

**26th Annual Report
2015-2016**

*Innovating & Marching ahead
with Biologicals*



TRANSGENE
BIOTEK LIMITED
INNOVATING. FOR LIFE.



BOARD OF DIRECTORS

Dr. K. Koteswara Rao	Chairman & Managing Director
Dr. Puranik Sarang Subhash	Director
Mr Shyam Shankar Das	Director
Mrs. Sujana Kadiam	Director

Registered Office

Plot Nos. 68,69 & 70
Anrich Industrial Area,
IDA Bollaram,
Medak District. T.S. - 502 325.

Factory

Plot Nos. 68,69 & 70
Anrich Industrial Area,
IDA Bollaram,
Medak District. T.S. - 502 325.

Auditors

M/s. Gopal & Rajan
G4, Sterling Majestic Apts.,
Walker's Town,
Padmarao Nagar,
Secunderabad - 500 025.

Bankers

Union Bank of India

Jubilee Hills Branch,
Hyderabad.

Share Transfer Agents

M/s Bigshare Services Pvt. Ltd.

306, 3rd Floor, Right Wing,
Amrutha Vide, Bhavan Road,
Somajiguda, Hyderabad - 500 082.

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NOTICE

Notice is hereby given that the Twenty sixth (26th) Annual General Meeting of the Members of M/s. TRANSGESNE BIOTEK LIMITED will be held on Friday, the 30th September, 2016 at 11.00 Hours at 68, 69 & 70, Anrich Industrial Area, Bollaram, Medak District, Telangana State, to transact the following business.

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED ACCOUNTS AND REPORTS

To receive, consider and adopt the Balance Sheet as at 31st March, 2016 including audited Balance Sheet as at March 31, 2016, the Profit and Loss Account for the year ended as on that date, Directors' Report and Auditors' Report thereon.

2. RE-APPOINTMENT OF DIRECTOR

To appoint a Director in place of Sri Shyam Shankar Das who retires by rotation and being eligible offers himself for re-appointment.

3. RE-APPOINTMENT OF DIRECTOR

To appoint a Director in place of Sri Sarang Subhash Puranik who retires by rotation and being eligible offers himself for re-appointment.

4. APPOINTMENT OF AUDITORS

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

“ **RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification (s) or re-enactment (s) thereof, for the time being in force), the Company hereby ratifies the reappointment of M/s. Gopal & Rajan, Chartered Accountants as Statutory Auditors of the Company made pursuant to the resolution passed by the members at the 25th Annual General Meeting of the company held on 30th September 2015 until the conclusion of the 27th Annual General Meeting, be and are hereby ratified to hold the office from the conclusion of this Annual General Meeting of the Company until the conclusion of the 27th Annual General Meeting of the Company to be held in the year 2017 to examine and audit the accounts of the Company for the Financial Year 2016-17 at such remuneration to be fixed by the Board of Directors in consultation with the Auditors.”

SPECIAL BUSINESS

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



"RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 and other applicable provisions of the Companies Act, 2013 and Articles of Association of the Company, Ms. Sujana Kadiam (DIN 07167872) who holds office up to the date of this Annual General meeting, and being eligible offer himself for appointment as a Director and in respect of whom the Company has received a notice in writing from a member pursuant to Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Sujana Kadiam for the office of the Director of the Company, be and is hereby appointed as a Director of the Company for a period of 5 (Five) years."

6. RE-APPOINTMENT OF DR. K. KOTESWARA RAO AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY.

Re-appointment of Dr K. Koteswara Rao (DIN No: 02287235) as Chairman and Managing Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to such permissions, consents and approvals from various authorities as may be required and subject to such conditions, if any, that may be imposed by any authority while granting their permissions, consents and approvals, the approval of shareholders of the Company be and is hereby accorded for re-appointment of Dr. K. Koteswara Rao (DIN: 02287235) as Chairman & Managing Director of the Company for a period of 1 (one) year, without any remuneration, on the terms and conditions set out below in the explanatory statement annexed hereto which shall be deemed to form part hereof.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things they may consider necessary, expedient or desirable in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

7. SALE OF UNUSED ASSETS OF THE COMPANY.

Sale of unused assets of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT, pursuant to the provisions of Section 180 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactments thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company and such other approvals, consents and permissions to be obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed

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to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / dispose off its unused assets situated at 68, 69 & 70A of IDA Bollaram, Medak Dt, TS ("Undertaking") as a going concern on an "as is where is" basis or in any other manner as the Board may deem fit in the interest of the Company on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments."

8. SETTING UP A SUBSIDIARY

The Board of Directors thought it as an opportune moment to set up a subsidiary and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"Resolved that a wholly owned subsidiary of Transgene Biotek Ltd ("the company") be incorporated in India with the name as the Registrar of Companies may approve.

FURTHER RESOLVED that the company will act as one of the subscribers to the memorandum and articles of association of the prospective Indian subsidiary and will subscribe 10,000 equity shares of Rs. 10/- each in its name."

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate one or more among the existing Directors to sign, execute and to do all such acts, deeds, things including signing Memorandum and Articles of Association, forms, other documents for the purpose of giving effect to this resolution and on behalf of the Company."

By the Order Of the Board
For **TRANSGENE BIOTEK LIMITED**

PLACE: HYDERABAD
DATE: 02.09.2016

Sd/-
Dr. K. KOTESWARA RAO
CHAIRMAN & MANAGING DIRECTOR



NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant details of the directors seeking appointment under Item Nos. 2 and 3 as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchange are annexed. 3. Register of members and share transfer books of the company will remain closed from 28-09-2016 to 30-09-2016 (both days inclusive). Members / Proxies should bring the attendance slips duly filled in and signed for attending the meeting.
3. Members, who are holding shares in the identical order of names in more than one folio, are requested to write to the Company to enable it to consolidate their holding in one folio.
4. As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members of the Company in respect of shares held by them. The members, who wish to nominate a person, may furnish the required details to the Company in prescribed form.
5. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses. In respect of electronic holdings, with the Depository through their concerned Depository Participants and members who hold shares in physical form are requested to register the same with our RTA, Bigshare Services Pvt Ltd, 306, Right Wing, Amruta Ville, Opp Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad 500082.

6. VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of the Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 26th Annual Report of the company and the business may be transacted through e-voting. The company has engaged the services of Central Depository Services Limited (CDSL) as the authorized agency to provide the e-voting facility.

The instructions for shareholders voting electronically are as under:

Mr. M V R Murthy, Membership No.F8522 and CP No. 9552, Practicing Company Secretary is appointed as scrutinizer to conduct E-voting.

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STEPS FOR E-VOTING

7. The voting period begins on 27th September, 2016 at 9.00 a.m. and ends on 29th September, 2016 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 (record date) of 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
8. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on 23rd September, 2016
9. The shareholders should log on to the e-voting website www.evotingindia.com.

A) Click on Shareholders.

B) 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.
- (iv) Next enter the image verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<ul style="list-style-type: none">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">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.
	<ul style="list-style-type: none">In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none">Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).



- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN (**160906006**) for the relevant TRANSGENE BIOTEK LIMITED on which you choose to vote.
- (xi) 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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) 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.
- (xvii) Note for Non-Individual Shareholders & Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create 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.
 - 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.
- (xviii) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

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Information required to be furnished under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for directors seeking appointment/reappointment in forthcoming annual general meeting:

(i)

Name of Director	Mr Sarang Subhash Puranik
Date of Birth	30/07/1979
Date of Appointment	31/12/2014
Qualification	Ph. D
Expertise	Microbiology, Immunology & Nanobioscience
Other directorship	None
Chairman/Members of the Committee in other Companies	None
No of shares held in the Company	None

(ii)

Name of Director	Ms. Sujana Kadium
Date of Birth	06/02/1983
Date of Appointment	17/04/2015
Qualification	Post Graduate
Expertise	HR Professional
Other directorship	PFL INFOTECH LIMITED
CIN	L72200TG1993PLC007005
Chairman/Members of the Committee in other Companies	Nil
No of shares held in the Company	Nil

(iii)

Name of Director	Dr. K. Koteswara Rao
Date of Birth	11/10/1942
Date of Appointment	30/09/2011
Qualification	M.B.B.S., MBIM
Expertise	Medical Practice and Clinical Studies
Other directorship	None
Chairman/Members of the Committee in other Companies	None
No of shares held in the Company	15,211,902

(iv)

Name of Director	Shyam Shankar Das
Date of Birth	05/10/1968
Date of Appointment	31/12/2014
Qualification	M.Tech.
Expertise	Fermentation based Biotechnology
Other directorship	None
Chairman/Members of the Committee in other Companies	None
No of shares held in the Company	None



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102
OF THE COMPANIES ACT, 2013.**

ITEM No. 6

Because of nature of business of the company and because of several ongoing regulatory as well as scientific and commercial developments, the Board of Directors recommend that it is important to maintain continuity of the top management of company at this critical juncture, hence the Board recommends that Dr. K. Koteswara Rao, who attained the age of 70 years, continues to function as Managing Director of the company for another 1 (one) year.

ITEM No. 7

The company is currently involved in the research and development of certain API's and Nutraceuticals – for which the company has also been offered an opportunity for commercial production as well. These products will not involve any marketing or sales as the sponsor of the research will be the buyer of any material manufactured. This is an opportunity unlike any other we have had in the past. All of this activity, along with manufacturing, and our creditor Union Bank require funds. The management is looking at various fund raising options including potential sale of un-utilised or unnecessary assets lying idle and unutilized for several years that may help us fund R&D, operational and manufacturing activities and that which does not in any way affect the current operations of the company either in R&D or manufacturing sections.

ITEM NO. 8

Last year, the management of the company had initiated a process to form a subsidiary enabling technology licensing and partnering with companies who are averse to a direct transaction with Transgene. Although the process was started, it was not completed for reasons of timing and keeping in mind of the costs and efforts involved in setting up and maintaining the subsidiary. This process will now be completed. The shareholding pattern will reflect the same shareholding pattern of the parent company.

BY ORDER OF THE BOARD

Date : 02-09-2016

Place: Hyderabad

Sd/-

DR K KOTESWARA RAO
CHAIRMAN & MANAGING DIRECTOR