



Vanta Bioscience Limited



**2nd Annual Report
F.Y. 2017-18**

CORPORATE INFORMATION**Board of Directors**

Mr. Mulakala Mohan Krishna	: Chairman (Non – Executive)
Mr. Mulakala Dopesh Raja	: Managing Director
Mr. S Venkata Rao	: CEO & Whole Time Director
Dr. Vyasmurti Madhavrao Shingatgeri	: Whole Time Director
Dr. Padmanabhuni Venkata Appaji	: Independent Director
Dr. Jang Bahadur Gupta	: Independent Director
Dr. Gonuguntla Kathyayani	: Independent Director

KMP

Mr. A. Kiran Kumar	: Chief Financial Officer
Mr. Zoheb S Sayani	: Company Secretary and Compliance Officer

Registered Office**Vanta Bioscience Limited**

No.02/G/308/G, No.3/FF/SF/1-20-248, Umajay Complex, Rasoolpura,
Secunderabad – 500 003, Telangana, India

CIN: U74999TG2016PLC109280| Website: www.vantabio.com

Contact No.: +91 40 6657 5454| Email ID: cs@vantabio.com

Statutory Auditors**Mathesh & Ramana**

Chartered Accountants

3-6-145, Himayatnagar, Hyderabad – 500029

Corporate Consultants**Tapasvilal Deora & Associates**

Practising Company Secretaries

Plot No. 3-6-677, 2nd Floor, Street No. 11,
Himayat Nagar, Hyderabad-500029, T.S.

Email ID: cstapasvideora@gmail.com

Bankers**State Bank of India**

SME Branch, Saifabad, Hyderabad - 500004

Registrar & Share Transfer Agents:**Bigshare Services Private Limited**

306, Right Wing, Amrutha Ville Apts. Somajiguda, Hyderabad – 500 082

Contact No. : 040 2337 4967; E-Mail : prabhakar@bigshareonline.com

Listed at

SME Platform of BSE Ltd.

VANTA BIOSCIENCE LIMITED

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF VANTA BIOSCIENCE LIMITED WILL BE HELD ON TUESDAY, AUGUST 21, 2018 AT 11:30 A.M. AT TWILIGHT, 6TH FLOOR, MANASAROVAR THE FERN - AN ECOTEL, U.S. CONSULATE LANE, BEGUMPET, SECUNDERABAD 500 003, TELANGANA

Ordinary Business

1. To receive, consider and adopt the financial statements as at March 31, 2018 along with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Dr. Vyasmurti Madhavrao Shingatgeri (DIN: 07728757) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard, 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 139 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder, M/s. Mathesh & Ramana, Chartered Accountants (FRN 002020S) be and are hereby appointed as the statutory auditors of the Company for a period of 5 years from the conclusion of this annual general meeting till the conclusion of 7th annual general meeting at a remuneration of Rs. 1,50,000/- p.a. and on such other terms and conditions as may be agreed by the Company.

RESOLVED FURTHER THAT the Directors be and are hereby severally authorized to negotiate the remuneration, terms and conditions of the said appointment and further do all such acts, deeds and things as may be required in this regard.”

**By order of the Board
for VANTA BIOSCIENCE LIMITED**

**Sd/-
SADHANALA VENKATA RAO
CEO & WHOLE TIME DIRECTOR
DIN: 02906370**

July 20, 2018
Secunderabad

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXY(IES) IN ORDER TO BE EFFECTIVE MUST SUBMIT PROXY FORM AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Members holding shares in dematerialized form are advised to inform the particulars of change of address and email ids to their respective Depository Participants only. The Company or its Registrar and Transfer Agents cannot act on any request received directly from the members holding shares in dematerialized mode for such changes and such instructions shall be given directly to the Depository Participants by the members.
5. Copies of notice of the AGM are being sent by electronic mode to those members whose email ids are available with our Registrar and Transfer Agents, unless members have requested for physical copy specifically. For members whose e-mail ids are not available, physical copy is being sent by permitted mode. The complete annual report is also available on the website of the company: www.vantabio.com.
6. Pursuant to Section 108 of Companies Act, 2013 read with rules made thereunder and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is providing e-voting facility to its Members to exercise their votes electronically on the item of business given in the Notice through the electronic voting service facility provided by CDSL.
7. Members can opt for only one mode of voting i.e. either by physical ballot paper or remote e-voting. However, if members cast their vote through both modes of voting, then the voting through remote e-voting shall prevail. The members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again. Also the facility for voting, ballot or polling paper shall (as the case may be) will be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting;
8. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed at the AGM. The result declared, along with the Scrutinizer's Report, will be placed on the Company's website after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to the BSE Ltd.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The voting period begins on August 18, 2018 at 9:00 AM and ends on August 20, 2018 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date - August 14, 2018 may cast their vote electronically and that a person who is not a member as on the cut-off date should treat this notice for information purposes only. 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.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - 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 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> 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. 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Vanta Bioscience 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date may follow the same instructions as mentioned above for remote e-Voting or sending a request at helpdesk.evoting@cdslindia.com
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding 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 or to the Company at cs@vantabio.com.
- (xxii) The Company has appointed Mr. Tapasvilal Deora, Company Secretary in Practice as “Scrutinizer” for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- (xxiii) Shareholders who have not registered their email id and wish to receive all communications/ correspondences in electronic form can submit their request in the format annexed to this Annual Report. For any queries, please write to cs@vantabio.com.

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting herewith the 2nd Annual Report on the business of the Company together with the Financial Statements for the financial year ended March 31, 2018.

ABOUT THE COMPANY

Vanta Bioscience is an emerging, full service preclinical contract research organization, operating out of Chennai, India. Vanta Bioscience is established as a center of excellence for GLP toxicology and safety assessment.

FINANCIAL HIGHLIGHTS

The following are the financial highlights of the Company:

(Amount in Rs.)

PARTICULARS	31.03.2018
Total Revenue	4,03,87,179
Total Expenses	3,72,37,602
Profit before Tax	31,49,577
Current Tax	6,00,152
Deferred Tax	22,76,497
Profit after Tax	2,72,928

**There were no operations during the financial year 2016-17*

LISTING ON SME PLATFORM OF BSE

Pursuant to the initial public offering, the equity shares of the Company were listed on the SME Platform of BSE Ltd. w.e.f October 06, 2017 vide BSE Notice 20171005-33 dated October 05, 2017.

DIVIDEND

This being the first year of commercial operations, the Board has not recommended any dividend for the financial year 2017-18.

TRANSFER TO RESERVES

No amount has been transferred to general reserves during the year under review. Reserves and Surplus are disclosed in Note 3 of the financial statements.

DEPOSITS

The Company has neither accepted nor renewed any deposits from public as defined under the provisions of Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNELS

In accordance with the provisions of Section 152 of the Companies Act, 2013, Dr. Vyasmurti Madhavrao Shingatgeri (DIN: 07728757), Whole Time Director of the Company is liable to retire by rotation, being eligible offers himself for re-appointment.

VANTA BIOSCIENCE LIMITED

During the year under review, the following changes took place on the Board of the Company:

S. No	Name of the Director	Type of Change	W.e.f
1	Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757)	Regularized as Director and appointment as Whole Time Director for a period of 3 years	April 01, 2017 (EGM)
2	Mr. Dopesha Raja Mulakala (DIN 01176660)	Change in Designation – Appointed as Managing Director for a period of 3 years	April 18, 2017
3	Dr. Gonuguntla Kathyayani (DIN 07824881)	Appointment as Additional Director – Independent Category for 5 years	May 19, 2017
4	Dr. Padmanabhuni Venkata Appaji (DIN 02614167)	Regularized as Director	May 31, 2017 (AGM)
5	Dr. Jang Bahadur Gupta (DIN 07751205)	Regularized as Director	May 31, 2017 (AGM)
6	Dr. Gonuguntla Kathyayani (DIN 07824881)	Regularized as Director	May 31, 2017 (AGM)
7	Mr. Sadhanala Venkata Rao (DIN 02906370)	Appointment as Additional Director & CEO for a period of 3 years	January 05, 2018
8	Mr. Sadhanala Venkata Rao (DIN 02906370)	Regularized as Director and Appointment as CEO & Whole Time Director	February 07, 2018(EGM)

The following are the details of appointment and resignation of KMPs during the year:

S. No	Name	Type of Change	W.e.f
1	Mr. Zoheb Sultan Ali Sayani	Appointed as Company Secretary & Compliance officer	May 02, 2017
2	Mr. Sadhanala Venkata Rao	Appointment as Chief Financial Officer	May 02, 2017
3	Mr. Sadhanala Venkata Rao	Resignation as Chief Financial Officer	January 05, 2018
4	Mr. Sadhanala Venkata Rao	Appointment as CEO	January 05, 2018
5	Mr. A Kiran Kumar	Appointment of CFO	July 04, 2018

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

BOARD EVALUATION

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfilment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings. The Chairman of the Board had one-on-one meetings with the Independent Directors. These meetings were intended to obtain Directors' inputs on effectiveness of Board/Committee processes. Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non-Executive Directors.

STATUTORY AUDITORS

M/s. KBS & Associates, Chartered Accountants were the first auditors of the Company and have carried out the statutory audit for the FY 2016-17. They were further appointed as the statutory auditors for a period of 5 years in the 1st annual general meeting of the Company held on May 31, 2017.

VANTA BIOSCIENCE LIMITED

During the year under review, M/s. KBS & Associates, Chartered Accountants have submitted their resignation letter dated November 09, 2017. The Board in its meeting held on November 09, 2017 noted their resignation and appointed M/s. Mathesh & Ramana, Chartered Accountants as the statutory auditors of the Company to carry out the statutory audit for FY 2017-18. The said appointment was in lieu of the casual vacancy caused and was subject to ratification by shareholders in their meeting.

The shareholders in their extra ordinary general meeting held on February 07, 2018 have ratified their appointment as statutory auditors for FY 2017-18 and the said appointment is valid till the ensuing annual general meeting

The Audit Committee and the Board have recommended the appointment of M/s. Mathesh & Ramana, Chartered Accountants (FRN 002020S) as the statutory auditors of the Company for a period of 5 years. The said appointment is subject to the approval of the shareholders in the ensuing annual general meeting. The said resolution is Item No. 3 of the Notice which forms part of this annual report.

In this regard, the Company has received a certificate from the auditor to the effect that if they are appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

AUDITORS' REPORT

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDIT REPORT

Mr. Tapasvilal Deora of M/s. Tapasvilal Deora & Associates, Practicing Company Secretary were appointed to conduct the secretarial audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and rules there-under. The secretarial audit report for FY 2017-18 forms part of this Annual Report as **Annexure – I**.

The Report does not contain any qualification and is self-explanatory and do not call for any further comments.

CHANGES IN THE AUTHORIZED AND PAID UP CAPITAL

During the year under review, the authorized share capital of the Company was increased from Rs. 4.50 Cr to Rs. 7.50 Cr in the extra ordinary general meeting of members held on April 29, 2017.

The following are the details of changes in the paid up capital during the year under review

S. No.	Type of Allotment	No. of equity shares	Allotment Date
1	Rights Issue	3,34,000	April 28, 2017
2	Rights Issue	2,36,000	May 30, 2017
3	Initial Public Offering	15,12,000	October 05, 2017
	Total	20,82,000	

The paid up capital of the Company as at the end of the financial year was Rs.5,72,80,000/- (Rupees Five Crore Seventy Two Lakhs and Eighty Thousand Only) comprising of 57,28,000 (Fifty Seven Lakh and Twenty Eight Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each.

AUDIT COMMITTEE

The Audit Committee was constituted pursuant to a resolution of the Board dated May 9, 2017. The Audit Committee comprises:

Name of Director	Status in Committee	Nature of Directorship
Dr. Padmanabhuni Venkata Appaji	Chairman	Independent Director
Dr. Jang Bahadur Gupta	Member	Independent Director
Mr. Dopesha Raja Mulakala	Member	Managing Director

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated May 9, 2017. The Stakeholders' Relationship Committee comprises:

Name of Director	Status in Committee	Nature of Directorship
Dr. Padmanabhuni Venkata Appaji	Chairman	Independent Director
Dr. Jang Bahadur Gupta	Member	Independent Director
Mr. Dopesha Raja Mulakala	Member	Managing Director

NOMINATION AND REMUNERATION POLICY

A committee of the Board has been formed which is named as "Nomination and Remuneration Committee" which has been entrusted with the task to recommend a policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and evaluation of their performance and to recommend the same to the Board from time to time. Nomination and Remuneration Policy of the Company is enclosed herewith as **Annexure – II**.

The Nomination and Remuneration Committee include the following:

Name of Director	Status in Committee	Nature of Directorship
Dr. Jang Bahadur Gupta	Chairman	Independent Director
Dr. Padmanabhuni Venkata Appaji	Member	Independent Director
Dr. Kathyayani Gonuguntla	Member	Independent Director

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 in connection with corporate social responsibility are not applicable to the Company.

VIGIL MECHANISM

A vigil mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company.

RISK MANAGEMENT POLICY

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. There are no material risks which threaten the very existence of the company.

INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls which commensurate with the size of the business of the Company.

The Board has appointed M/s. K B S & Associates., Chartered Accountants (FRN 011208S) as the Internal Auditors of the Company for conducting the Internal Audit of the Company for a period of 3 financial years i.e. from the financial year 2017 - 2018 till the financial year 2019-2020

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

- in preparation of annual accounts for the financial year ended March 31, 2018 the applicable accounting standards have been followed along with proper explanation relating to material departures;