
22. The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
23. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.jeevanscientific.com](http://www.jeevanscientific.com) and on the website of CDSL immediately after declaration of result by chairman and communicated to the BSE Limited.

The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a ‘Green Initiative in Corporate Governance’ and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company’s Registrar and Share Transfer Agents.

For and on behalf of the Board  
**Jeevan Scientific Technology Limited**

**Sd/-**

**K. Krishna Kishore**

Vice Chairman & Managing Director  
(DIN : 00876539)

Place : Hyderabad  
Date : 14.08.2017

**ANNEXURE TO NOTICE OF AGM**

**ITEM NO. 2 :BRIEF PROFILE OF THE DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

Sri. T. Ravi Babu completed his MBA Degree from Symbiosis Institute of Management, Pune. He has over 16 years of experience in freelancing, advertising and consulting computer graphics and also worked as Director of Cinematography in Indian Broadcasting Company at New York for 4 years. His exposure includes – Advanced Cinematography Film in Television Workshops, Rockport Main, USA and Advanced Online Editing Systems Management from Sony Institute of Applied Video Technology, San Jose, California, USA.

His services will immensely help the company in growing the business of the company and hence board recommend his reappointment for the approval of members.

**ITEM NO. 3 : BRIEF PROFILE OF THE DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

Sri. Raghav Beeram has over 20 years of experience in consulting, operations and business development in Americas, Europe & India. He is a recognized leader and an advisor to senior executives on business transformation strategies. He has previously worked for AppLabs, CSC and Cigniti.

Sri. Raghav Beeram holds a Bachelors degree in Electronics & Communications from Madras University and is a certified PMP, CQM, six sigma black belt, ITIL and CISA.

His services will immensely help the company in growing the business of the company and hence board recommend his reappointment for the approval of members.

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### BOARD'S REPORT

#### To the Members,

The Directors have pleasure in presenting before you the 19<sup>th</sup> Director's Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2017.

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

The performance during the period ended 31<sup>st</sup> March, 2017 has been as under:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2016-2017	2015-2016	2016-2017	2015-2016
Total Income	1,803.05	1,774.01	1,878.89	1,778.92
Total Expenditure	1,692.28	1,709.78	1,779.88	1,757.73
Profit Before Tax	110.77	64.23	99.01	21.62
Provision for Tax	9.63	22.29	10.74	22.29
Profit after Tax	101.14	41.94	88.27	(0.66)

#### Review of operations:

During the year under review your company recorded a turnover of Rs. 1,803.05 Lakhs as against Rs. 1,774.01 Lakhs for the previous financial year. The turnover includes revenue from the Clinical Research services, Information Technology Services and Data Management Service charges. Multi-fold growth in business is expected in the coming year(s) with the stable business operations

#### EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the company between 31<sup>st</sup> March and the date of Board's Report. (i.e. 14.08.2017)

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

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

#### TRANSFER TO RESERVES:

The company has not transferred any amount to reserves for the year.

#### CORPORATE GOVERNANCE:

The compliance with the corporate governance provisions as specified in regulations 17-27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply since the paid up equity share capital and net worth of the company does not exceed Rs. 10 crores and Rs. 25 crores respectively.

However, the company voluntarily provides a separate section in the Annual Report titled "Report on Corporate Governance" along with the Auditors' Certificate on Corporate Governance as stipulated under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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### **REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements for the year under review

### **EXTRACT OF ANNUAL RETURN:**

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

### **SHARE CAPITAL:**

The authorised capital of the company is Rs. 21,00,00,000/- consisting of 2,10,00,000 equity shares of Rs. 10/- each and the paid up share capital of the Company is Rs. 9,27,94,650/- consisting of 92,79,465 equity shares of Rs. 10/- each.

The authorized share capital of the company is increased from Rs. 9,99,00,000/- to Rs. 21,00,00,000/- vide special resolution passed at the Annual General Meeting of the company held on 30-Sept-2016.

Further the paid-up share capital of the company is increased from Rs. 6,04,16,000/- consisting of 60,41,600 equity shares of Rs. 10/- each to Rs. 8,11,44,650/- consisting of 81,14,465 equity shares of Rs. 10/- each pursuant to allotment of shares on preferential basis on 13-Dec-2016 as per the special resolution passed at the Annual General Meeting held on 30-Sept-2016.

Subsequently the paid up capital of the company is increased from Rs. 8,11,44,650/- consisting of 81,14,465 equity shares of Rs. 10/- each to Rs. Rs. 9,27,94,650/- consisting of 92,79,465 equity shares of Rs. 10/- each on conversion of 11,65,000 convertible warrants into 11,65,000 equity shares of Rs. 10/- each in the Board Meeting held on 30-Mar-2017 as per the special resolution passed at the Annual General Meeting held on 30-Sept-2016.

The proceeds of the issue have been spent towards the purpose/objects as mentioned in the Explanatory Statement to notice of AGM for the year 2015-16.

### **DIVIDEND:**

As the profits are inadequate, the Directors do not propose any dividend for the year under review.

### **BOARD MEETINGS:**

The Board of Directors duly met 7 (seven) times on 11-May-2016, 11-Aug-2016, 30-Aug-2016, 14-Nov-2016, 13-Dec-2016, 14-Feb-2017 and 30-Mar-2017 and in respect of which meetings, proper notices are given and the proceedings are properly recorded and signed in the Minutes Book maintained for the purpose.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Mr. K. Krishna Kishore was appointed as the Managing Director of the company w.e.f 10-Apr-2017. Mr. M. Rajendra Prasad was appointed as CEO of the company w.e.f 10-Apr-2017. However, Mr. K. Gopi Krishna resigned as Managing Director of the company w.e.f 10-Apr-2017. The Board places its sincere appreciation for the services rendered by Mr. K. Gopi Krishna during his tenure as director of the Company.

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### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

**In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:**

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received a declaration from Independent directors of the company, Mr. A. Vijay Kumar, Mr. G. Bhanu Prakash, Mr. SSR Koteswara Rao, Mr. K. Rama Krishna Prasad and Mr. T. Ravi Babu, to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 annexed to the Annual Report as Annexure –III.

### **STATUTORY COMPLIANCE:**

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

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

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC 1 is as an attachment herewith forming part of the Annual Report. In accordance with third provision to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its audited standalone and the consolidated financial statements has been placed on the website of the Company at [www.jeevanscientific.com](http://www.jeevanscientific.com) Further, audited financial statements together with related information and other reports of each of the subsidiary companies, have also been placed on the website of the Company at [www.jeevanscientific.com](http://www.jeevanscientific.com).

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### **DETAILS IN REPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT.**

There were no frauds reported by the auditors as per section 143 (12).

#### **AUDITORS:**

##### **STATUTORY AUDITORS:**

M/s. L N P & Co., Chartered Accountants, Hyderabad were appointed as Statutory Auditors for a period of one year in the Annual General Meeting held on 30.09.2016. The Board has received a letter of resignation from the auditors intimating that they do not continue as auditors of the company due to their pre occupations. The board after due discussions and on recommendations of the audit committee considered the appointment of M/s. Pavuluri & Co., Chartered Accountants as auditors of the Company in place of existing auditors.

Your Company received a proposal letter from M/s. Pavuluri & Co ., Chartered Accountants, intimating that their appointment would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

##### **INTERNAL AUDITORS:**

M/s. K P & Associates, Chartered Accountants, Hyderabad are the internal Auditors of the Company.

##### **SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 134(3)(f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S.S. Reddy & Associates., Practicing Company Secretaries is annexed to this Report as Annexure - IV

##### **INDIAN ACCOUNTING STANDARDS**

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies(Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company will adopt Indian Accounting Standards with effect from 01st April, 2017. The implementation of Indian Accounting Standards (IAS) is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame. The impact of the change on adoption of said IAS is being assessed.

##### **AUDIT REPORTS:**

###### **(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2017 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the robust growth in the industry.

###### **(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013 and has noted that the same does not have any reservations qualifications, or adverse remarks. The Secretarial Audit Report in Form Mr-3 is annexed to the Annual Report as Annexure - IV.

## Jeevan Scientific Technology Limited

### **CONSOLIDATED FINANCIAL STATEMENTS**

In compliance with the provisions of the Companies Act, 2013 and the Accounting Standards AS-21 and AS-27 on consolidated financial statements, the Directors have provided the consolidated financial statements for the financial year ended March 31, 2017 which forms part of the Annual Report.

### **COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

In compliance with SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has signed uniform listing agreement with BSE Limited and framed the following policies which are available on Company's website i.e. [www.jeevanscientific.com](http://www.jeevanscientific.com)

- i. Board Diversity Policy
- ii. Policy on preservation of Documents
- iii. Risk Management Policy
- iv. Whistle Blower Policy
- v. Familiarisation programme for Independent Directors
- vi. Anti-Sexual Harrassment Policy
- vii. Related Party Policy
- viii. Code of Conduct

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

No companies have become or ceased to be the subsidiaries, joint ventures or associate companies of the company.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

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

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

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

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

- i. **Research and Development (R&D):** Your company has started a Bioanalytical Lab in the new premises. Bioanalytical research laboratory is designed with state of the art facility equipped with advanced analytical instrumentation having 2 processing labs and 4 LC-MS/MS labs, which can accommodate up to 12 LCMS/ MS. Jeevan Scientific offers a unique combination of highly trained workforce enabled with well-equipped bio analytical research and development (R&D) laboratory.

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ii. **Technology absorption, adoption and innovation:** There was considerable technology absorption, adoption and innovation with the addition of the above equipment in the new facility the results of which can be seen in the years to come.

C. **Foreign Exchange Earnings and Out-Go:** The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflow: Please refer to note no.1(j) of notes to accounts.

### **DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:**

Your Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review.

### **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

### **DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

### **INSURANCE:**

The properties and assets of your Company are adequately insured.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given Guarantees during the year under review.

### **CREDIT & GUARANTEE FACILITIES:**

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from The Karur Vysya Bank Ltd. and Personal Guarantees were given by Mr. K. Krishna Kishore, Vice Chairman & Managing Director, Smt. K. Vanaja, Director, Shri. Raghav Beeram, Director & Shri. M. Rajendra Prasad Executive Director & CEO without any consideration for obtaining Bank Guarantees.

### **RISK MANAGEMENT POLICY:**

The Company follows a comprehensive system of Risk Management. The Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well structured risk management process.

### **CORPORATE SOCIAL RESPONSIBILITY POLICY:**

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

## Jeevan Scientific Technology Limited

### RELATED PARTY TRANSACTIONS:

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.jeevanscientific.com](http://www.jeevanscientific.com).

The Directors draw attention of the members to Note 24 in notes to accounts which sets out related party disclosures.

### DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to the Company.

### RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014, following is the remuneration paid to each of the directors of the company :

Sl. No.	Name of the Director	Designation	Remuneration
1.	Vijaykumar Annam	Independent Director	NA
2.	Bhanu Prakash Gali	Independent Director	NA
3.	Kakarla Rama Krishna Prasad	Independent Director	NA
4.	Kuchipudi Krishna Kishore	Vice Chairman & Managing Director (effective from 10.04.2017)	Rs. 26,12,903/-
5.	Sreerama Koteswara Rao Surapaneni	Independent Director	NA
6.	Kuchipudi Vanaja	Non-Executive Director	NA
7.	Thammareddy Ravi Babu	Independent Director	NA
8.	Rajendra Prasad Muppavarapu	Executive Director & CEO	Rs. 30,99,996/-
9	Raghav Beeram	Non-Executive Director	NA
10	Gopi Krishna Kilaru	Managing Director (up to 10.04.2017)	Rs. 13,43,548/-

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### **NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES**

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

### **CEO/ CFO Certification**

The Managing Director and CEO/ CFO certification of the financial statements for the year 2016-17 is provided elsewhere in this Annual Report.

### **LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2016-2017 to Bombay Stock Exchange where the Company's Shares are listed.

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

Management discussion and analysis report for the year under review as stipulated under Regulation 4(3) read with schedule V , Part B of SEBI(Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is presented in a separate section forming part of the annual report.

### **INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY**

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

### **SECRETARIAL STANDARDS**

The company is in compliance with Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

### **EVENT BASED DISCLOSURES**

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

- 1. Issue of sweat equity share:** The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
- 2. Issue of shares with differential rights:** The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
- 3. Issue of shares under employee's stock option scheme:** The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014
- 4. Non- Exercising of voting rights :** During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
- 5. Disclosure on purchase by company or giving of loans by it for purchase of its shares:** The company did not purchase or give any loans for purchase of its shares.

## Jeevan Scientific Technology Limited

6. **Buy back shares:** The company did not buy-back any shares during the period under review.
7. **Disclosure about revision:** Since the company did not undergo any revision, this clause is Not Applicable to the company for the period under review.
8. **Preferential Allotment of Shares:** The company has allotted 20,72,865 equity shares of Rs. 10/- each and 74,53,650 convertible warrants on 13-Dec-2016 as per the special resolution passed on 30-Sept-2016.

### **EMPLOYEE RELATIONS:**

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 8,50,000/- and above per month or Rs.1,02,00,000/- and above in aggregate per annum, the limits prescribed under Section 197(12) of Companies Act 2013 read with Rule 5 of Companies(Appointment & Remuneration Of Managerial Personnel) Rules, 2014.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

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

Your directors further state that during the year under review, there were no cases filed pursuant to the sexual harassment of women at work place. (Prevention, prohibition and Redressal act, 2013)

### **ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, shareholders of the Company and other institutions like SEBI, BSE, NSDL, CDSL, The Karur Vysya Bank, Oriental Bank of Commerce, Andhra Bank and State Bank of India etc. for their continued support for the growth of the Company.

For and on behalf of the Board  
**Jeevan Scientific Technology Limited**

Place : Hyderabad  
Date : 14.08.2017

**Sd/-**  
**K. Krishna Kishore**  
Vice Chairman & Managing Director  
DIN : 00876539

**Sd/-**  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN : 02376561

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### CODE OF CONDUCT

#### **DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT:**

The shareholders

**M/s Jeevan Scientific Technology Limited**

Pursuant to Reg. 17(5) read with Reg. 34(3), Schedule V, part D of SEBI ( Listing Obligations and Disclosure Requirements), Regulations, 2015 I, K. Krishna Kishore, Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board  
**Jeevan Scientific Technology Limited**

Place : Hyderabad  
Date : 14.08.2017

**Sd/-**  
**K. Krishna Kishore**  
Vice Chairman & Managing Director  
(DIN : 00876539)

## **Jeevan Scientific Technology Limited**

### **CERTIFICATE BY THE MANAGING DIRECTOR OF THE COMPANY**

**To**  
**The Board of Directors**  
**Jeevan Scientific Technology Limited**

Dear Sirs,

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

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2017 and to the best of our knowledge and belief;
  - a) These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b) These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board  
**Jeevan Scientific Technology Limited**

**Sd/-**

**K. Krishna Kishore**

Vice Chairman & Managing Director  
(DIN : 00876539)

Place : Hyderabad  
Date : 14.08.2017

## Nineteenth Annual Report 2016-2017

### MANAGEMENT DISCUSSIONS & ANALYSIS:

This report contains financial review, opportunities, challenge, outlook etc.

#### i) **FINANCIAL REVIEW:**

Income earned to the extent of **Rs. 1,803.05 lakhs** as against **Rs. 1,774.01 lakhs** of previous year and earned a profit of Rs. 101.14 lakhs as against Rs.41.94 lakhs compared to last year

#### ii) **PERFORMANCE:**

During the year under review your company recorded a turnover of Rs. 1,803.05 Lakhs as against Rs. 1,774.01 Lakhs for the previous financial year. The turnover includes the Data Management Services, Information Technology Services and Clinical Research Services. The Business plan is to ensure at least two fold growth in business in the coming year(s) with the stable business. During the Financial Year under report, **Clinical Research Services** division has expanded into offering the complete portfolio of services as explained below:

Jeevan has the advantage of fully integrated scientific expertise team in Clinical research functions. Jeevan started offering a varied range of clinical research services across Phase I to Phase IV services to pharmaceutical and biotechnology industries. The technical team at Jeevan has immense experience in handling various projects in diverse therapeutic areas for different regulatory authorities. The leadership team at Jeevan has over 125 years of cumulative experience in this arena, which comprises successful execution of more than 1500 clinical research projects for several pharmaceutical clients across the globe.

##### a. **Bioanalytical Research:**

Your company has started a Bioanalytical Lab in the new premises. Bioanalytical research laboratory is designed with state of the art facility equipped with advanced analytical instrumentation having 2 processing labs and 4 LC-MS/MS labs, which can accommodate up to 12 LC-MS/MS. Jeevan Scientific offers a unique combination of highly trained workforce enabled with well-equipped bioanalytical research and development (R&D) laboratory.

##### b. **Clinical Operations:**

The facility is in compliance with all the statutory requirements and also the applicable regulatory requirements like Drug Control General of India (DCGI). This facility is used to carry out the clinical research studies for pharmaceutical companies who are developing molecules for global market.

##### c. **Clinical Project Management:**

The Project management team is responsible for overseeing the technical and administrative aspects of the study. The team is committed to ensure timely update of project status, and meeting the client requirements in agreed timelines.

##### d. **Quality Assurance Services:**

The QA team is focused on continual improvement of Quality Management System

## Jeevan Scientific Technology Limited

and reports directly to management. QA auditors are armed with knowledge on national, international regulations and guidelines. The QA team audits quality systems and studies, carried out by Jeevan, in accordance with set procedures and applicable regulatory guidelines, to ensure fulfillment of quality requirements.

### **e. Scientific and Medical Writing Services:**

Jeevan's Scientific and Medical Writing Services are structured with a team of competent writers, with diverse portfolios. The team is currently supporting major pharma clients across the globe, to achieve their objectives in scientific communications and providing assistance in varied writing services including Commercialization writing, Regulatory & technical documents along with other client customized documentations.

### **f. Clinical Data Management and Statistical Analysis Services:**

The Data Management team has hands on experience in handling clinical data, and the team ensures efficient and reliable management of the data in compliance with industry standards and regulatory requirements.

### **g. Pharmacovigilance Services:**

Jeevan scientific offers a wide range of comprehensive pharmacovigilance and safety monitoring services. Jeevan's aim at a rapid pace growth, and retains an experienced vigilance team, thus being able to provide a wide range Pharmacovigilance services for different regulatory bodies.

### **h. Regulatory Affairs:**

Jeevan provide expert services for the management of concerns with regulatory authorities and fulfill client expectations in a realistic and transparent manner.

## **A. AN IMPORTANT MILESTONE:**

During the last financial year, your company achieved the biggest milestone of successful completion of the audit from USFDA. USFDA conducted an un-announced audit of our corporate and clinical pharmacology centre facilities. The purpose of this audit was to review the BA/BE studies. The auditors started the review on 05 Jun 2017 and completed on 08 Jun 2017. We are pleased to inform you that the auditors were pleased with our procedures and processes which resulted with No 483 Observations.

## **B. OPPORTUNITIES:**

Your Company could visualize increasing opportunities in exploring new avenues in Clinical Research Services. The marketing efforts of the company received an encouraging response. Today there is an ample business for Clinical Research Services in India and abroad. The quality based infrastructure and manpower are not easily available in the market. Due to these strengths with Jeevan we are able to see lot of opportunities coming to Jeevan.

## **C. CHALLENGES:**

Your Company faces normal market competition in all its business from domestic and overseas companies. However, our business strategies and global competitive cost position have enabling us to retain the market position and maintain operating margin and enhance

long term, even under difficult operating conditions for the IT industry, Pharmaceutical Sector is going to play a vital role in c=increasing the revenues of the organization. We endeavor to enhance its competitive advantage through a process of continuous improvements and by implementing appropriate business strategies.

### **D. Advantages of CROs in India**

None of the following advantages of India changed drastically to have a competitive edge over other organizations located outside India and India is considered as the hub for the clinical trial industry and where we provide the Clinical Research Services.

- India offers a set of advantages that are so unique and strong vis-a-vis other regions of the world that no major drug research company can afford to ignore India in their medium to long term.
- Ability to conduct a trial faster than most of the major locations in the world in most of the significant therapeutic segments. In this industry, time is money in true sense. In a study by Ernst & Young, it was concluded that in most cases there is a 20%-30% time advantage of carrying out a Phase III study in India compared to undertaking it in North America or in Western Europe.
- India has a huge pool of subjects/ patients (many of them are treatment-naïve) with wide spectrum of diseases that is willing to participate in clinical studies. The past experience has shown that in most of the multi country trials, patient enrolment is rapid in India, thereby speeding up the drug development process. The 20-year clock on drug patent starts ticking when a new compound is discovered, not when it is approved. An early completion of drug testing results in the reduction in cost incurred on its development and provides more time for selling it as a monopoly product enabling better recovery of costs incurred as well as earning good profits. Diseases like multi drug resistant pneumonia, hepatitis B, diabetes, cardiovascular diseases and some cancers are more prevalent in India than in the West. Also, testing a drug on different ethnic groups can determine how drugs work differently in various racial groups and among other things, whether different dosages are required in different ethnic populations.
- English is the main language of communications in the hospitals in all major cities.
- Carrying out a study in India in strict accordance with global guidelines results in cost saving of between 25% -40% when compared to the regions mentioned above.
- India has a talented pool of Clinical Research Professionals (highly trained medical professionals) and infrastructure, which includes all super specialties of Medicine.
- Importing clinical supplies has become easier. An import license is granted with the clinical trial permission.
- Apart from cost advantage, the more promising and long-standing advantage is the speed of recruitment/completion of trial that enables the drug developer to have longer time in the market before expiry of the patent to fetch the obvious benefits.
- IT enabled infrastructure at a lower cost.
- In the recent past, the efficient regulatory system in the country, enabling to attract

## Jeevan Scientific Technology Limited

more business from abroad in the area of clinical research.

### **E. OUTLOOK:**

The outlook for margins in current scenario will depend upon global demand and supply trends in the pharmaceutical / education industry. We intend to extend our educational programs and explore the new avenues and opportunities by entering in to tie-up arrangements with more national and International Universities. In the Clinical research services area we plan to extend our services to a variety of pharmaceutical industries around the world covering all the therapeutic areas.

### **F. ADEQUACY OF INTERNAL CONTROL:**

Your company has internal auditors to ensure that internal control systems are in place and all assets are safeguarded and protected against loss. An extensive program of Internal Audit and reviews supplement the internal control systems by management & documented policy guidelines and procedures. The internal control systems are designed to ensure that the financial records are available for preparing financial statements and other data and maintaining accountability of assets.

### **G. QUALITY:**

Our Motto is to ensure total Customer Satisfaction. Proactive efforts are directed towards determining customers' requirements and achieving all round customer satisfaction. This is primarily achieved through automated systems, high attention to complaint resolution online communication and information exchange, quality circles and adoption of programs.

### **H. HUMAN RESOURCES DEVELOPMENT (HRD):**

Yours is a young Company, with human resources of an average age of 30 years for its employees as on March 31, 2017. Right from the beginning the Company got good HRD policies for retaining manpower.

### **I. LEARNING & TRAINING:**

Training programs have been devised to develop cross-functional skills.

### **ENHOPS:**

Enhops Solutions Pvt. Ltd. in India and ENHOPS, Inc., USA are fully owned subsidiary companies of Jeevan Scientific Technology Limited, Hyderabad.

Enhops is an independent testing services organization, which provides services in the areas of Test Assessment, Test Center of Excellence, Process Establishment, Functional and Non-functional testing. Enhops has a dedicated team working on tools and accelerators to speed up testing and extending the benefits to its customers

**Test Advisory Services:** Today's digital business world demands high-quality products and services. Organizations should invest in innovation and quality assurance for their software and applications to stay ahead of their competition. They need a reliable software-testing partner who can assess their testing requirements, refine QA practice and advise on a QA roadmap in line with their business needs.

The quality of products or services offered by an organization is directly proportional to its business growth. Achieving quality needs a meticulously planned test strategy and its

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implementation. Also, the right test infrastructure coupled with right people and right skill sets is crucial to offer high-class services and solutions.

**Test Automation:** Ever-changing market demands make it challenging for enterprises to deliver high quality software at high speed. Enterprises are increasingly adopting alternate software development approaches such as Agile and DevOps to deliver effective software and applications. Traditional software testing approaches, including manual testing, are not enough to rapidly deliver software with impeccable quality. Hence, test automation has gained lot of prominence in the recent times. Also, agile-driven software development and test practices have made test automation as an integral component of continuous integration and testing for continuous delivery.

In the current era of digital transformation where Mobile, IoT, Cloud, Big Data concepts are playing a significant role, mere automation of test execution will not suffice. The challenge is to design end-to-end test automation solutions efficiently by integrating methodologies, frameworks, accelerators, latest technologies, virtualization tools, and lab management solutions.

**Performance Testing:** Today's hyper-connected world across mobile phones, smart devices, diverse media channels, and business applications demand enterprises to offer seamless end user experience so as to achieve competitive advantage. Enterprises need their applications and websites to be up and running 24/7 to facilitate enormous number of real-time transactions. The slightest application downtime can put the reputation of an enterprise at stake and cause substantial revenue loss. Hence, testing of such business-critical applications/software requires a different perception entirely by putting customer experience at the centre.

The performance of an application or software plays a major role in gaining and retaining the customer base. The best of workflows and business logics would fail when the applications are not tested for various performance factors. Thus, performance testing is critical to ensure that the software/applications are optimized for efficiency and run as intended. Also, performance testing has to be continuously implemented to detect the defects often, early and rectify them. This calls for introduction of performance testing of applications for early detection of bottlenecks at any stage of the software development life cycle and solve them, thereby reduce time to go live.

**Security Testing:** Data security is becoming extremely critical with more and more technological innovations happening in the industry. Security breach can happen at network level, system software level, client-side or server-side. Enhops Security Testing Services helps our customer to develop and secure their web or mobile applications as well as meet applicable regulatory and compliance requirements. Our key offerings in this area include:

- Web Application Security Testing
- Threat Modeling
- Security Testing Consulting

**Mobile testing:** Usage of mobile devices and applications has seen tremendous growth in the recent past. They are considerably enabling businesses and customers to interact in a whole new format. This exponential growth in the mobile market is bringing in new testing challenges with variant platforms, OS versions, screen sizes and networks. Enhops offers the following Mobile testing services:

## Jeevan Scientific Technology Limited

- Manual functional testing
- Compatibility testing
- Usability testing
- Test automation
- Performance testing
- Security testing

Our mobile testing framework caters to all possible combinations of platforms, operating systems, browsers and networks to ensure optimum test coverage. Our robust methodology coupled with home grown accelerators help to speed up testing.

**Test Center of Excellence:** Some of the common testing challenges we see in an organization are – ambiguous requirements, aggressive schedules, limited budgets for testing, complex environments, high operations costs and so on. Test Center of Excellence (TCoE) is a centralized testing function established to address these challenges effectively and meet testing needs of all business units successfully. Key objectives of TCoE are:

- Repeatability
- Predictability
- Continuous improvement
- Innovation
- Scalability

An end-state TCoE consists of 5 components that are critical to its successful functioning – Executive Commitment, Building blocks, Enablers, Quality Management Office and Delivery Model.

Enhops uses the homegrown CORE (C-Construct, O-Optimize, R-Review and E-Expand) Methodology to help organizations transform into a TCoE. We adopt a 3 pronged approach – Adopt, Transform and Improve, to implement TCoE.

**DevOps:** Industry recognizes the need for continuous integration and deployment. Without bringing testing into the mainstream development lifecycle, DevOps is incomplete, leading to quality issues.

Organizations are looking to adopt DevOps to reduce Build to Deploy time. DevOps framework integrates development and operations with focus on continuous integration and testing to cut down the cycle time. The framework encompasses testing at various levels such as ambiguity reviews of individual user stories, testing at individual sprint level and complete end-to-end testing at the release level.

Enhops DevOps framework focuses on minimizing challenges in–

- Integration between development and operations
- Introducing change
- Continuous monitoring in production
- Automating tests for agility and scalability

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- Quality deployments through minimal human intervention
- Parallel user tests

**Functional Manual Testing:** Early testing brings lot of benefits in terms of quality, time and cost. Static and dynamic testing goes hand in hand to make this happen. Involving testing teams in requirement workshops helps in understanding the expectations and build required tests soon.

Enhops methodologies are life cycle model agnostic and integrate seamlessly with the overall development methodology to bring in efficiencies early on. Our KnoRA tool kick-starts the functional testing and it focuses on identifying ambiguities in requirements thereby improving requirements quality consumed downstream. The methodology also integrates best practices such as Inside out and Outside in risk based testing, tools and techniques such as bidirectional traceability matrix, equivalence partitioning, boundary value analysis, state transition etc., to achieve optimum coverage in less time. As a practice, our test teams capture various metrics such as defect trends, test coverage, process quality, project progress, productivity and application quality. These metrics trends are presented in real time as dashboard in our QGuage tool and/or as part of daily, weekly and monthly status reports.

**Process Framework Establishment:** Enhops brings its vast experience and expertise to establish a robust test methodology that will offer benefits through unified test governance, standardization and reusability. Our proprietary Global Delivery Methodology is used as basis to establish process framework at our client locations. The process framework consists of following entities and these are common across various testing types:

- Handbook
- Processes
- Guidelines
- Templates
- Checklists

Our approach towards improvement of services and application quality is through continuous improvement of processes and practices. In order to ensure effective implementation of the defined processes, process compliance checks are carried out at defined intervals. These checks help in identifying improvement opportunities and build efficiencies.

Process audits are conducted at periodic intervals to understand what is working well and what is not. Findings identified from audits are categorized as non-conformance and opportunity for improvement. All the findings categorized as opportunity for improvement are grouped as project and process specific. All process specific improvements are handled as change requests and are addressed based on the priority assigned.

### **Our Differentiators:**

1. **CORE:** CORE is a homegrown methodology to establish and maintain Test Center of Excellence (TCoE).
2. **QuesT:** QuesT is an online questionnaire management tool, which is used for Test Advisory Services.

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3. **EstiMate:** EstiMate tool uses the industry standard PERT three-point estimation and test point analysis technique to understand the complexity and estimate effort.
4. **KnoRA:** Enhops KnoRA tool helps in managing requirements ambiguity analysis and reporting ambiguous requirements.
5. **OptiTest:** OptiTest is Enhops' proprietary tool that supports test data generation for Orthogonal array testing.
6. **QGuage:** QGuage is Enhops' dashboard management tool that helps in generating customized metric reports and dashboards as per the requirement.
7. **PrediQT:** PrediQT is Enhops' statistical prediction model that helps in predicting defects based on historical data.
8. **CalRoI:** Enhops Automation ROI analyzer is an effective and simple way to understand the benefits derived automation at defines intervals.

### **Global Delivery Methodology:**

Enhops global delivery methodology is common across all functional and non-functional testing types. It uses a proven approach that integrates industry standards, innovation and our experience and expertise to deliver consistent, efficient and high quality services to our customer. The methodology has a set of repeatable processes and techniques for analyzing business situation and developing an optimal solution.

### REPORT ON CORPORATE GOVERNANCE

*\*\* Although Corporate Governance is not applicable to the company as its paid up-equity capital does not exceed Rs. 10 crores and net worth does not exceed Rs. 25 crores, the company voluntarily complies by more or less all the compliances under Corporate Governance a practice to keep the stakeholders informed about the company .*

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Jeevan Scientific Technology Limited as follows:

#### **Company's philosophy on Corporate Governance:**

The Company is in full compliance with the requirements of Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **BOARD DIVERSITY:**

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, [www.jeevanscientific.com](http://www.jeevanscientific.com)

#### **BOARD EVALUATION:**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as :

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

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### **FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

All new independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are provided in the corporate governance report. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

### **COMPANY'S CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

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

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

### **BOARD OF DIRECTORS:**

The Board of Directors duly met 7 (seven) times on 11-May-2016, 11-Aug-2016, 30-Aug-2016, 14-Nov-2016, 13-Dec-2016, 14-Feb-2017 and 30-Mar-2017 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

The Composition of the Board, attendance at board meetings (BM) held during the financial year under review and at the last Annual General Meeting (AGM), number of Directorships and memberships / chairmanships in public companies (including the Company) are given below.

S.No.	Name of the Director	Category	Attendance at Board Meeting	Whether Attended AGM Held on 30-09-2016	No. of Director Ships in Other Public Companies	No. of Other Board Committees in which he is Member	No. of Other Board Committees in which he is a Chairman
1.	Mr. A. Vijay Kumar	Non-Executive Independent Director	5	yes	-nil-	-nil-	-nil-
2.	Mr. K. Krishna Kishore, Vice Chairman & Managing	Executive Promoter	7	Yes	-nil-	-nil-	-nil-
3.	Mr. K. Gopi Krishna, Managing Director*	Executive Promoter	4	Yes	-nil-	-nil-	-nil-
4.	Ms. K. Vanaja	Executive Promoter	7	Yes	-nil-	-nil-	-nil-

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S.No.	Name of the Director	Category	Attendance at Board Meeting	Whether Attended AGM Held on 30-09-2016	No. of Director Ships in Other Public Companies	No. of Other Board Committees in which he is Member	No. of Other Board Committees in which he is a Chairman
5.	Mr. T. Ravi Babu	Non-Executive Independent Director	1	Yes	-nil-	-nil-	-nil-
6.	Mr. G. Bhanu Prakash	Non-Executive Independent Director	6	Yes	-nil-	-nil-	-nil-
7.	Mr. M. Rajendra Prasad, Executive Director & CEO	Executive Director & CEO	6	Yes	-nil-	-nil-	-nil-
8.	Mr. K. Rama Krishna Prasad	Non-Executive Independent Director	6	Yes	-nil-	-nil-	-nil-
9.	Mr. SSR Koteswara Rao, Chairman	Non-Executive Independent Director	7	Yes	2	-nil-	-nil-
10.	Mr. Raghav Beeram	Non-Executive Director	5	Yes	-nil-	-nil-	-nil-

\* Resigned w.e.f 10.04.2017

Alternate Directorships, Directorships in Private Bodies and Membership in governing councils, chambers and other bodies were not considered.

*As seen from the above, the Non-Executive Directors constitute more than half of the total number of Directors. The Company has a Non-Executive Chairman and one third of the total strength of the Board comprises of Independent Directors. Managing Director is overseeing the day-to-day operations of the Company.*

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### **DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE**

Mr. K. Krishna Kishore and Mrs. K. Vanaja are inter-se related as Husband and Wife respectively.

### **NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:**

None of the non-Executive Directors of the company except Mr. Thammareddy Ravi (2500 equity shares), Bhanu rakash Gali (3000 equity shares) Mr. Raghav Beeram (142390 equity shares), Mr. K R K Prasad ( 3,00,000 equity shares) hold any shares and Convertible Instruments in their name.

### **COMPOSITION OF AUDIT COMMITTEE:**

- IV.** The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.
- II.** The terms of reference of the Audit Committee include a review of the following:
1. Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
  2. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
  3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  4. Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
  5. Reviewing with management the annual financial statements before submission to the Board, focusing on:
    - a) Any changes in accounting policies and practices;
    - b) Qualification in draft audit report;
    - c) Significant adjustments arising out of audit;
    - d) The going concern concept;
    - e) Compliance with accounting standards;
    - f) Compliance with stock exchange and legal requirements concerning financial statements;
    - g) Any related party transactions
    - h) Reviewing the company's financial and risk management's policies.
    - i) Disclosure of contingent liabilities.
    - j) Reviewing with management, external and internal auditors, the adequacy of internal control systems.
  - k) Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  - l) Discussion with internal auditors of any significant findings and follow-up thereon.
  - m) Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control

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systems of a material nature and reporting the matter to the Board.

n) Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

o) Reviewing compliances as regards the Company's Whistle Blower Policy.

III. The previous Annual General Meeting of the Company was held on 30-Sep-2016 and Chairman of the Audit Committee, attended previous AGM.

IV. The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Regulation 18 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the composition of the Audit Committee. During the financial year 2016-2017, (4) four meetings of the Audit Committee were held on the 11.05.2016, 11.08.2016, 14.11.2016 and 14.02.2017.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings Held	No. of Meetings Attended
Mr. A. Vijay Kumar	Chairman	NED(I)	4	3
Mr. K. Krishna Kishore	Member	ED	4	4
Mr. SSR Koteswara Rao	Member	NED(I)	4	4
Mr. K. Rama Krishna Prasad *	Member	NED(I)	-	-

\* Appointed w.e.f 14-08-2017

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

**ED** : Executive Director

### V. NOMINATION & REMUNERATION COMMITTEE

The details of composition of the Committee are given below:

Name	Designation	Category	No. of Meetings Held	No. of Meetings Attended
Mr. A. Vijay Kumar	Chairman	NED(I)	1	1
Mr. T. Ravi Babu**	Member	NED(I)	1	1
Mr. SSR Koteswara Rao	Member	NED(I)	1	1
Mr. K. Krishna Kishore*	Member	ED	-	-
Mrs. K. Vanaja*	Member	NED	-	-

\* Appointed w.e.f 14-08-2017

\*\* Resigned as Member w.e.f 14-08-2017

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

**ED** : Executive Director

**NED** : Non Executive Director

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### Terms of reference:

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Executive Director of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

### Remuneration Policy:

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

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

The details of remuneration paid to the Executive and Non Executive Directors per annum for the financial year 2016-2017 are given below:

Name of the Director	Remuneration/Sitting Fees
Mr. K. Krishna Kishore	26,12,903 (Remuneration)
Mr. K. Gopi Krishna*	13,43,548 (Remuneration)
Mr. M. Rajendra Prasad	30,99,996 (Remuneration)
Mr. Raghav Beeram	49,000 (sitting fees)
Mr. K. Vanaja	69,000 (Sitting fees)
Mr. A. Vijay Kumar	80,500 (Sitting fees)
Mr. SSR Koteswara Rao	1,10,500 (Sitting fees)
Mr. T. Ravi Babu	12,500 (Sitting fees)
Mr. G. Bhanu Prakash	60,000 (Sitting fees)
Mr. K. Rama Krishna Prasad	59,000(Sitting fees)

\* Resigned w.e.f 10-Apr-2017

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

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

#### **1. Scope:**

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

### 2. Terms and References:

2.1 “**Director**” means a director appointed to the Board of a Company.

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

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

### 3. Policy:

#### Qualifications and criteria

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

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

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

3.1.3 The proposed appointee shall also fulfil the following requirements:

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

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

### 3.2 Criteria of Independence

- 3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.
- 3.2.2 The criteria of independence, as laid down in companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is as below:

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

- a. Who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - b. (i) who is or was not a promoters of the company or its holding, subsidiary or associate company;  
(ii) Who is not related to promoters or directors of the company its holding, subsidiary or associate company
  - c. Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or director, during the two immediately preceding financial year or during the current financial year;
  - d. None of whose relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;
  - e. Who, neither himself nor any of his relative-
    - (i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate company in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;
    - (ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the finance year in which he is proposed to be appointed of-
- (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (B) any legal or a consulting firm that has or had any transaction with the company, its holding subsidiary or associate company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;
- (iii) holds together with his relatives two per cent or more of the total voting power of the

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company; or

- (iv) is a chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the company any of its promoters , directors or its holding subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- (v) is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the company's business.
- g. Shall possess such other qualifications as may be prescribed from time to time, under the companies Act, 2013.
- h. Who is not less than 21 years of age

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

### **3.3 Other directorships/ committee memberships**

- 3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.
- 3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
- 3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

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

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

#### 1. Scope:

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

#### 2. Terms and Reference:

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

2.1 “**Director**” means directors appointed to the Board of the company.

2.2 “**Key Managerial Personnel**” means

- (i) The Chief Executive Office or the managing director or the manager;
- (ii) The company secretary;
- (iii) The whole-time director;
- (iv) The chief finance Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

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

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

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

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### 3.2 Remuneration to Non – Executive Directors

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

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

### 3.3. Remuneration to other employees

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

## VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

### A.) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. K. Rama Krishna Prasad*	Chairperson	NED(I)
Mr. A. Vijay Kumar	Member	NED(I)
Mr. K. Krishna Kishore	Member	ED
Mr. SSR Koteswara Rao	Member	NED(I)

\* Appointed w.e.f 14-08-2017

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

**ED** : Executive Director

### B) Powers:

The Committee has been delegated with the following powers:

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

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

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The Company has designated an exclusive e-mail ID called [shareholders@jeevanscientific.com](mailto:shareholders@jeevanscientific.com)

### C.) NAME AND DESIGNATION OF COMPLIANCE OFFICER

Ms. G. Krishna Sowjanya , Company Secretary of the company, is the compliance officer of the Company.

### D.) DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2016-17

INVESTOR COMPLAINTS	
Particulars	Year ended 31-Mar-2017
Pending at the beginning of the year	—
Received during the year	—
Disposed of during the year	—
Remaining unresolved at the end of the year	—

## VII. RISK MANAGEMENT COMMITTEE

### A.) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. K. Rama Krishna Prasad*	Chairperson	NED(I)
Mr. A. Vijay Kumar	Member	NED(I)
Mr. K. Krishna Kishore	Member	ED
Mr. SSR Koteswara Rao	Member	NED(I)

\* Appointed w.e.f 14-08-2017

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

**ED** : Executive Director

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

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### Annual General Body Meetings:

Location and time of last three Annual General Meetings are as under:

Year	Location	Date	Time	Spl resolutions
2016	III Floor, R.R. Towers	30-Sep-2016	09.00 A.M	Yes
2015	III Floor, R.R. Towers	30-Sep-2015	09.00 A.M	Yes
2014	III Floor, R.R. Towers	29-Sep-2014	09.30 A.M	Yes

During the year under review following resolutions were put to vote and were passed by postal ballot :-

1. To increase the borrowing powers of the company under sec. 180 (1) (c) of the Companies Act, 2013 upto Rs. 100 crores.
  2. Creation of Mortgage and/ or charge over the moveable and immoveable properties of the company.
  3. Amendment of the main objects of the company.
- A. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY:** The Non- Executive Directors have no pecuniary relationship or transactions.
- B. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:** As per the remuneration policy of the company.
- C. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2016-17 AND OTHER DISCLOSURES**

Name of the Director	Salary (Rs) (p.a)	Sitting fees (Rs)(p.a)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mr. K. Krishna Kishore	26,12,903	—	11,24,391	-	-	-	-
Mr. K. Gopi Krishna *	13,43,548	—	2,70,000	-	-	-	-
Mr. M. Rajendra Prasad	30,99,996	—	1,34,250	-	-	-	-
Mr. Raghav Beeram	nil	49,000	1,42,390	-	-	-	-
Mr. SSR Koteswara Rao	—	1,10,500	-	-	—	—	-
Mr. A. Vijay Kumar	—	80,500	-	-	-	-	-
Ms. K. Vanaja	—	69,000	8,57,800	-	-	-	-
Mr. T. Ravi Babu	—	12,500	2,500	-	-	-	-
Mr. G. Bhanu Prakash	—	60,000	3,000	-	-	-	-
Mr. K. Rama Krishna Prasad	—	59,000	3,00,000	-	-	-	-

\* Resigned w.e.f 10-Apr-2017

## Jeevan Scientific Technology Limited

### D. INDEPENDENT DIRECTORS' MEETING:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 14-Feb-2017, and discussed the following:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc.

### FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made there under, the independent directors of the company had a meeting on 14<sup>th</sup> day of February, 2017 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing 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.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 4 (Four) non-independent directors namely: i.) Mr. K. Gopi Krishna – Managing Director (resigned w.e.f 10-Apr-2017) -, ii.) Mr. K. Krishna Kishore – Vice chairman & Managing Director iii) Mr. M. Rajendra Prasad - Executive director & CEO, iv.) Mr Raghav Beeram- Non-Executive director and v.) Mrs. K. Vanaja – Non Executive Director. The meeting recognized the significant contribution made by non-independent directors in the shaping up of the company and putting the company on accelerated growth path. They devoted more time and attention to bring up the company to the present level.

**The meeting also** reviewed and evaluated the performance of the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.

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- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

### **VIII. OTHER DISCLOSURES**

#### **A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS**

During the year under review, the Company had not entered in to any materially significant transaction with any related party. Remuneration paid to directors is well within the limits of Section 197 read with Schedule V of Companies Act, 2013. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

#### **B. COMPLIANCES:**

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

#### **C. WHISTLE BLOWER POLICY**

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct, which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

#### **D. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

The Board & Separate posts of Chairman and CEO: The positions of the Chairman and the CEO are separate of the company. All other requirements of the Board during the year have been complied with.

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- Shareholders' rights: The quarterly results are uploaded on the website of the Company [www.jeevanscientific.com](http://www.jeevanscientific.com). The soft copy of the quarterly results is also sent to the shareholders who have registered their e-mail addresses.
- Audit qualifications: Company's financial statements are unqualified.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.
- Modified opinion in Audit Report: The audit report does not contain any qualification.

### Accounting Standards and Treatment:

The Accounting Treatment, as prescribed in the Accounting Standards has been followed in the preparation of financial statements.

### MEANS OF COMMUNICATION:

The Quarterly, Half-Yearly and Annual Accounts are normally published by the Company in the newspapers in English version circulating in the whole of India in Business Standard and in Newspapers in the language of Region in Andhra Prabha. Official news items are sent to the Bombay Stock Exchange, where shares of the Company are listed.

### DISCLOSURE OF ACCOUNTING TREATMENT

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 129 of the Companies Act, 2013.

### SHARE HOLDERS INFORMATION:

Annual General Meeting:

Day, Date & Time : Wednesday, 27<sup>TH</sup> day of September, 2017 9.30 A.M  
Venue : III Floor, R.R. Towers, C.A. Lane, Abids, Hyderabad 500001.

### FINANCIAL CALENDAR:

Un-Audited results for Quarter ending Jun 30 2017 - on or before 14-Aug-2017  
Un-Audited results for Quarter ending Sep 30 2017 - on or before 14-Nov-2017  
Un-Audited results for Quarter ending Dec 31 2017 - on or before 14-Feb-2018  
Audited results for Quarter & Year ending Mar 31 2018 - on or before 30-May-2018  
Book closure Dates: 24-Sep-2017 to 27-Sep-2017 (Both days inclusive)

Listing of Equity Shares: Bombay Stock Exchange.

### STOCK CODE in BSE:

Code : 538837  
ISIN : INE237B01018

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### BOOK CLOSURE DATE:

24<sup>th</sup> September 2017 to 27<sup>th</sup> September 2017 (both days inclusive)

### LISTING ON STOCK EXCHANGES:

The equity shares of the Company are listed on BSE Ltd. The Company has paid the listing fees for the year 2016-17 to BSE limited.

#### A) ELECTRONIC CONNECTIVITY:

Demat ISIN Number: INE237B01018

#### B) NATIONAL SECURITIES DEPOSITORY LIMITED

Trade World, Kamala Mills Compound

Senapati Bapat Marg, Lower Parel

Mumbai – 400 013.

#### C) CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

PhirozeJeejeebhoy Towers, 28<sup>th</sup> Floor

Dalal Street, Mumbai – 400 023.

### REGISTRAR AND TRANSFER AGENTS:

Physical & Demat

CIL Securities Ltd

214, R.R. Towers, C.A. Lane, Abids, Hyderabad –500001.

Vide SEBI Regn. No. INR 000002276

### LOCATION & ADDRESS FOR CORRESPONDENCE:

Plot No. 1 & 2, Sai Krupa Enclave, Manikonda Jagir,  
Near Lanco Hills, Golconda Post, Hyderabad 500008 .

### MARKET DATA:

Month	High	Low
April'16	36.90	27.20
May'16	27.30	19.20
June'16	33.25	24.60
July'16	34.50	26.00
Aug'16	32.35	24.05
Sept'16	41.00	24.00
Oct'16	50.50	33.60
Nov'16	51.10	30.00
Dec'16	56.00	39.00
Jan'17	49.90	41.35
Feb'17	47.00	38.55
Mar'17	46.40	37.05

## Jeevan Scientific Technology Limited

### Disclosure:

- a) Materially significant related party transactions of the Company of material nature with its promoters, the directors or the Management their subsidiaries or relatives if that may have potential conflict with the interests of the Company at large:

The transactions with the related parties were mentioned in Notes on Accounts as accounting standard 18 (note no. 24) in the schedules forming part of the balance sheet.

- b) Details of Non Compliance by the Company, penalties imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years:

The Company has complied with all the requirements of regulatory authorities on capital markets and no penalties have been imposed against it.

### SHARE TRANSFER SYSTEM:

Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. Senior executives of the Company are empowered to approve transfer of shares. Grievances received from investors and other miscellaneous correspondence on change of address etc., are processed by the Registrars within 30 days. The Company extends the facility of simultaneous transfer and dematerialization of shares to the shareholders.

Pursuant to clause 47(c) of the listing agreement and Regulation 40(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, certificates on half yearly basis have been issued by a Company secretary in practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (depositories and participants) regulations, 1966, certificates have also been received from a Company secretary in practice for timely dematerialization of the shares of the Company and for conducting a Secretarial Audit on a quarterly basis for reconciliation of the Share Capital of the Company.

### DEMATERIALIZATION & LIQUIDITY:

The paid share capital of the Company consists of 92,79,465 equity shares of Rs. 10/- each and out of the same physical share holding consists of 18,18,038 (19.59%) equity shares , through National Securities Depository Limited (NSDL) 48,03,278 (51.76%) equity shares and through Central Depository Services (India) Limited (CDSL) 26,58,149 (28.65% ) equity shares as on 31<sup>st</sup> March 2017.

### DISTRIBUTION OF SHAREHOLDING-AS ON: 31-Mar-2017.

No. of Shares	Share Holders		No. of Shares	
	Number	%	No's.	% to Total
Upto - 500	2693	95.16	1658626	17.87
501-1000	56	1.98	463211	5.00
1001-2000	39	1.38	611398	6.58
2001-3000	8	0.28	200489	2.16
3001-4000	5	0.18	187615	2.02
40001-5000	5	0.18	238163	2.58
5001-10000	9	0.32	734300	7.91
10001-9279465	15	0.53	5185663	55.88
<b>Total</b>	<b>2830</b>	<b>100.00</b>	<b>9279465</b>	<b>100.00</b>

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**SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH,2017:**

S. No	Category	No. of shares held	Percentage of shareholding
<b>A Shareholding of Promoter and Promoter group</b>			
1.	Indian Individual	32,82,891	35.38
2.	Foreign Individual	-	-
	<b>Sub-Total A</b>	<b>32,82,,891</b>	<b>35.38</b>
<b>B Public Shareholding</b>			
1.	Institutions	-	-
2.	Non Institutions	59,96,574	64.62
	<b>Sub Total B</b>	<b>59,96,574</b>	<b>64.62</b>
	<b>Grand Total (A+B)</b>	<b>92,79,465</b>	<b>100.00</b>

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 - AOC-1, the Company is presenting summarised financial information about individual subsidiaries as at March 31, 2017.

**Information relating to Subsidiaries as at March 31, 2017.**

Sl. No.	Name of the Subsidiary	Reporting Currency	Exchange rate as on 31-Mar-2016	Share Capital	Reserves and Surples	Total Ass-ets	Investments	%of holding	Sales and Other Inco-me	Profit before taxation	Provision for Taxation	Profit after taxation	Proposed Dividend
1.	Enhops Solutions Private Limited	INR	—	50,00,000				99.99%					
2.	Enhops, Inc.(U.S.A)	INR	—	269070				100%	—				

## **Jeevan Scientific Technology Limited**

### **Annexure I**

#### **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members of**  
**Jeevan Scientific Technology Limited**

We have examined the Compliance with conditions of Corporate Governance of M/s. Jeevan Scientific Technology Limited for the year ended 31st March, 2017 as stipulated in Regulation 34(3) read with Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management's, we certify that the company has complied with conditions of the Corporate Governance as stipulated in Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required by the guidance note issued by the institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For L N P & Co,**  
**Chartered Accountants**  
**Firm Reg. No.008918S**

**Place:** Hyderabad  
**Date:** 30.05.2017

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No.214746

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### UN PAID / UN CLAIMED DIVIDEND:

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

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

\*\*

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

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

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends, which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government. The Company has not declared any dividend since its inception and hence the transfer of any unpaid /unclaimed dividend to the credit of the Investor education and Protection Fund does not arise.

## Jeevan Scientific Technology Limited

### Annexure II MGT 9

#### Extract of Annual Return

As on the Financial Year 31-Mar-2017

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

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
i. CIN	L72200TG1999PLC031016
ii. Registration Date	02/02/1999
iii. Name of the Company	Jeevan Scientific Technology Limited
iv. Category / Sub-Category of the Company	Company limited by shares / Non-Government Company
v. Address of the Registered office and contact details	Plot No. 1&2, Sai Krupa Enclave, contact details Manikonda, Near Lanco Hills, Golconda Post, Hyderabad- 500008, Telangana, India. Phone No: +91-40-67364700 Fax No: +91-40-67364707
vi. Whether listed company Yes / No	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. CIL Securities Limited 214, Raghava Ratna Towers, Chairag Ali Lane, Abids, Hyderabad- 500001 Ph: +91-40-23203155, Fax: +91-40-23203028

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1	Data Management Sevices	NA	73.33%

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

Sl. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	%of Shares held	Applicable Section
1	Enhops Solutions Pvt. Ltd.	U72300TG2015PTC100314	Subsidiary	100%	2(87) (ii)
2	Enhops, Inc. (U.S.A)	n/a	Subsidiary	100%	2(87) (ii)

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

**i) Category-wise Share Holding;-**

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
Individual/ HUF	16,39,691	—	16,39,691	27.14	16,39,691	8,15,000	2454691	26.45	<b>0.69</b>
Central Govt	—	—	—	—	—	—	—	—	—
State Govt (s)	—	—	—	—	—	—	—	—	—
Bodies Corp.	85200	—	85200	1.41	85200	—	85200	0.91	<b>0.5</b>
Banks / FI	—	—	—	—	—	—	—	—	—
Any Other....	743000	—	743000	12.3	743000	—	743000	8.00	<b>4.3</b>
<b>Sub-total(A)(1):</b>	<b>2467891</b>	<b>—</b>	<b>2467891</b>	<b>40.84</b>	<b>2467891</b>	<b>8,15,000</b>	<b>32,82,891</b>	<b>35.36</b>	<b>5.48</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
b) Other – Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks / FI	—	—	—	—	—	—	—	—	—
e) AnyOther....	—	—	—	—	—	—	—	—	—
<b>Sub-total(A)(2):</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2467891</b>	<b>—</b>	<b>2467891</b>	<b>40.84</b>	<b>2467891</b>	<b>8,15,000</b>	<b>32,82,891</b>	<b>35.36</b>	<b>5.48</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	—	—	—	—	—	—	—	—

## Jeevan Scientific Technology Limited

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Central Govt	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Fund	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
<b>2. Non Institutions</b>									
a) Bodies Corp.	233201	—	233201	3.86	156375	—	156375	1.68	<b>2.18</b>
i) Indian		—				—			
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals	—	—	—	—	—	—	—	—	—
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	1368445	377838	1746283	28.91	1460072	377038	1837110	19.79	<b>9.12</b>
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	795472	81000	876472	14.51	2768733	81000	2849733	30.71	<b>16.2</b>
c) Others (specify)									
1. NRI	483920	195000	678920	11.24	971469	155000	1126469	12.13	0.89
2. Clearing Members	38833	—	38833	0.64	26887	—	26887	1.68	1.04

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Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Phys-ical	Total	% of Total Shares	Demat	Phys-ical	Total	% of Total Shares	
Sub-total (B)(2) Total Public Shareholding (B)=(B)(1)+ (B)(2)	2919871	653838	3573709	59.16	5383536	613038	5996574	64.64	5.48
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	5387762	653838	6041600	100	7851427	1428038	9279465	100	—

**(ii) Shareholding of Promoters**

Share Holder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	No. of Shares	% of Total Shares	% of Shares pledged/ encumbered to total Shares	No. of Shares	% of Total Shares	% of Shares pledged/ encumbered to total Shares	
1. K. Krishna Kishore(HUF)	2,00,000	3.31	—	2,00,000	2.16	—	1.15
2. T. Chalapathi Rao	3,84,700	6.37	—	3,84,700	4.15	—	2.22
3. K. Vanaja	3,73,800	6.19	—	8,57,800	9.24	—	3.05
4. K. Gopi Krishna	2,70,000	4.47	—	2,70,000	2.91	—	1.56
5. Jeevan Krishna Kuchipudi	2,24,300	3.71	—	2,24,300	2.42	—	1.29
6. T. Sridevi	1,34,000	2.22	—	1,34,000	1.44	—	0.78
7. Jeevan Mitra Chit Fund Private Limited	85,200	1.41	—	85,200	0.92	—	0.49
8. T. Ravi	2,500	0.04	—	2,500	0.03	—	0.01
9. K. Krishna Kishore	7,93,391	13.13	—	11,24,391	12.12	—	1.01

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

Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
There is no change in promoter shareholding				
At the beginning of the year	—	—	—	—
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g.allotment / transfer /bonus/sweat equity etc)				
At the End of the year	—	—	—	—

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

Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
1 Jignesh Madhukant Mehta	70,302	0.87	70,302	0.87
2 Tanvi J Mehta	0	0	70,302	0.87
3 Nutakki Geethika Sai	0	0	1,00,000	1.23
4 Jammula Narendra Babu	0	0	1,00,000	1.23
5 Jignesh Madhukant Mehta	0	0	36,373	0.45
6 Jyotika Jaykant Vyas	36,000	0.44	40,000	0.49
7 Sessa Ratnam Bathineni	0	0	1,08,232	1.33
8 Durisala Desaiah	0	0	4,80,000	5.92
9 Padmaja Kishen	40,000	0.49	40,000	0.49
10 Rama Mohan Reddy Pocha Reddy	34,265	0.42	34,265	0.42

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### (v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1. K. Krishna Kishore</b>				
At the beginning of the year	7,93,391	13.13%	11,24,391	12.12
Date wise Increase /Decrease in Directors and Key Managerial Personnel Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): 3,31,000 shares allotted on 30.03.2017 pursuant to conversion of 3,31,000 convertible warrants.				
At the End of the year	11,24,391	12.12	—	—
<b>2. K. Vanaja</b>				
At the beginning of the year	3,73,800	6.19%	8,57,800	9.24%
Date wise Increase /Decrease in Directors and Key Managerial Personnel Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): 4,84,000 shares allotted on 30.03.2017 pursuant to conversion of 4,84,000 convertible warrants.				
At the End of the year	8,57,800	9.24%	—	—
<b>3. K. Gopi Krishna</b>				
At the beginning of the year	2,70,000	4.47%		
Date wise Increase /Decrease in Directors and Key Managerial Personnel Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
At the End of the year	2,70,000	4.47%	—	—
<b>4. T. Ravi</b>				
At the beginning of the year	2,500	0.04%		
Date wise Increase /Decrease in Directors and Key Managerial Personnel Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Nil				
At the End of the year	2,500	0.04%	—	—

## Jeevan Scientific Technology Limited

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	--	8,03,43,296	--	8,03,43,296
ii) Interest due but not paid		15,13,617		15,13,617
iii) Interest accrued but not due	--	77,44,880	--	77,44,880
<b>Total (i+ii+iii)</b>	—	<b>8,96,01,793</b>	—	<b>8,96,01,793</b>
Change in Indebtedness during the financial year Addition Reduction	—	—	—	—
Net Change	—	—	—	—
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	--	3,26,21,966	--	3,26,21,966
ii) Interest due but not paid		---		---
iii) Interest accrued but not due		62,72,847		62,72,847
<b>Total (i+ii+iii)</b>		<b>3,88,94,813</b>		<b>3,88,94,813</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No.	Particulars of Remuneration	Name of MD/WTD/ Manager:		Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/ s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Remuneration to managing Director Mr. K. Gopi Krishna Rs.13,43,548/- Per Annum.*	Remuneration to Whole time Director(s): Mr. M. Rajender Prasad = Rs. 30,99,996/- p.a. Mr. K. Krishna Kishore = Rs. 26,12,903/- p.a.	---
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit - Others, specify...	—	—	—
5.	Others, please specify	—	—	—
6.	Total (A)	13,43,548	57,12,899	70,56,447
7.	Ceiling as per the Act	—	—	—

\*Resigned w.e.f. 10-04-2017

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### B. Remuneration to other directors:

Particulars of Remuneration	Name of Director					Amount
Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	Mr. A. Vijay Kumar	Mr. Koteswara Rao	Mr. T. Ravi Babu	Mr. G. Bhanu Prakash	Mr. K. Rama Krishna Prasad*	---
Total (1)	80,500	1,10,500	12,500	60,000	59,000	3,22,500
Other Directors · Fee for attending board / committee meetings · commission · Others, please specify	Ms. K. Vanaja	Mr. Raghav Beeram	—	—	—	—
Total (2)	69,000	49,000	—	—	—	1,18,000
Total (B)=(1+2)	1,49,500	1,59,500	12,500	60,000	59,000	4,40,500
Total Managerial Remuneration						74,96,947
Overall Ceiling as per the Act						

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

Particulars of Remuneration	Key Managerial Personnel Company Secretary (Y.K. Sowjanya Guntaka)	Total
1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Rs.15,000*12 months=1,80,000/-	Rs.1,80,000/-
2. Stock Option	—	—
3. Sweat Equity	—	—
4. Commission- as % of profit- others, specify...	—	—
5. Others, please Specify	—	—
<b>6. Total</b>	<b>Rs. 1,80,000/-</b>	<b>Rs. 1,80,000/-</b>

## Jeevan Scientific Technology Limited

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

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

**ANNEXURE III**

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

**The Board of Directors**

**M/s Jeevan Scientific Technology Limited**

**Dear Sir,**

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

**Date: 11.05.2016**

**Place: Hyderabad**

**(A. Vijay Kumar)**

## **Jeevan Scientific Technology Limited**

### **ANNEXURE III**

#### **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

**The Board of Directors**

**M/s Jeevan Scientific Technology Limited**

**Dear Sir,**

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

**Date: 11.05.2016**

**Place: Hyderabad**

**(G. Bhanu Prakash)**

**ANNEXURE III**

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

**The Board of Directors**

**M/s Jeevan Scientific Technology Limited**

**Dear Sir,**

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- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

**Date: 11.05.2016**

**Place: Hyderabad**

**(T. Ravi Babu)**

## **Jeevan Scientific Technology Limited**

### **ANNEXURE III**

#### **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

**The Board of Directors**

**M/s Jeevan Scientific Technology Limited**

**Dear Sir,**

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

**Date: 11.05.2016**

**Place: Hyderabad**

**(SSR Koteswara Rao)**

**ANNEXURE III**

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

**The Board of Directors**

**M/s Jeevan Scientific Technology Limited**

**Dear Sir,**

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

**Date: 11.05.2016**

**Place: Hyderabad**

**(K. Rama Krishna Prasad)**

# **Jeevan Scientific Technology Limited**

## **ANNEXURE IV**

### **FORM MR-3**

#### **SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**To  
The Members of  
M/s. Jeevan Scientific Technology Limited**

We have conducted the audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Jeevan Scientific Technology Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1<sup>st</sup> April, 2016 and ended 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Jeevan Scientific Technology Limited ("The Company") for the financial year ended on 31<sup>st</sup> March, 2017, according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12<sup>th</sup> September, 2013 and sections and Rules notified and came in to effect from 1<sup>st</sup> April, 2014;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and thereafter; and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
  - v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act');
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year 2016-17.

## Nineteenth Annual Report 2016-2017

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable, except yearly and event based disclosures.**
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; The company has allotted Rs. 20,72,865/- equity shares of Rs. 10/- each and Rs. 74,53,650 convertible warrants of Rs. 10/- each on 13-12-2016. Pursuant to Special Resolution dated 30-09-2016.
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/proposed to delist its equity shares during the year under review.**
- iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the company has not bought backed/proposal to buy back any of its securities during the year under review.**
- v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable. However the company appointed M/s CIL Securities Ltd as STA who is a common agent both for the physical and demat segment of shares of the company.**
- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the company has not issued any debt securities during the year under review.**
- vii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the company has not issued any employee stock option during the year under review.**
- viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading regulations; The Company has framed code of conduct for regulating & reporting trading by Insiders and for fair disclosure, 2015 and displayed the same on company's Website i.e.; [www.jeevanscientific.com](http://www.jeevanscientific.com) and all required disclosures from time to time as and when applicable are complied with.
- ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable and
  - The Company has signed Uniform listing agreement with BSE Limited;
  - The company has framed the policies and conducted programmes as mentioned below and displayed the same on the company's website i.e., [www.jeevanscientific.com](http://www.jeevanscientific.com)
    - Board Diversity Policy
    - Policy on Preservation of Documents
    - Risk Management Policy
    - Whistle Blower Policy

## Jeevan Scientific Technology Limited

- Related Party Transaction Policy
  - Familiarization programme for Independent Directors.
3. During the year the Company has conducted Board Meetings, Audit Committee Meetings, Independent Director's Meeting and We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by the Institute of Company secretaries of India on meeting of the Board of Directors and General Meetings and
4. We further report that the Compliance by the Company of applicable financial laws, like Direct and Indirect tax laws, has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
5. The Company has identified the following laws applicable specifically to the Company:
- Environment Protection Act Rule 8 of the Bio-Medical waste (Management & Handling) Rules, 1998.
  - Director General of Health Services, Office of Drug Controller General (India).
  - Information Technology Act, 2000 and the Rules made thereunder.
  - The Trade Marks Act, 1999.

### **OBSERVATIONS:**

(a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that

The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

- External Commercial Borrowings were not attracted to the Company under the financial year under report;
- Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
- We report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

(b) **We further report that:**

- The Chief Financial Officer of the company, Mr. K. Krishna Kishore resigned from the post on 10-04-2017. However the company is on a look out a suitable candidate for the position.
- We, further report that, during the period under review the Company has complied with the provisions of the Act, Rules, regulations, Guidelines, Standards etc. mentioned above and with respect to filing of forms with ROC with a slight delay.

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### (c) We further report that:-

- The Company has a Managing Director namely Mr. K. Krishna Kishore.
- The Company has Chief Executive Officer namely Mr. M. Rajendra Prasad
- The Company has M/s. K.P. & Associates, Chartered Accountants as internal auditors.
- The Company has Mrs. G. Krishna Sowjanya as Company Secretary.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice of board meeting is given to all the directors along with agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For S.S. Reddy & Associates**

Sd/-

**S. Sarveswar Reddy**

Proprietor

C. P. No: 7478

**Place:** Hyderabad

**Date:** 14.08.2017

## **Jeevan Scientific Technology Limited**

### **Annexure**

**To**  
**The Members of**  
**M/s. Jeevan Scientific Technology Limited**

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

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

**For S.S. Reddy & Associates**

Sd/-

**S. Sarveswar Reddy**

Proprietor

C. P. No: 7478

**Place:** Hyderabad

**Date:** 14.08.2017

## Nineteenth Annual Report 2016-2017

### INDEPENDENT AUDITOR'S REPORT

To the Members of  
Jeevan Scientific Technology Limited

#### **Report on Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Jeevan Scientific Technology Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone 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 Standalone 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

## **Jeevan Scientific Technology Limited**

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

### **Opinion**

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the company's 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 statement on the matters specified in Paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act and
  - f) The company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal controls over financial reporting criteria established by the company.
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements –the Company does not have any pending litigations which would impact its financial position.
    - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including

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derivative contracts –the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer to Note 27 to the financial statements.

**for L N P & Co.,**  
Chartered Accountants  
Firm Regn No:008918S

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746

Place : Hyderabad  
Date : 30-05-2017

## **Jeevan Scientific Technology Limited**

**The Annexure referred to in our Independent Auditor's Report to the members of the company on the financial statements for the year ended 31<sup>st</sup> March 2017, we report that:**

**i) In respect of fixed assets :**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
- c. According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

**ii) In respect of Inventories :**

As explained to us by the management and as observed by us, the inventory of consumables for Research and development has been physically verified during the year and specifically at the year-end by the management. In our opinion, the frequency of physical verification is reasonable having regard to the size and nature of business of the company. The discrepancies noticed on such physical verification between physical stock and the book records have been properly dealt with in the books of account.

**iii) In respect of loans granted by the company:**

Based on our scrutiny and as per the information and explanations provided to us by the management, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.

**iv) In respect of loans, investments, guarantees and Security:**

Based on scrutiny of records and as per the explanation given by the management, the company has not provided any loans, not made any investments and not given any

## Nineteenth Annual Report 2016-2017

guarantees, security for loans taken by others from banks or financial institutions.

**v) In respect of deposits acceptance::**

The company has not accepted any deposits from public.

**vi) In respect of cost records:**

We have been informed by the management that the maintenance of cost records has not been prescribed by the Central Government under section (1) of section 148 of the Companies Act, 2013.

**vii) In respect of Statutory Dues:**

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees state insurance, Income tax, Sales tax, Service tax, duty of customs, duty of excise, Value added tax, Cess and other statutory dues have not been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales tax, Wealth tax, Employees State Insurance, Investor Education and Protection Fund, Customs duty and Excise duty etc. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income tax, Service tax and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable;
- b. According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Service tax, customs duty, duty of excise, Value added tax, Cess and any other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

**viii) In respect of dues to financial institutions, banks and debenture holders:**

In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution and Banks.

## **Jeevan Scientific Technology Limited**

### **ix) In respect of Initial Public offer or further public offer and term loans:**

The company did not raise any money by way of public offer or further public offer (including debt instruments). Term loans availed by the company during the year has been applied for the purpose for which it was obtained.

### **x) In respect of frauds on or by the company:**

According to the information and explanation given to us, and based on our examination in the normal course of audit, no material fraud on or by the Company has been noticed or reported during the year.

### **xi) In respect of Managerial remuneration:**

According to the information and explanation given to us and based on our examination of the records of the Company, the company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 and schedule V of the companies act.

### **xii) In respect of Nidhi companies:**

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

### **xiii) In respect of related party transactions:**

According to the information and explanation given to us and based on our examination of records of the company, transactions with related parties are in compliance with Section 177 and 188 of companies act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standard.

### **xiv) In respect of preferential allotment or private placement:**

The company has made preferential allotment of shares during the financial year under review. The requirement specified under section 42 of the companies act 2013 has been complied and the amounts raised have been used for the purpose for which the funds were raised.

## **Nineteenth Annual Report 2016-2017**

**xv) In respect of non-cash transactions with directors or other persons:**

The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly paragraph 3(xv) of the order is not applicable.

**xvi) In respect of registration u/se 45-IA of the Reserve Bank of India Act, 1934;**

The company is not required to register under section 45-IA of Reserve Bank of India Act, 1934.

**For L N P & Co,**  
**Chartered Accountants**  
Firm Reg. No.008918S

**Sd/-**  
**Purna Chandra Sekhar P**  
**Partner**  
Membership No.214746

Place: Hyderabad  
Date: 30-05-2017

## Jeevan Scientific Technology Limited

### Balance Sheet as at 31st March, 2017

(In Rupees)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
<b>I. Equity and Liabilities</b>			
<b>(1) Shareholders' Funds</b>			
a) Share Capital	2	92,794,650	60,416,000
b) Reserves and surplus	3	57,230,354	-18,450,629
c) Money Received Against share Warrants		47,604,502	-
<b>(2) Non-current Liabilities</b>			
a) Long term borrowings	4	47,475,165	83,193,804
b) Long-term provisions	5	746,915	271,264
<b>(3) Current Liabilities</b>			
a) Short term borrowings	6	24,621,966	24,479,407
b) Trade Payables	7	16,645,865	30,164,207
c) Other current liabilities	8	38,918,357	22,380,034
d) Short term provisions	9	7,110,645	3,295,989
<b>Total</b>		<b>333,148,419</b>	<b>205,750,076</b>
<b>II. Assets</b>			
<b>(1) Non-current Assets</b>			
a) Fixed Assets	10		
i) Tangible Assets		105,229,694	81,022,897
ii) Intangible Assets		33,070,949	4,987,545
b) Non Current Investments	11	5,269,070	5,269,070
c) Deferred tax asset (net)	12	1,281,864	2,244,508
d) Long-term loans and advances	13	30,140,132	5,301,597
<b>(2) Current Assets</b>			
a) Inventories	14	26,796,786	22,797,681
b) Trade receivables	15	111,069,188	72,264,103
c) Cash and bank balances	16	1,968,896	1,657,772
d) Other Current Assets	17	18,321,840	10,204,903
<b>Total</b>		<b>333,148,419</b>	<b>205,750,076</b>

Per our report of even Date  
**for L N P & Co.,**  
Chartered Accountants  
Firm Regn No:008918S

for and on behalf of the Board of Directors  
**Jeevan Scientific Technology Limited**

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746

Sd/-  
**K.Krishna Kishore**  
Vice Chairman & Managing Director  
DIN: 00876539

Sd/-  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN: 06781058

Sd/-  
**G. Krishna Sowjanya**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2017

## Nineteenth Annual Report 2016-2017

### Profit and Loss for the Period ended 31st March, 2017

(In Rupees)

Particulars	Note No.	Current Year 2016-2017	Previous Year 2015-2016
<b>Continuing Operations</b>			
<b>Income</b>			
I. Revenue from operations	18	174,605,246	173,368,735
II. Other Income	19	5,699,635	4,032,315
<b>III. Total revenue(I+II)</b>		<b><u>180,304,881</u></b>	<b><u>177,401,050</u></b>
<b>IV. Expenses</b>			
Components consumed	20	1,585,147	1,509,833
Employee benefits expenses	21	18,633,825	32,492,236
Finance costs	22	13,635,437	12,759,026
Depreciation	10	11,809,207	6,714,335
Other expenses	23	123,564,404	117,502,335
<b>Total expenses</b>		<b><u>169,228,020</u></b>	<b><u>170,977,765</u></b>
<b>V. Profit/ (Loss) before tax (III)-(IV)</b>		<b>11,076,861</b>	<b>6,423,285</b>
<b>Tax expenses</b>			
Current Tax		2,488,608	1,223,957
Less: Mat Credit Entitlement		(2,488,608)	(1,223,957)
Deferred Tax		962,644	2,229,313
<b>Total tax expenses</b>		<b><u>962,644</u></b>	<b><u>2,229,313</u></b>
<b>Profit / (Loss) for the year</b>		<b>10,114,217</b>	<b>4,193,972</b>
<b>Earning per equity share</b>			
<b>(Face value of Rs.10/- each)</b>		<b>1.09</b>	<b>0.69</b>
Basic & Diluted			

Per our report of even Date  
for **L N P & Co.,**  
Chartered Accountants  
Firm Regn No:008918S

for and on behalf of the Board of Directors  
**Jeevan Scientific Technology Limited**

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746  
Place : Hyderabad  
Date : 30-05-2017

Sd/-  
**K.Krishna Kishore**  
Vice Chairman & Managing Director  
DIN: 00876539

Sd/-  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN: 06781058

Sd/-  
**G. Krishna Sowjanya**  
Company Secretary

## Jeevan Scientific Technology Limited

### Cash flow statement for the year ended 31st March, 2017

(In Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>A. Cash flow from operating activities</b>		
Net Profit before tax and extraordinary items	11,076,861	6,423,285
Adjustments for:		
Depreciation	11,809,207	6,714,335
Loss on Sale of Assets	-	278,285
Interest	12,853,448	11,768,653
<b>Operating profit before working capital changes</b>	<b>35,739,516</b>	<b>25,184,558</b>
Adjustments for:		
Inventories	-3,999,105	-147,577
Trade and other receivables	-71,760,557	-3,465,113
Trade and other Paybles	28,408,351	29,717,777
<b>Cash generated from operations</b>	<b>-68,428,496</b>	<b>51,289,645</b>
Taxes Provision	-	-
Interest paid	12,853,448	11,768,653
<b>Net cash from operating activity</b>	<b>-81,281,944</b>	<b>39,520,992</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	64,099,409	36,178,304
Investments	-	5,269,070
Sale/ Transfer of fixed assets	-	697,966
<b>Net cash used in investing activity</b>	<b>-64,099,409</b>	<b>-40,749,408</b>
<b>C. Cash flow from financing activity</b>		
Proceeds from loans	142,559	2,304,543
Increase in Capital	145,549,918	-
<b>Net cash generated in financing activity</b>	<b>145,692,477</b>	<b>2,304,543</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>311,124</b>	<b>1,076,127</b>
Cash and cash equivalents as at 31.03.2016	1,657,772	581,645
<b>Cash and cash equivalents as at 31.03.2017</b>	<b>1,968,896</b>	<b>1,657,772</b>

Per our report of even Date  
for L N P & Co.,  
Chartered Accountants  
Firm Regn No:008918S

for and on behalf of the Board of Directors  
**Jeevan Scientific Technology Limited**

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746

Sd/-  
**K.Krishna Kishore**  
Vice Chairman & Managing Director  
DIN: 00876539

Sd/-  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN: 06781058

Sd/-  
**G. Krishna Sowjanya**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2017

### Company Information

The Company was incorporated on 2<sup>nd</sup> February, 1999 to carry on the business Clinical research, Data management, education, Information Technology and staffing services.

#### 1. Statement of significant accounting policies

##### a. Basis of preparation of financial statements

The financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with all material respects with the accounting standard notified under section 133 of the Companies act 2013 read with rule 7 of the companies (Accounts) Rules, 2014. The accounting policies adopted in preparation of the financial statements are consistent with those followed in previous year unless otherwise stated below.

##### b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### c. Revenue recognition

Revenue is recognized only when there is no significant uncertainty as to the measurability / collectability of the amounts. Export Revenue in foreign currency is accounted for at the exchange rate prevailing at the time of sale or service. Gain/ Loss arising out of variances in the exchange rates is recognized as income / expenditure of the year.

##### d. Fixed assets and capital work-in-progress

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

##### e. Depreciation

The Company provides depreciation for tangible assets on straight line method over the useful lives of assets estimated by the management. Depreciation for assets purchased and sold during a period proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the company for its use. The management estimates the useful lives for the following class of assets, based

## Jeevan Scientific Technology Limited

on internal assessment and independent technical evaluation carried out by external valuers, the management believes that useful lives as given below best represents the period over which the management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part - C of schedule II of the companies act 2013.

Plant and machinery	21 years
Electrical Installations	21 years
Computers	6 years
Vehicles- Motor car	10 years
Furniture and Fixtures	15 years
Office Equipment	21 years

### f. Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### g. Inventories

Inventories are valued as under:

Components and consumables are valued at lower of cost. Work-in-progress and finished goods are valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### h. Retirement and other employee benefits

The Company's liability towards retirement benefits in the form of gratuity is provided in accordance with the payment of Gratuity Act, 1972 to all the employees other than the whole time Directors.

### i. Income taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, subject to the consideration

## Nineteenth Annual Report 2016-2017

of prudence in respect of deferred tax assets. Deferred tax are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date the company reassesses recognized deferred tax assets, if any.

Current tax assets and current tax liability are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off against liabilities representing current tax and the where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

### **MAT credit**

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, in accordance with the provisions contained in the Guidance Note on Accounting for Credit Available under Minimum Alternative Tax, issued by the ICAI, the said asset is created by way of a credit to the Profit and Loss account and shown as "MAT Credit Entitlement". The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **j. Foreign currency transaction**

##### **i. Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### **ii. Conversion**

Foreign currency monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by foreign exchange contracts, the difference between the original entry dates to forward contract date is recognized as an exchange difference.

##### **iii. Exchange differences**

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

## Jeevan Scientific Technology Limited

### iv. Foreign currency Transactions.

(Rupees in lakhs)

<b>Particulars</b>	<b>Current Year 2016-2017</b>	<b>Previous Year 2015-2016</b>
Earnings in Foreign exchange	263.61	419.29
Expenditure in Foreign exchange	NIL	NIL

### k. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Earnings per share are calculated by dividing the net profit after tax for the year attributable to equity shareholders by the number of equity shares outstanding on the balance sheet date.

### l. Provisions

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

### m. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence of non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

The contingent liability is Rs. 4.13 Lakhs during the financial year.

### n. Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

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### Notes to financial statements for the year ended 31st March, 2017

#### 2. Share Capital

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Authorised</b> 2,10,00,000 (31st March 2017:2,10,00,000) equity Shares of Rs.10/- each	21,00,00,000	9,99,00,000
<b>Issued, subscribed and paid-up</b> 92,79,465 (31st March 2017:92,79,465) equity Shares of Rs. 10/- each fully paid-up	9,27,94,650	6,04,16,000

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31.03.2017		As at 31.03.2016	
	Number	Amount	Number	Amount
At the beginning of the period	60,41,600	60,416,000	60,41,600	6,04,16,000
issued during the period	32,37,865	3,23,78,650	-	-
<b>Outstanding at the end of the period</b>	<b>92,79,465</b>	<b>9,27,94,650</b>	<b>60,41,600</b>	<b>6,04,16,000</b>

#### b. Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

#### c. Details of shareholders holding more than 5% share in the company

Particulars	As at 31.03.2017		As at 31.03.2016	
	Number	% Holding	Number	% Holding
Sri. K. Krishna Kishore	1,324,391	14.28%	993,391	16.44%
Smt. K.Vanaja	857,800	9.24%	373,800	6.19%
Sri. T Chalapathi Rao	-	-	384,700	6.37%
Smt. Nirmala Desaiiah Durisala	-	-	480,000	7.94%
Dr. Desaiiah Durisala	830,000	8.94%	-	-

#### d. Shares reserved for issue under options

The company has not reserved any shares for issue under employee stock option (ESOP), loan agreements or contracts for supply of capital goods, etc.

## Jeevan Scientific Technology Limited

### 3. Reserves & Surplus

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Opening Balance	-	-
Add: Surplus in the statement of profit and loss	6,55,66,766	-
<b>Closing Balance</b>	<b>6,55,66,766</b>	-
<b>Surplus/ (deficit) in statement of profit and Loss</b>		
Opening Balance	-18,450,629	-22,644,601
Add: Profit / (loss) for the year	10,114,217	4,193,972
<b>Closing Balance</b>	<b>-8,336,412</b>	<b>-18,450,629</b>
<b>Total</b>	<b>57,230,354</b>	<b>-18,450,629</b>

### 4. Long term borrowings

(in Rupees)

Particulars	Non-Current Portion		Current Portion	
	As at 31.03.2017	As at 30.03.2016	As at 31.03.2017	As at 31.03.2016
Term Loan- secured				
A) From Banks				
i) Car Loans- Hypothecation against the Cars	646,036	13,540	621,238	641,436
ii) Machinery loans	38,829,129	27,316,375	11,807,578	2,483,307
B) From Others	8,000,000	5,000,000	-	-
C) Loans and advances from related parties	-	50,863,889	-	-
<b>Total</b>	<b>47,475,165</b>	<b>83,193,804</b>	<b>12,428,816</b>	<b>3,124,743</b>

### 5. Long Term Provisions

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Gratuity Payable	7,46,915	2,71,264
<b>Total</b>	<b>7,46,915</b>	<b>271,264</b>

### 6. Short Term Borrowings

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Loan repayable on Demand		
i) Loan From Banks (Guaranted by Director)	24,621,966	24,479,407
<b>Total</b>	<b>24,621,966</b>	<b>24,479,407</b>

## Nineteenth Annual Report 2016-2017

### 7. Trade Payables

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Trade payables (for services received)	16,645,865	30,164,207
<b>Total</b>	<b>16,645,865</b>	<b>30,164,207</b>

There are no dues to Micro Small and Medium Enterprises as defined under the MSMED Act, 2006

### 8. Other Current Liabilities

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Current maturities of Long term borrowings	12,428,816	3,124,743
TDS Payable	3,125,002	1,370,497
Professional tax payable	21,050	7,250
Service tax payable	3,409,956	1,255,133
Provident Fund payable	442,980	80,067
ESI payable	83,720	11,869
Provision for expenses	2,135,635	1,618,942
Rent Payable	3,141,358	855,000
Interest Payable	-	1,513,617
Creditors for Capital Assets	10,376,484	4,014,118
Advance received from Customers	3,731,250	8,500,000
Other Payables	22,106	28,798
<b>Total</b>	<b>38,918,357</b>	<b>22,380,034</b>

### 9. Short Term Provisions

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Salaries payable	2,660,079	1,690,799
Directors Remuneration Payable	1,961,958	381,233
Provision for tax	2,488,608	1,223,957
	<b>7,110,645</b>	<b>3,295,989</b>

## Jeevan Scientific Technology Limited

### 10. Fixed Assets

(in Rupees)

I. Tangible Assets		GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 31.03.2016	Additions	Deletions	As at 31.03.2017	Up to 31.03.2016	Deletions 31.03.2017	For the year 31.03.2017	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
1	LEASE HOLD BUILDINGS	8,165,864	-	-	8,165,864	6,551,976	-	806,940	7,358,916	806,948	1,613,888
2	PLANT & MACHINERY	10,312,302	7,556,285	-	17,868,587	1,632,104	-	1,011,773	2,643,877	15,224,710	8,680,198
	a. Electrical Installations	1,194,942	-	-	1,194,942	810,322	-	56,760	867,082	327,860	384,620
	b. Airconditioners	1,048,582	-	-	1,048,582	782,802	-	49,808	832,610	215,972	265,780
	c. U.P.S. Systems	275,203	-	-	275,203	162,554	-	13,072	175,626	99,577	112,649
	d. Inverter	12,831,029	7,556,285	-	20,387,314	3,387,782	-	1,131,413	4,519,195	15,868,119	9,443,247
3	COMPUTERS	12,578,867	3,463,955	-	16,042,822	8,005,566	-	1,388,717	9,394,283	6,648,539	4,573,301
	a. Computers	12,578,867	3,463,955	-	16,042,822	8,005,566	-	1,388,717	9,394,283	6,648,539	4,573,301
4	VEHICLES	4,463,910	2,107,565	-	6,571,475	1,827,138	-	552,942	2,380,080	4,191,395	2,636,772
	a. Motor Car	131,086	-	-	131,086	93,185	-	12,453	105,638	25,448	37,901
	b. Scooter	4,594,996	2,107,565	-	6,702,561	1,920,323	-	565,395	2,485,718	4,216,843	2,674,673
5	FURNITURE & FIXTURES	16,842,306	11,704,970	-	28,547,276	5,924,471	-	1,574,571	7,499,042	21,048,234	10,917,835
	a. Furniture	988,151	-	-	988,151	988,151	-	-	988,151	-	-
	b. Fixtures	17,830,457	11,704,970	-	29,535,427	6,912,622	-	1,574,571	8,487,193	21,048,234	10,917,835
6	OFFICE & LABORATORY EQUIPMENT	826,026	489,833	-	1,315,859	335,967	-	82,516	418,483	897,376	490,059
	a. Office Equipments	53,643,983	9,769,036	-	63,413,019	2,539,363	-	5,303,956	7,843,319	55,569,700	51,104,620
	b. Laboratory Equipments	460,323	-	-	460,323	274,794	-	21,865	296,659	163,664	185,529
	c. E.P.A.B.X & Telephones	15,100	-	-	15,100	12,035	-	717	12,752	2,348	3,065
	d. Fax Machine	366,841	-	-	366,841	362,358	-	4,483	366,841	-	4,483
	e. Projector with LCD Panel	55,312,273	10,258,869	-	65,571,142	3,524,517	-	5,413,537	8,938,054	56,633,088	51,787,756
7	LIBRARY:	89,983	-	-	89,983	77,786	-	4,274	82,060	7,923	12,197
	a. Books	89,983	-	-	89,983	77,786	-	4,274	82,060	7,923	12,197
	<b>Total:</b>	<b>111,403,469</b>	<b>35,091,644</b>	<b>-</b>	<b>146,495,113</b>	<b>30,380,572</b>	<b>-</b>	<b>10,884,847</b>	<b>41,265,419</b>	<b>105,229,694</b>	<b>81,022,897</b>
	previous year	34,974,781	77,542,150	1,113,462	111,403,469	24,296,035	137,212	6,221,749	30,380,572	81,022,897	10,678,746

**II. Intangible Assets**

(in Rupees)

S. No.	Description	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As at 31.03.2016	Additions	Deletions	As at 31.03.2017	Up to 31.03.2016	Deletions 31.03.2017	For the year 31.03.2017	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
1	COMPUTERS										
	Software	3,267,426	3,638,238	-	6,905,664	1,594,464	-	683,560	2,278,024	4,627,640	1,672,962
		3,267,426	3,638,238	-	6,905,664	1,594,464	-	683,560	2,278,024	4,627,640	1,672,962
2	COPYRIGHTS	1,204,000	-	-	1,204,000	931,750	-	240,800	1,172,550	31,450	272,250
3	Process Knowhow	3042333	25,369,526	-	28,411,859	-	-	-	-	28,411,859	3,042,333
	<b>Total:</b>	<b>7,513,759</b>	<b>29,007,764</b>	<b>-</b>	<b>36,521,523</b>	<b>2,526,214</b>	<b>-</b>	<b>924,360</b>	<b>3,450,574</b>	<b>33,070,949</b>	<b>4,987,545</b>
	previous year	2,961,261	4,552,498	-	7,513,759	2,033,627	-	492,586	2,526,214	4,987,545	927,634

## Jeevan Scientific Technology Limited

### 11. Investments

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Enhops Solutions Inc.	269,070	269,070
Enhops Solutions Pvt Ltd	5,000,000	5,000,000
<b>Total</b>	<b>5,269,070</b>	<b>5,269,070</b>

### 12. Deferred Tax (Net)

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Deferred Tax Asset Opening	2,244,508	4,473,821
Add/Less: Deferred Tax liability	(962,644)	(2,229,313)
<b>Total</b>	<b>1,281,864</b>	<b>2,244,508</b>

### 13. Long term Loans and Advances

(in Rupees)

Particulars	Non-Current Portion		Current Portion	
	As at 31.03.2017	As at 30.03.2016	As at 31.03.2017	As at 31.03.2016
i) Capital Advances	-	-	-	-
ii) Security Deposit	5,813,794	5,254,906	-	-
iii) Loans and advances to related parties	24,326,338	46,691	-	-
iv) Other Loans and advances	-	-	-	384,670
<b>Total</b>	<b>30,140,132</b>	<b>5,301,597</b>	<b>-</b>	<b>384,670</b>

### 14. Inventories

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Work in progress point of sale boxes	210,240	210,240
Consumables - R & D	4,531,437	532,332
ERP Softwares	22,055,109	22,055,109
<b>Total</b>	<b>26,796,786</b>	<b>22,797,681</b>

### 15. Trade Receivables (Unsecured)

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Debtors outstanding for more than Six months- Considered good	14,355,549	5,720,444
Doubtful	-	-
Other debts	96,713,639	66,543,659
<b>Total</b>	<b>111,069,188</b>	<b>72,264,103</b>

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### 16. Cash and Bank Balances

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Cash and cash equivalents Balances with Banks		
in current accounts	172,347	98,918
in fixed deposits more than 12 months	1,279,642	1,192,436
cash on hand	516,907	366,418
<b>Total</b>	<b>1,968,896</b>	<b>1,657,772</b>

### 17. Other Current Assets

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Tax deducted at source	5,202,883	4,211,954
MAT Credit	5,943,376	3,454,768
VAT input Credit	49,637	49,637
Prepaid Expenses	822,386	568,654
Interest Receivable	1,533,733	-
Service Tax Input Credit	-	1,535,220
Current portion of Loans and Advances	4,769,825	384,670
<b>Total</b>	<b>18,321,840</b>	<b>10,204,903</b>

### 18. Revenue from Operations

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
IT Consultancy Service Charges - Export	11,862,500	37,800,588
Clinical Research Services- Domestic	20,210,673	5,522,994
Clinical Research Services- Export	14,498,436	4,128,735
Data Management service charges	128,033,637	125,916,418
<b>Total</b>	<b>174,605,246</b>	<b>173,368,735</b>

### 19. Other Non Operating Income

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Interest on Income Tax Refund	80,453	2,984
Interest Received from Others	1,801,045	-
Miscellaneous Income	134,651	670,125
Exchange Variance Profit	83,486	2,438,755
Rent Received	3,600,000	900,000
Excess Gratuity Provision	-	20,451
<b>Total</b>	<b>5,699,635</b>	<b>4,032,315</b>

## Jeevan Scientific Technology Limited

### 20. Components Consumed

(in Rupees)

Hardware	Current Year 2016-2017	Previous Year 2015-2016
Opening Stock	210,240	210,240
Purchases: Components & Software	-	-
	210,240	210,240
Less: Closing Stock	210,240	210,240
<b>Total (A)</b>	<b>-</b>	<b>-</b>
Consumables - R & D	Current Year 2016-2017	Previous Year 2015-2016
Opening Stock	532,332	384,755
Purchases: Consumables	<u>5,584,252</u>	<u>3,189,910</u>
	6,116,584	3,574,665
Less: Closing Stock	4,531,437	<u>532,332</u>
Less: Trafer to Process Knowhow	-	1,532,500
<b>Total (B)</b>	<b>1,585,147</b>	<b>1,509,833</b>
<b>Total (A+B)</b>	<b>1,585,147</b>	<b>1,509,833</b>

### 21. Employees benefit expenses

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Salaries & Allowances	14,751,583	24,170,670
Contribution to Provident Fund&Others	680,859	520,629
Welfare Expenses	609,066	428,609
Gratuity	475,651	14,001
Director's Remuneration	2,116,666	7,358,327
<b>Total</b>	<b>18,633,825</b>	<b>32,492,236</b>

### 22. Finance Cost

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Bank charges	161,214	222,486
Loan Processing Charges	620,775	767,887
Interest expense		
on Vehicle Loans	110,204	97,991
on Bank Overdraft	3,631,174	3,170,071
on Term loan from Bank	4,529,220	2,412,165
on Unsecured Loans	4,582,850	6,088,426
<b>Total</b>	<b>13,635,437</b>	<b>12,759,026</b>

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### 23. Other expenses

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Rent	7,013,609	7,084,050
Electricity	3,370,755	2,941,762
Repairs & Maintenance:	900,064	763,331
Insurance	829,608	460,255
Rates & Taxes	226,283	151,903
Communication Charges	907,759	672,213
Travelling, Conveyance	891,578	1,785,354
Printing & Stationery	605,751	373,956
Advertisement, Publicity & Business Promotion	197,696	564,297
Professional & Legal Charges	3,478,969	3,838,763
Audit Fee: As Auditors	50,000	50,000
: For Certification	65,375	44,013
General Expenses	1,505,560	669,272
Office Maintenance	2,547,812	1,746,132
Security Service	283,399	577,205
Director's Sitting fees	440,500	190,000
Registrar's expenses	75,566	70,048
Web Designing Charges	8,626	64,410
Garden Maintenance	78,700	83,000
Conference Fee	-	233,683
BSE Listing Fee	201,000	200,000
ROC Filling Fee	1,040,272	-
TDS interest & late filing fee	1,128,870	-
Volunteer Expenses	567,765	-
Bad Debts Written Off	21,063	-
Exchange Variance Loss	269,431	-
Loss on Sale of Assets	-	278,285
Data Management Service Charges	96,858,393	94,660,403
<b>Total</b>	<b>123,564,404</b>	<b>117,502,335</b>

### 24. Related parties

#### a. Key management personnel

Name of the personnel	Nature of relationship
K Krishna Kishore**	Vice Chairman & Managing Director
K Gopi Krishna*	Managing Director
M Rajendra Prasad	Executive Director & CEO
B. Raghav	Non-Executive Director
A Vijay Kumar	Independent Director

## Jeevan Scientific Technology Limited

K Vanaja	Non Executive Director
SSR Koteswara Rao	Independent Director - Chairman
T Ravi Babu	Independent Director
G Bhanu Prakash	Independent Director
KRK Prasad	Independent Director
G. Krishna Sowjanya	Company Secretary

\* Resigned w.e.f. 10-04-2017, \*\* Appointed as Managing Director w.e.f. 10-04-2017

### b. Name of the related party

Name of the entity	Nature of relation ship
Jeevana Mitra Finance Corporation	Enterprise owned by Key managerial person
Enhops Solutions Pvt Ltd	Wholly owned subsidiary
EnhopsInc, USA	Wholly owned subsidiary

### c. Particulars of transactions with related party

(in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Rent Paid</b>		
a)JeevanaMitra Finance corporation	8,40,000	8,40,000
b) K Krishna Kishore	4,80,000	4,80,000
c) K Vanaja	4,80,000	4,80,000
<b>Long term Borrowings</b>		
a) K Krishna Kishore	3,03,60,000	1,93,50,000
b) K Vanaja	2,74,15,000	1,13,00,000
c) M Rajendra Prasad	-	-
d) K Gopi Krishna	-	-
e) B Raghav	-	57,00,000
f) K R K Prasad	67,00,000	29,00,000
<b>Interest paid on short term borrowings</b>		
a) K Krishna Kishore	28,32,852	34,81,115
b) K Vanaja	19,43,088	13,30,705
c) M Rajendra Prasad	4,30,107	6,45,160
d) K Gopi Krishna	12,097	31,437
<b>Remuneration Paid</b>		
a) K Krishna Kishore	26,12,903	12,00,000
b) K Gopi Krishna	13,43,548	12,00,000
c) M Rajendra Prasad	30,99,996	29,41,663
d) B Raghav	-	20,16,664
<b>Loans and Advances given</b>		
Enhops Solutions Pvt Ltd	3,08,26,058	46,691

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**d. The Company has the following amounts due from / to related parties:**

(i) Due to related parties. (in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Long term Borrowings</b>		
a) K Krishna Kishore	-	2,55,22,625
b) K Vanaja	-	94,00,000
c) M Rajendra Prasad	-	71,48,864
d) K Gopi Krishna	-	1,92,400
e) B Raghav	-	57,00,000
f) K R K Prasad	-	29,00,000

(ii) Due from related parties. (in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Long term advances</b>		
Enhops Solutions Pvt Ltd	2,43,26,338	46,691

**25. Segment Reporting (AS-17):**

Details of Primary Business Segments of the Company are as under:

(Rupees in Lakhs)

Particulars	Clinical Research Services	Data Management Services	Information Technology Services	Unallocated	Total
Revenue from External Customers	347.09	1,280.34	118.63	56.99	1,803.05
Segment Result	-126.23	258.56	70.32	-91.88	110.77
Assets	1,564.53	1,085.40	256.93	424.62	3,331.48
Liabilities	1,181.27	133.65	-	2016.56	3,331.48
Depreciation and Amortization	67.23	11.80	11.80	27.26	118.09
Capital Expenditure during the year	640.99	-	-	-	640.99

## Jeevan Scientific Technology Limited

### 26. Accounting for Lease (AS-19):

- a) The total of future minimum lease payments under non cancellation operating leases are given below:

Not later than one year	Later than one year and not later than five years	Later than five years
1,05,18,000	2,81,10,025	Nil

- b) Lease payments recognized in the Statement of Profit and Loss.

Lease rentals of Building recognized in the Statement of Profit and Loss - Rs.70,13,609/-.

- c) General description of the company's significant leasing arrangements.

The Company has entered into a long term non-cancellable leasing arrangement in respect of its Registered Office situated at 3<sup>rd</sup> Floor, North Block, RaghavaRatna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001.

27. During the year, the Company had Specified Bank Notes(SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification are as follows.

	SBNs	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	20,60,000	5,000	20,65,000
(+) Permitted receipts	-	2,20,003	2,20,003
(-) Permitted payments	-	90,000	90,000
(-) Amount deposited in Banks	20,60,000	-	20,60,000
Closing cash in hand as on 30-12-2016	-	1,35,003	1,35,003

28. The management has carried assessment of impairment of assets and no impairment loss has been recognized during the year.
29. Previous year's figures are regrouped/ reclassified wherever considered necessary to confirm to current year's classifications.

Per our report of even Date  
for **L N P & Co.**,  
Chartered Accountants  
Firm Regn No:008918S

for and on behalf of the Board of Directors  
**Jeevan Scientific Technology Limited**

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746

Sd/-  
**K.Krishna Kishore**  
Vice Chairman & Managing Director  
DIN: 00876539

Sd/-  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN: 06781058

Sd/-  
**G. Krishna Sowjanya**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2017

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### INDEPENDENT AUDITOR'S REPORT

To the Members of

**Jeevan Scientific Technology Limited**

#### **Report on Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Jeevan Scientific Technology Limited ("the Holding Company"), and its subsidiaries (collectively referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "the consolidated financial statements")

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the holding Company's

## **Jeevan Scientific Technology Limited**

preparation of the consolidated 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 holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Other Matters**

- a) We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of Rs.2,87,94,527/- as at 31st March, 2017, total revenues of Rs.75,83,774/- and net cash flows amounting to Rs.6,04,937/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 12,87,623/- for the year ended 31st March, 2017, These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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- e) on the basis of the written representations received from the directors of the Holding company as on 31st March, 2017 taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the group companies is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The Holding company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the guidance note on Audit of internal financials controls over financials reporting issued by ICAI.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Consolidated financial statements has disclosed the impact of pending litigations on the consolidated financial position of the group. –the holding Company and its subsidiaries does not have any pending litigations which would impact consolidated financial position.
  - ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts –the Holding company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiary companies.
  - iv) The Holding Company has provided requisite disclosures in the Consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the holding Company. Refer to Note 27 to the consolidated financial statements.

**For L N P & Co,**  
**Chartered Accountants**  
Firm Reg. No.008918S

**Sd/-**  
**Purna Chandra Sekhar P**  
**Partner**  
Membership No.214746

Place: Hyderabad  
Date: 30-05-2017

## Jeevan Scientific Technology Limited

### Consolidated Balance Sheet as at 31st March, 2017

(In Rupees)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
<b>I. Equity and Liabilities</b>			
<b>(1) Shareholders' Funds</b>			
a) Share Capital	2	92,794,650	60,416,000
b) Reserves and surplus	3	51,681,832	-22,711,528
c) Money Received Against share Warrants		47,604,502	-
<b>(2) Non-current Liabilities</b>			
a) Long term borrowings	4	47,475,165	83,193,804
b) Long-term provisions	5	746,915	271,264
<b>(3) Current Liabilities</b>			
a) Short term borrowings	6	24,621,966	24,479,407
b) Trade Payables	7	16,645,865	30,164,207
c) Other current liabilities	8	41,744,027	23,739,690
d) Short term provisions	9	8,921,624	4,487,716
<b>Total</b>		<b>332,236,546</b>	<b>204,040,560</b>
<b>II. Assets</b>			
<b>(1) Non-current Assets</b>			
a) Fixed Assets	10		
i) Tangible Assets		106,232,671	81,683,669
ii) Intangible Assets		57,268,692	5,055,133
b) Non Current Investments	11	-	-
c) Deferred tax asset (net)	12	1,170,872	2,244,508
d) Long-term loans and advances	13	5,813,794	5,254,906
<b>(2) Current Assets</b>			
a) Inventories	14	26,796,786	22,797,681
b) Trade receivables	15	113,252,532	72,368,159
c) Cash and bank balances	16	2,573,833	2,087,904
d) Other Current Assets	17	19,127,366	12,548,600
<b>Total</b>		<b>332,236,546</b>	<b>204,040,560</b>

Per our report of even Date  
**for L N P & Co.,**  
Chartered Accountants  
Firm Regn No:008918S

for and on behalf of the Board of Directors  
**Jeevan Scientific Technology Limited**

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746

Sd/-  
**K.Krishna Kishore**  
Vice Chairman & Managing Director  
DIN: 00876539

Sd/-  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN: 06781058

Sd/-  
**G. Krishna Sowjanya**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2017

## Nineteenth Annual Report 2016-2017

### Consolidated Statement of Profit and Loss for the Period ended 31st March, 2017

(In Rupees)

Particulars	Note No.	Current Year 2016-2017	Previous Year 2015-2016
<b>Continuing Operations</b>			
<b>Income</b>			
I. Revenue from operations	18	182,170,670	173,860,362
II. Other Income	19	5,717,985	4,032,315
<b>III. Total revenue(I+II)</b>		<b>187,888,655</b>	<b>177,892,677</b>
<b>IV. Expenses</b>			
Components consumed	20	1,585,147	1,509,833
Employee benefits expenses	21	22,775,907	35,553,284
Finance costs	22	14,079,043	12,762,527
Depreciation	10	12,251,279	6,761,990
Other expenses	23	127,297,049	119,142,657
<b>Total expenses</b>		<b>177,988,425</b>	<b>175,730,291</b>
<b>V. Profit/ (Loss) before tax (III)-(IV)</b>		<b>9,900,230</b>	<b>2,162,386</b>
<b>Tax expenses</b>			
Current Tax		2,488,608	1,223,957
Less: Mat Credit Entitlement		(2,488,608)	(1,223,957)
Deferred Tax		1,073,636	2,229,313
<b>Total tax expenses</b>		<b>1,073,636</b>	<b>2,229,313</b>
<b>Profit / (Loss) for the year</b>		<b>8,826,594</b>	<b>(66,927)</b>
<b>Earning per equity share</b>			
<b>(Face value of Rs.10/- each)</b>		<b>0.95</b>	<b>-0.01</b>
Basic & Diluted			

Per our report of even Date  
for **L N P & Co.,**  
Chartered Accountants  
Firm Regn No:008918S

for and on behalf of the Board of Directors  
**Jeevan Scientific Technology Limited**

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746  
Place : Hyderabad  
Date : 30-05-2017

Sd/-  
**K.Krishna Kishore**  
Vice Chairman & Managing Director  
DIN: 00876539

Sd/-  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN: 06781058

Sd/-  
**G. Krishna Sowjanya**  
Company Secretary

## Jeevan Scientific Technology Limited

### Consolidated Cash flow statement for the year ended 31st March, 2017

(In Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>A. Cash flow from operating activities</b>		
Net Profit before tax and extraordinary items	9,900,230	2,162,386
Adjustments for:		
Depreciation	12,251,279	6,761,990
Loss on Sale of Assets	-	278,285
Interest	13,279,485	11,768,653
<b>Operating profit before working capital changes</b>	<b>35,430,994</b>	<b>20,971,314</b>
Adjustments for:		
Inventories	-3,999,105	-147,577
Trade and other receivables	-48,022,026	-5,866,175
Trade and other Paybles	26,323,085	32,269,160
<b>Cash generated from operations</b>	<b>-42,913,222</b>	<b>47,226,722</b>
Taxes Provision	-	-
Interest paid	13,279,485	11,768,653
<b>Net cash from operating activity</b>	<b>-56,192,707</b>	<b>35,458,069</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	89,013,841	36,954,319
Investments	-	-
Sale/ Transfer of fixed assets	-	697,966
<b>Net cash used in investing activity</b>	<b>-89,013,841</b>	<b>-36,256,353</b>
<b>C. Cash flow from financing activity</b>		
Proceeds from loans	142,559	2,304,543
Increase in Capital	145,549,918	-
<b>Net cash generated in financing activity</b>	<b>145,692,477</b>	<b>2,304,543</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>485,929</b>	<b>1,506,259</b>
Cash and cash equivalents as at 31.03.2016	2,087,904	581,645
<b>Cash and cash equivalents as at 31.03.2017</b>	<b>2,573,833</b>	<b>2,087,904</b>

Per our report of even Date  
for **L N P & Co.,**  
Chartered Accountants  
Firm Regn No:008918S

for and on behalf of the Board of Directors  
**Jeevan Scientific Technology Limited**

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746  
Place : Hyderabad  
Date : 30-05-2017

Sd/-  
**K.Krishna Kishore**  
Vice Chairman & Managing Director  
DIN: 00876539

Sd/-  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN: 06781058

Sd/-  
**G. Krishna Sowjanya**  
Company Secretary

## Nineteenth Annual Report 2016-2017

### Jeevan Scientific Technology Limited

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts are in Indian rupees, unless otherwise stated)

#### Company Information

The Company was incorporated on 2<sup>nd</sup> February, 1999 to carry on the business Clinical research, Data management, education, Information Technology and staffing services.

#### 1. Statement of significant accounting policies

##### a. Basis of preparation of financial statements

The financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with all material respects with the accounting standard notified under section 133 of the Companies act 2013 read with rule 7 of the companies (Accounts) Rules, 2014. The accounting policies adopted in preparation of the financial statements are consistent with those followed in previous year unless otherwise stated below.

The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financials statements as laid down under the accounting standard (AS) 21, ' Consolidated Financial Statements'. The consolidated financial statements comprises the financial statements of the company and its subsidiaries, combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating the intra group balances and transactions and resulting unrealized gain/loss. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

##### b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### c. Revenue recognition

Revenue is recognized only when there is no significant uncertainty as to the measurability / collectability of the amounts. Export Revenue in foreign currency is accounted for at the exchange rate prevailing at the time of sale or service. Gain/ Loss arising out of variances in the exchange rates is recognized as income / expenditure of the year.

##### d. Fixed assets and capital work-in-progress

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets

## Jeevan Scientific Technology Limited

are ready to put to use.

### e. Depreciation

The Company provides depreciation for tangible assets on straight line method over the useful lives of assets estimated by the management. Depreciation for assets purchased and sold during a period proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the company for its use. The management estimates the useful lives for the following class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that useful lives as given below best represents the period over which the management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part - C of schedule II of the companies act 2013.

Plant and machinery	21 years
Electrical Installations	21 years
Computers	6 years
Vehicles- Motor car	10 years
Furniture and Fixtures	15 years
Office Equipment	21 years

### f. Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### g. Inventories

Inventories are valued as under:

Components and consumables are valued at lower of cost. Work-in-progress and finished goods are valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### h. Retirement and other employee benefits

The Company's liability towards retirement benefits in the form of gratuity is provided in accordance with the payment of Gratuity Act, 1972 to all the employees other than the whole time Directors.

## Nineteenth Annual Report 2016-2017

### i. Income taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date the company reassesses recognized deferred tax assets, if any.

Current tax assets and current tax liability are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off against liabilities representing current tax and the where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

### **MAT credit**

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, in accordance with the provisions contained in the Guidance Note on Accounting for Credit Available under Minimum Alternative Tax, issued by the ICAI, the said asset is created by way of a credit to the Profit and Loss account and shown as "MAT Credit Entitlement". The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### j. Foreign currency transaction

#### **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **Conversion**

Foreign currency monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of monetary items which are covered by foreign exchange contracts, the difference between the original entry dates to forward contract date is recognized as an exchange difference.

#### **Exchange differences**

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded

## Jeevan Scientific Technology Limited

during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

### Foreign currency Transactions.

(Rupees in lakhs)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Earnings in Foreign exchange	330.12	424.20
Expenditure in Foreign exchange	NIL	NIL

### k. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Earnings per share are calculated by dividing the net profit after tax for the year attributable to equity shareholders by the number of equity shares outstanding on the balance sheet date.

### l. Provisions

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

### m. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence of non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

The contingent liability is Rs.4.13 Lakhs during the financial year.

### n. Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## Nineteenth Annual Report 2016-2017

### Notes to financial statements for the year ended 31st March, 2017

#### 2. Share Capital

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Authorised</b> 2,10,00,000 (31st March 2017:2,10,00,000) equity Shares of Rs.10/- each	21,00,00,000	9,99,00,000
<b>Issued, subscribed and paid-up</b> 92,79,465 (31st March 2017:92,79,465) equity Shares of Rs. 10/- each fully paid-up	9,27,94,650	6,04,16,000

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31.03.2017		As at 31.03.2016	
	Number	Amount	Number	Amount
At the beginning of the period	60,41,600	60,416,000	60,41,600	6,04,16,000
issued during the period	32,37,865	3,23,78,650	-	-
<b>Outstanding at the end of the period</b>	<b>92,79,465</b>	<b>9,27,94,650</b>	<b>60,41,600</b>	<b>6,04,16,000</b>

#### b. Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

#### c. Details of shareholders holding more than 5% share in the company

Particulars	As at 31.03.2017		As at 31.03.2016	
	Number	% Holding	Number	% Holding
Sri. K. Krishna Kishore	1,324,391	14.28%	993,391	16.44%
Smt. K.Vanaja	857,800	9.24%	373,800	6.19%
Sri. T Chalapathi Rao	-	-	384,700	6.37%
Smt. Nirmala Desaiiah Durisala	-	-	480,000	7.94%
Dr. Desaiiah Durisala	830,000	8.94%	-	-

#### d. Shares reserved for issue under options

The company has not reserved any shares for issue under employee stock option (ESOP), loan agreements or contracts for supply of capital goods, etc.

## Jeevan Scientific Technology Limited

### 3. Reserves & Surplus

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Opening Balance	-	-
Add: Surplus in the statement of profit and loss	6,55,66,766	-
<b>Closing Balance</b>	<b>6,55,66,766</b>	-
<b>Surplus/ (deficit) in statement of profit and Loss</b>		
Opening Balance	-22,711,528	-22,644,601
Add: Profit / (loss) for the year	8,826,594	-66,927
<b>Closing Balance</b>	<b>-13,884,934</b>	<b>-22,711,528</b>
<b>Total</b>	<b>51,681,832</b>	<b>-22,711,528</b>

### 4. Long term borrowings

(in Rupees)

Particulars	Non-Current Portion		Current Portion	
	As at 31.03.2017	As at 30.03.2016	As at 31.03.2017	As at 31.03.2016
Term Loan- secured				
A) From Banks				
i) Car Loans- Hypothecation against the Cars	646,036	13,540	621,238	641,436
ii) Machinery loans	38,829,129	27,316,375	11,807,578	2,483,307
B) From Others	8,000,000	5,000,000	-	-
C) Loans and advances from related parties	-	50,863,889	-	-
<b>Total</b>	<b>47,475,165</b>	<b>83,193,804</b>	<b>12,428,816</b>	<b>3,124,743</b>

### 5. Long Term Provisions

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Gratuity Payable	7,46,915	2,71,264
<b>Total</b>	<b>7,46,915</b>	<b>271,264</b>

### 6. Short Term Borrowings

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Loan repayable on Demand		
i) Loan From Banks (Guaranted by Director)	24,621,966	24,479,407
<b>Total</b>	<b>24,621,966</b>	<b>24,479,407</b>

## Nineteenth Annual Report 2016-2017

### 7. Trade Payables

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Trade payables (for services received)	16,645,865	30,164,207
<b>Total</b>	<b>16,645,865</b>	<b>30,164,207</b>

There are no dues to Micro Small and Medium Enterprises as defined under the MSMED Act, 2006

### 8. Other Current Liabilities

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Current maturities of Long term borrowings	12,428,816	3,124,743
TDS Payable	4,114,975	2,442,249
Professional tax payable	27,000	8,850
Service tax payable	3,412,296	1,255,133
Provident Fund payable	570,633	198,914
ESI payable	97,245	27,986
Provision for expenses	2,288,131	1,618,942
Rent Payable	3,141,358	855,000
Interest Payable	1,533,733	1,513,617
Creditors for Capital Assets	10,376,484	4,134,543
Advance received from Customers	3,731,250	8,500,000
Other Payables	22,106	59,713
<b>Total</b>	<b>41,744,027</b>	<b>23,739,690</b>

### 9. Short Term Provisions

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Salaries payable	4,262,725	2,703,293
Directors Remuneration Payable	2,170,291	560,466
Provision for tax	2,488,608	1,223,957
<b>Total</b>	<b>8,921,624</b>	<b>4,487,716</b>

## Jeevan Scientific Technology Limited

### 10. Fixed Assets

(in Rupees)

I. Tangible Assets		GROSS BLOCK				DEPRECIATION				NET BLOCK			
		As at 31.03.2016	Additions	Deletions	As at 31.03.2017	Up to 31.03.2016	Deletions 31.03.2017	For the year 31.03.2017	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	
1	LEASE HOLD BUILDINGS	8,165,864	-	-	8,165,864	6,551,976	-	806,940	7,358,916	806,948	1,613,888		
2	PLANT & MACHINERY												
	a. Electrical Installations	10,312,302	7,556,285	-	17,868,587	1,632,104	-	1,011,773	2,643,877	15,224,710	8,680,198		
	b. Airconditioners	1,194,942	-	-	1,194,942	810,322	-	56,760	867,082	327,860	384,620		
	c. U.P.S. Systems	1,048,582	-	-	1,048,582	782,802	-	49,808	832,610	215,972	265,780		
	d. Inverter	275,203	-	-	275,203	162,554	-	13,072	175,626	99,577	112,649		
3	COMPUTERS	12,831,029	7,556,285	-	20,387,314	3,387,782	-	1,131,413	4,519,195	15,868,119	9,443,247		
	a. Computers	13,287,257	4,216,182	-	17,503,439	8,053,184	-	1,798,739	9,851,923	7,651,516	4,573,301		
4	VEHICLES	13,287,257	4,216,182	-	17,503,439	8,053,184	-	1,798,739	9,851,923	7,651,516	4,573,301		
	a. Motor Car	4,463,910	2,107,565	-	6,571,475	1,827,138	-	552,942	2,380,080	4,191,395	2,636,772		
	b. Scooter	131,086	-	-	131,086	93,185	-	12,453	105,638	25,448	37,901		
5	FURNITURE & FIXTURES	4,594,996	2,107,565	-	6,702,561	1,920,323	-	565,395	2,485,718	4,216,843	2,674,673		
	a. Furniture	16,842,306	11,704,970	-	28,547,276	5,924,471	-	1,574,571	7,499,042	21,048,234	10,917,835		
	b. Fixtures	988,151	-	-	988,151	988,151	-	-	988,151	-	-		
6	OFFICE & LABORATORY EQUIPMENT	17,830,457	11,704,970	-	29,535,427	6,912,622	-	1,574,571	8,487,193	21,048,234	10,917,835		
	a. Office Equipments	826,026	489,833	-	1,315,859	335,967	-	82,516	418,483	897,376	490,059		
	b. Laboratory Equipments	53,643,983	9,769,036	-	63,413,019	2,539,363	-	5,303,956	7,843,319	55,569,700	51,104,620		
	c. E.P.A.B.X & Telephones	460,323	-	-	460,323	274,794	-	21,865	296,659	163,664	185,529		
	d. Fax Machine	15,100	-	-	15,100	12,035	-	717	12,752	2,348	3,065		
	e. Projector with LCD Panel	366,841	-	-	366,841	362,358	-	4,483	366,841	-	4,483		
7	LIBRARY:	55,312,273	10,258,869	-	65,571,142	3,524,517	-	5,413,537	8,938,054	56,633,088	51,787,756		
	a. Books	89,983	-	-	89,983	77,786	-	4,274	82,060	7,923	12,197		
		89,983	-	-	89,983	77,786	-	4,274	82,060	7,923	12,197		
	<b>Total:</b>	<b>112,111,859</b>	<b>35,843,871</b>	-	<b>147,955,730</b>	<b>30,428,190</b>	-	<b>11,294,869</b>	<b>41,723,059</b>	<b>106,232,671</b>	<b>81,022,897</b>		
	previous year	34,974,781	77,542,150	1,113,462	111,403,469	24,296,035	137,212	6,221,749	30,380,572	81,022,897	10,678,746		

II. Intangible Assets

(in Rupees)

S. No.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK			
		As at 31.03.2016	Additions	Deletions	As at 31.03.2017	Up to 31.03.2016	Deletions 31.03.2017	For the year 31.03.2017	Up to 31.03.2017	As at 31.03.2016	As at 31.03.2017	Up to 31.03.2017	As at 31.03.2016
1	COMPUTERS												
	Software	3,335,051	4,009,752	-	7,344,803	1,594,501	-	715,610	2,310,111	5,034,692	-	1,672,962	
		3,335,051	4,009,752	-	7,344,803	1,594,501	-	715,610	2,310,111	5,034,692	-	1,672,962	
2	COPYRIGHTS	1,204,000	-	-	1,204,000	931,750	-	240,800	1,172,550	31,450	-	272,250	
3	Process Knowhow	304,233	49,160,217	-	52,202,550	-	-	-	-	-	-	3,042,333	
	<b>Total:</b>	<b>7,581,384</b>	<b>53,169,969</b>	<b>-</b>	<b>60,751,353</b>	<b>2,526,251</b>	<b>-</b>	<b>956,410</b>	<b>3,482,661</b>	<b>57,268,692</b>	<b>-</b>	<b>4,987,545</b>	
	previous year	2,961,261	4,552,498	-	7,513,759	2,033,627	-	492,586	2,526,214	4,987,545	-	927,634	

## Jeevan Scientific Technology Limited

### 11. Investments

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Enhops Solutions Inc.	-	-
Enhops Solutions Pvt Ltd	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 12. Deferred Tax (Net)

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Deferred Tax Asset Opening	2,244,508	4,473,821
Add/Less: Deferred Tax liability	(1,073,636)	(2,229,313)
<b>Total</b>	<b>1,170,872</b>	<b>2,244,508</b>

### 13. Long term Loans and Advances

(in Rupees)

Particulars	Non-Current Portion		Current Portion	
	As at 31.03.2017	As at 30.03.2016	As at 31.03.2017	As at 31.03.2016
i) Capital Advances	-	-	-	-
ii) Security Deposit	5,813,794	5,254,906	-	-
iii) Loans and advances to related parties	-	-	-	-
iv) Other Loans and advances	-	-	-	384,670
<b>Total</b>	<b>5,813,794</b>	<b>5,254,906</b>	<b>-</b>	<b>384,670</b>

### 14. Inventories

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Work in progress point of sale boxes	210,240	210,240
Consumables - R & D	4,531,437	532,332
ERP Softwares	22,055,109	22,055,109
<b>Total</b>	<b>26,796,786</b>	<b>22,797,681</b>

### 15. Trade Receivables (Unsecured)

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Debtors outstanding for more than Six months- Considered good	14,461,036	5,720,444
Doubtful	-	-
Other debts	98,791,496	66,647,715
<b>Total</b>	<b>113,252,532</b>	<b>72,368,159</b>

## Nineteenth Annual Report 2016-2017

### 16. Cash and Bank Balances

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Cash and cash equivalents Balances with Banks in current accounts	777,284	529,050
in fixed deposits more than 12 months	1,279,642	1,192,436
cash on hand	516,907	366,418
<b>Total</b>	<b>2,573,833</b>	<b>2,087,904</b>

### 17. Other Current Assets

(in Rupees)

Particulars	As at 31.03.2017	As at 31.03.2016
Tax deducted at source	5,277,173	4,211,954
MAT Credit	5,943,376	3,454,768
VAT input Credit	49,637	49,637
Prepaid Expenses	822,386	568,654
Interest Receivable	1,533,733	-
Service Tax Input Credit	559,022	1,661,220
Current portion of Loans and Advances	4,942,039	384,670
Others	-	2,217,697
<b>Total</b>	<b>19,127,366</b>	<b>12,548,600</b>

### 18. Revenue from Operations

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
IT Consultancy Service Charges - Export	18,514,157	38,292,215
IT Consultancy Service Charges - Domestic	913,767	-
Clinical Research Services- Domestic	20,210,673	5,522,994
Clinical Research Services- Export	14,498,436	4,128,735
Data Management service charges	128,033,637	125,916,418
<b>Total</b>	<b>182,170,670</b>	<b>173,860,362</b>

### 19. Other Non Operating Income

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Interest on Income Tax Refund	80,453	2,984
Interest Received from Others	1,801,045	-
Miscellaneous Income	153,001	670,125
Exchange Variance Profit	83,486	2,438,755
Rent Received	3,600,000	900,000
Excess Gratuity Provision	-	20,451
<b>Total</b>	<b>5,717,985</b>	<b>4,032,315</b>

## Jeevan Scientific Technology Limited

### 20. Components Consumed

(in Rupees)

Hardware	Current Year 2016-2017	Previous Year 2015-2016
Opening Stock	210,240	210,240
Purchases: Components & Software	-	-
	210,240	210,240
Less: Closing Stock	210,240	210,240
<b>Total (A)</b>	<b>-</b>	<b>-</b>
Consumables - R & D	Current Year 2016-2017	Previous Year 2015-2016
Opening Stock	532,332	384,755
Purchases: Consumables	<u>5,584,252</u>	<u>3,189,910</u>
	6,116,584	3,574,665
Less: Closing Stock	4,531,437	<u>532,332</u>
Less: Trafer to Process Knowhow	-	1,532,500
<b>Total (B)</b>	<b>1,585,147</b>	<b>1,509,833</b>
<b>Total (A+B)</b>	<b>1,585,147</b>	<b>1,509,833</b>

### 21. Employees benefit expenses

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Salaries & Allowances	17,043,205	26,735,734
Contribution to Provident Fund&Others	970,777	595,017
Welfare Expenses	619,611	462,706
Gratuity	475,651	14,001
Director's Remuneration	3,666,663	7,745,826
<b>Total</b>	<b>22,775,907</b>	<b>35,553,284</b>

### 22. Finance Cost

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Bank charges	178,783	225,987
Loan Processing Charges	620,775	767,887
Interest expense		
on Vehicle Loans	110,204	97,991
on Bank Overdraft	3,631,174	3,170,071
on Term loan from Bank	4,529,220	2,412,165
on Unsecured Loans	5,008,887	6,088,426
<b>Total</b>	<b>14,079,043</b>	<b>12,762,527</b>

## Nineteenth Annual Report 2016-2017

### 23. Other expenses

(in Rupees)

Particulars	Current Year 2016-2017	Previous Year 2015-2016
Rent	8,471,609	7,084,050
Electricity	3,370,755	3,846,262
Repairs & Maintenance:	924,161	763,331
Insurance	829,608	460,255
Rates & Taxes	302,465	221,183
Communication Charges	1,232,118	726,028
Travelling, Conveyance	1,906,050	1,785,354
Printing & Stationery	627,438	399,881
Advertisement, Publicity & Business Promotion	260,690	564,297
Professional & Legal Charges	3,769,039	3,967,231
Audit Fee: As Auditors	81,050	80,915
: For Certification	65,375	44,013
General Expenses	1,600,522	694,764
Office Maintenance	2,547,812	1,746,132
Security Service	283,399	577,205
Director's Sitting fees	440,500	190,000
Registrar's expenses	75,566	142,983
Web Designing Charges	8,626	128,594
Garden Maintenance	78,700	83,000
Conference Fee	-	233,683
BSE Listing Fee	201,000	200,000
ROC Filling Fee	1,112,272	-
TDS interest & late filing fee	1,320,670	-
Volunteer Expenses	567,765	-
Bad Debts Written Off	21,063	-
Exchange Variance Loss	301,255	-
Loss on Sale of Assets	-	278,285
Data Management Service Charges	96,858,393	94,660,403
Incorporation Expenses	-	225,920
Visa Fee	39,148	38,888
<b>Total</b>	<b>127,297,049</b>	<b>119,142,657</b>

### 24. Related parties

#### a. Key management personnel

Name of the personnel	Nature of relationship
K Krishna Kishore**	Vice Chairman & Managing Director
K Gopi Krishna*	Managing Director
M Rajendra Prasad	Executive Director & CEO
B. Raghav	Non-Executive Director
A Vijay Kumar	Independent Director

## Jeevan Scientific Technology Limited

K Vanaja	Non Executive Director
SSR Koteswara Rao	Independent Director - Chairman
T Ravi Babu	Independent Director
G Bhanu Prakash	Independent Director
KRK Prasad	Independent Director
G. Krishna Sowjanya	Company Secretary

\* Resigned w.e.f. 10-04-2017, \*\* Appointed as Managing Director w.e.f. 10-04-2017

### b. Name of the related party

Name of the entity	Nature of relationship
Jeevana Mitra Finance Corporation	Enterprise owned by Key managerial person
Enhops Solutions Pvt Ltd	Wholly owned subsidiary
EnhopsInc, USA	Wholly owned subsidiary

### c. Particulars of transactions with related party

(in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Rent Paid</b>		
a)JeevanaMitra Finance corporation	8,40,000	8,40,000
b) K Krishna Kishore	4,80,000	4,80,000
c) K Vanaja	4,80,000	4,80,000
<b>Long term Borrowings</b>		
a) K Krishna Kishore	3,03,60,000	1,93,50,000
b) K Vanaja	2,74,15,000	1,13,00,000
c) M Rajendra Prasad	-	-
d) K Gopi Krishna	-	-
e) B Raghav	-	57,00,000
f) K R K Prasad	67,00,000	29,00,000
<b>Interest paid on short term borrowings</b>		
a) K Krishna Kishore	28,32,852	34,81,115
b) K Vanaja	19,43,088	13,30,705
c) M Rajendra Prasad	4,30,107	6,45,160
d) K Gopi Krishna	12,097	31,437
<b>Remuneration Paid</b>		
a) K Krishna Kishore	26,12,903	12,00,000
b) K Gopi Krishna	13,43,548	12,00,000
c) M Rajendra Prasad	30,99,996	29,41,663
d) B Raghav	30,99,996	27,91,663

## Nineteenth Annual Report 2016-2017

**d. The Company has the following amounts due from / to related parties:**

(i) Due to related parties. (in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Long term Borrowings</b>		
a) K Krishna Kishore	-	2,55,22,625
b) K Vanaja	-	94,00,000
c) M Rajendra Prasad	-	71,48,864
d) K Gopi Krishna	-	1,92,400
e) B Raghav	-	57,00,000
f) K R K Prasad	-	29,00,000

**25. Segment Reporting (AS-17):**

Details of Primary Business Segments of the Company are as under:

(Rupees in Lakhs)

Particulars	Clinical Research Services	Data Management Services	Information Technology Services	Unallocated	Total
Revenue from External Customers	347.09	1,280.34	194.28	57.17	1,878.88
Segment Result	-126.23	258.56	62.64	-95.96	99.01
Assets	1,564.53	1,085.40	524.42	148.02	3,322.37
Liabilities	1,181.27	133.65	46.36	1,961.09	3,322.37
Depreciation and Amortization	67.23	11.80	16.22	27.26	122.51
Capital Expenditure during the year	640.99	-	249.15	-	890.14

**26. Accounting for Lease (AS-19):**

a) **The total of future minimum lease payments under non cancellation operating leases are given below:**

Not later than one year	Later than one year and not later than five years	Later than five years
1,41,18,000	3,29,10,025	Nil

## Jeevan Scientific Technology Limited

**b) Lease payments recognized in the Statement of Profit and Loss.**

Lease rentals of Building recognized in the Statement of Profit and Loss - Rs.84,71,609/-

**c) General description of the company's significant leasing arrangements.**

The Company has entered into a long term non-cancellable leasing arrangement in respect of its Registered Office situated at 3<sup>rd</sup> Floor, North Block, RaghavaRatna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001.

27. During the year, the Company had Specified Bank Notes(SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification are as follows.

	SBNs	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	20,60,000	5,000	20,65,000
(+) Permitted receipts	-	2,20,003	2,20,003
(-) Permitted payments	-	90,000	90,000
(-) Amount deposited in Banks	20,60,000	-	20,60,000
Closing cash in hand as on 30-12-2016	-	1,35,003	1,35,003

28. The management has carried assessment of impairment of assets and no impairment loss has been recognized during the year.
29. Previous year's figures are regrouped/ reclassified wherever considered necessary to confirm to current year's classifications.

Per our report of even Date  
for **L N P & Co.**,  
Chartered Accountants  
Firm Regn No:008918S

for and on behalf of the Board of Directors  
**Jeevan Scientific Technology Limited**

Sd/-  
**Purna Chandra Sekhar P**  
Partner  
Membership No:214746

Sd/-  
**K.Krishna Kishore**  
Vice Chairman & Managing Director  
DIN: 00876539

Sd/-  
**M. Rajendra Prasad**  
Executive Director & CEO  
DIN: 06781058

Sd/-  
**G. Krishna Sowjanya**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2017

## Nineteenth Annual Report 2016-2017

### Form No. MGT-11

#### Proxy form

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

CIN: L72200TG1999PLC031016

Name of the Company: **Jeevan Scientific Technology Limited**

Registered office: Plot No. 1 & 2, Sai Krupa Enclave, Manikonda, Near Lanco Hills,  
Golconda Post, Hyderabad – 500 008

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

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

1. Name : .....  
Address : \_  
E-mail Id :  
Signature: ....., or failing him
2. Name : .....  
Address:  
E-mail Id :  
Signature: ....., or failing him
3. Name : .....  
Address:  
E-mail Id:  
Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19<sup>th</sup> Annual General Meeting of the Company, to be held on 27<sup>th</sup> day of September, 2017 at 9.30 A.M. at 3<sup>rd</sup> floor, North Block, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad – 500001 and at any adjournment thereof in respect of such resolutions as are indicated below:

## Jeevan Scientific Technology Limited

### Resolution No.

1. Approval Of Financial Statements (including consolidated financial statements) for The Year Ended 31-Mar-2017.
2. To appoint a director in place of Mr. T. Ravi Babu (DIN: [01274099](#)) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Raghav Beeram (DIN: [07176417](#)) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Pavuluri & Co., Chartered Accountants to hold office from the conclusion of this Annual General Meeting till the conclusion of the 24<sup>th</sup> Annual General Meeting of the Company at a remuneration as may be fixed by the Board.

Signed this ..... day of..... 2017

Signature of shareholder

Signature of Proxy holder(s)



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

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## Jeevan Scientific Technology Limited

Plot No. 1 & 2, Sai Krupa Enclave, Manikonda Jagir, Near Lanco Hills,  
Hyderabad – 500 008

### ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 19<sup>th</sup> Annual General Meeting of the members of the company to be held on 27<sup>th</sup> day of September, 2017 at 9.30 A.M. at 3<sup>rd</sup> floor, North Block, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad – 500001 and at any adjourned meeting thereof.

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

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

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

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

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

## Nineteenth Annual Report 2016-2017

### Form No. MGT-12 Polling Paper

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of  
the Companies (Management and Administration) Rules, 2014]*

Name of the Company: **M/s. Jeevan Scientific Technology Limited**

Registered office: Plot No. 1 & 2, Sai Krupa Enclave, Manikonda Jagir,  
Near Lanco Hills, Golconda Post, Hyderabad – 500 008

### BALLOT PAPER

Sl.No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client IDNo. (*Applicable to investorsholding shares in dematerializedform)	
4.	Class of Share	<b>Equity</b>

## Jeevan Scientific Technology Limited

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Resol- ution No.	Description	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1.	Approval Of Financial Statements (including consolidated financial statements) for The Year Ended 31-Mar-2017.			
2.	To appoint a director in place of Mr. T. Ravi Babu (DIN: 01274099) who retires by rotation and being eligible, offers himself for re-appointment			
3.	To appoint a director in place of Mr. Raghav Beeram (DIN: 07176417) who retires by rotation and being eligible, offers himself for re-appointment			
4.	To appoint M/s. Pavuluri & Co., Chartered Accountants to hold office from the conclusion of this Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company at a remuneration as may be fixed by the Board			

Place:

Date:

(Signature of the shareholder)

1. To appoint a director in place of who retires by rotation and being eligible, offers himself for re-appointment.



Enhops Solutions Pvt. Ltd., India and Enhops, Inc., USA are fully owned “subsidiary” companies of **Jeevan Scientific Technology Limited.**

## Services Overview



Test Advisory  
Services



Test  
Automation



Performance  
Testing



Security  
Testing



Mobile  
Testing



TCoE



DevOps



Functional  
Manual Testing



Process Framework  
Establishment

**Book-Post  
Printed Matter**

*If undelivered, please return to :*



**Jeevan Scientific Technology Limited**

Registered Office: Plot No. 1&2, Sai Krupa Enclave,  
Near Lanco Hills, Golconda Post,  
Hyderabad - 500 008.

Ph : +91-40-67364700

Fax : +91-40-67364707

Email: [info@jeevanscientific.com](mailto:info@jeevanscientific.com)

Web : [www.jeevanscientific.com](http://www.jeevanscientific.com)