

NANO VIRICIDES, INC.
Form 10-Q
May 15, 2009

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10 - Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended March 31, 2009

Commission File Number: 333-148471

NANO VIRICIDES, INC.

(Exact name of registrant as specified in its charter)

NEVADA
(State or other jurisdiction of
incorporation or organization)

76-0674577
(IRS Employer Identification No.)

135 Wood Street, Suite 205
West Haven, Connecticut 06516
(Address of principal executive offices and zip code)
(203) 937-6137
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a larger accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer ☐

Accelerated filer ☐

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Non-accelerated filer ☐

Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐

No ☒

The number of shares outstanding of the Registrant's Common Stock as of May 15, 2009 was 123,023,653 shares.

NANO VIRICIDES, INC.

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NANOIRICIDES, INC.

(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEETS

	March 31, 2009 (Unaudited)	June 30, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,228,056	\$ 816,386
Prepaid expenses	413,512	328,544
Other current assets	83,183	102,873
Total current assets	1,724,751	1,247,803
Property and equipment, net	666,479	133,738
Other assets:		
Security deposit	-	80,000
Trademarks, net	179,536	6,709
Total other assets	179,536	86,709
Total assets	\$ 2,570,766	\$ 1,468,250
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable – trade	\$ 283,190	\$ 295,555
Accounts payable – related parties	169,975	374,394
Accrued expenses	194,759	96,130
Payroll tax payable	27,730	258,432
Total current liabilities	675,654	1,024,511
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value; 300,000,000 shares authorized; 122,851,298 and 119,270,677 issued and outstanding	\$ 122,851	\$ 119,271
Additional paid-in capital	13,142,976	9,532,205
Deficit accumulated during the development stage	(11,370,715)	(9,207,737)
Total stockholders' equity	1,895,112	443,739
Total liabilities and stockholders' equity	\$ 2,570,766	\$ 1,468,250

See accompanying notes to the financial statements.

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NANO VIRICIDES, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended		Nine Months Ended		For the Period From May 12, 2005 (Inception) through March 31, 2009
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008	March 31, 2009
Operating expenses:					
Research and development	\$ 498,801	\$ 358,793	\$ 1,331,661	\$ 809,140	\$ 6,114,194
Refund for credit of research and development costs	-	-	-	(166,050)	(200,190)
General and administrative	293,225	446,525	861,701	1,150,065	4,816,164
Total operating expenses	792,026	805,318	2,193,362	1,793,155	10,730,168
Loss from operations	(792,026)	(805,318)	(2,193,362)	(1,793,155)	(10,730,168)
Other income (expense):					
Interest income	4,303	14,431	30,384	47,570	146,462
Non cash interest on convertible debentures	-	-	-	-	(73,930)
Non cash interest expense on beneficial conversion feature of convertible debentures	-	-	-	-	(713,079)
Total other income (expense)	4,303	14,431	30,383	47,570	(640,547)
Net loss	\$ (787,723)	\$ (790,887)	\$ (2,162,978)	\$ (1,745,585)	\$ (11,370,715)
Net loss per share: basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.02)	
Weighted average shares outstanding: basic and diluted	122,793,839	119,196,586	122,073,961	117,489,413	

See accompanying notes to the financial statements.

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NANO VIRICIDES, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended		For the Period From May 12, 2005 (Inception) through March 31, 2009
	March 31, 2009	March 31, 2008	March 31, 2009
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (2,162,978)	\$ (1,745,585)	\$ (11,370,715)
Adjustments to reconcile net loss to net cash used in operating activities:			
Shares issued for services rendered	129,800	84,022	763,757
Warrants granted to scientific advisory board	107,000	30,500	414,241
Options issued to officers as compensation	-	7,044	121,424
Depreciation and amortization	8,073	4,783	17,120
Amortization of deferred financing expenses	-	-	51,175
Non cash interest on convertible debentures	-	-	73,930
Non cash interest expense on beneficial conversion feature of convertible debentures	-	-	713,079
Changes in assets and liabilities:			
Prepaid expenses	(84,968)	(86,850)	(413,512)
Deferred expenses	-	-	(2,175)