

HEALTHCARE BUSINESS SERVICES GROUPS, INC.
Form PRE 14C
August 11, 2006

SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14 (c)
of the Securities Exchange Act of 1934 (Amendment No.)

Check the appropriate box:

- Preliminary Information Statement Confidential, for Use of the Commission Only
 Definitive Information Statement (as permitted by Rule 14c-5 (d)(2))

HEALTHCARE BUSINESS SERVICES GROUP, INC.

(Name of Registrant As Specified In Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11.
- 1) Title of each class of securities to which transaction applies:
 - 2) Aggregate number of securities to which transaction applies:
 - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
 - 4) Proposed maximum aggregate value of transaction:
 - 5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- 1) Amount Previously Paid:
 - 2) Form, Schedule or Registration Statement No:
 - 3) Filing Party:
 - 4) Date Filed:



THIS INFORMATION STATEMENT IS BEING PROVIDED TO
YOU BY THE BOARD OF DIRECTORS OF THE COMPANY
WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE
REQUESTED NOT TO SEND US A PROXY

HEALTHCARE BUSINESS SERVICES GROUPS, INC.

1126 West Foothill Blvd, Suite 105

Upland CA 91786

INFORMATION STATEMENT

August ___, 2006

GENERAL INFORMATION

This Information Statement has been filed with the Securities and Exchange Commission and is being furnished, pursuant to Section 14C of the Securities Exchange Act of 1934, as amended (the Exchange Act), to the holders (the Stockholders) of the common stock, par value \$0.001 per share (the Common Stock), of Healthcare Business Services Groups, Inc., a Nevada Corporation (the Company), to notify such Stockholders that on or about July 11, 2006, the Company received written consents in lieu of a meeting of Stockholders from the shareholders holding 75.8% of the shares of Common Stock issued and outstanding approving the Amended Articles of Incorporation of the Company (the Amendment), pursuant to which the maximum number of shares of stock that the Company shall be authorized to have outstanding at any time shall be increased to one billion (750,000,000) shares of common stock at par value of \$0.001.

On July 11, 2006, the Board of Directors of the Company approved the Amendment, subject to Stockholder approval. The Majority Stockholder approved the Amendment by written consent in lieu of a meeting on July 11, 2006 in accordance with the Nevada Revised Statutes. Accordingly, your consent is not required and is not being solicited in connection with the approval of the Amendments.

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The Amendment to the Company's Certificate of Incorporation amended the number of shares of stock that the Company shall be authorized to have outstanding at any time shall be seven hundred fifty million (750,000,000) shares of common stock at par value of \$0.001 with no preemptive rights.

The entire cost of furnishing this Information Statement will be borne by the Company. The Company will request brokerage houses, nominees, custodians, fiduciaries and other like parties to forward this Information Statement to the beneficial owners of the Common Stock held of record by them and will reimburse such persons for their reasonable charges and expenses in connection therewith. The Board of Directors has fixed the close of business on August __, 2006 as the record date (the Record Date) for the determination of Stockholders who are entitled to receive this Information Statement.

You are being provided with this Information Statement pursuant to Section 14C of the Exchange Act and Regulation 14C and Schedule 14C thereunder, and, in accordance therewith, the Amendment will not be filed with the Secretary of State of the State of Nevada or become effective until at least 20 calendar days after the mailing of this Information Statement.

This Information Statement is being mailed on or about August __, 2006 to all Stockholders of record as of the Record Date.

ADDITIONAL INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and in accordance therewith files reports, proxy statements and other information including annual and quarterly reports on Form 10-KSB and 10-QSB (the 1934 Act Filings) with the Securities and Exchange Commission (the Commission). Reports and other information filed by the Company can be inspected and copied at the public reference facilities maintained at the Commission at Room 1580, 100 F Street, NE, Washington, DC 20549. Copies of such material can be obtained upon written request addressed to the Commission, Public Reference Section, 100 F Street, NE, Washington, D.C. 20549, at prescribed rates. The Commission maintains a web site on the Internet (<http://www.sec.gov>) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the Commission through the Electronic Data Gathering, Analysis and Retrieval System (EDGAR).

The following documents as filed with the Commission by the Company are incorporated herein by reference:

1. Quarterly Reports on Form 10-QSB for the quarters ended June 30, 2005; September 30, 2005; and March 31, 2006
2. Annual Report on Form 10-KSB for the year ended December 31, 2005.

OUTSTANDING VOTING SECURITIES

As of the date of the Consent by the Majority Stockholder, July 11, 2006, the Company had 33,960,150 shares of Common Stock issued and outstanding. Each share of outstanding Common Stock is entitled to one vote on matters submitted for Stockholder approval.

On July 11, 2006, the holders of 75.8% of issued and outstanding shares of common stock executed and delivered to the Company a written consent approving the Amendment. Since the Amendment has been approved by the Majority Stockholders, no proxies are being solicited with this Information Statement.

The Nevada Revised Statutes provides in substance that unless the Company s articles of incorporation provides otherwise, stockholders may take action without a meeting of stockholders and without prior notice if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to take such action at a meeting at which all shares entitled to vote thereon were present.

SECURITY OWNERSHIP OF

CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding the Company s common stock owned on August ____, 2006 by each person who is known by the Company to own beneficially more than 5% of its outstanding Common Stock:

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Title Of Class Owner	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Class	Percent of Class (1)
Common	Chandana Basu	25,750,000	75.8%

(1) Based on 33,960,150 shares issued and outstanding as of August ____, 2006.

The address of all persons listed above is 1126 West Foothill Blvd, Suite 105, Upland, CA 91786.

DISSENER S RIGHTS OF APPRAISAL

The Stockholders have no right under the Nevada Revised Statutes, the Company s articles of incorporation consistent with above or By-Laws to dissent from any of the provisions adopted in the Amendments.

AMENDMENT TO CERTIFICATE OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK FROM 50,000,000 TO 750,000,000

The Company s Articles of Incorporation, as amended (the Articles of Incorporation) authorizes the maximum number of shares outstanding at any time shall be fifty million (50,000,000) shares of Common Stock. On July 11, 2006, the Board of Directors approved an amendment to the Articles of Incorporation to authorize seven hundred fifty million (750,000,000) shares of Common Stock. The Board of Directors is authorized to fix the number of shares of and to determine or alter the rights, preferences, privileges and restrictions granted to or imposed upon the Common Stock. On July 11, 2006, the holders of a majority of the outstanding shares of Common Stock approved the amendment by written consent.

Specifically, the increase in authorized shares is necessary based upon the recent financing completed by the Company. The Company will be filing a Form SB-2 registration statement with the SEC to register a total of 200,000,000 shares of common stock in accordance with a Securities Purchase Agreement dated June 27, 2006 between the Company and AJW Partners, LLC, AJW Offshore, Ltd., AJW Qualified Partners, LLC and New Millenium Capital Partners II, LLC, respectively. Secured convertible promissory notes (the Notes) and warrants to purchase 50,000,000 shares of our common stock (the Warrants) were issued pursuant to the Securities Purchase Agreement. In accordance with the Securities Purchase Agreement, the Company is required to register (i) 225% of the estimated amount of shares of common stock issuable in connection with the conversion of the Notes; and (ii) the shares issuable in connection with the exercise of the warrants. The amount of common shares to register (200,000,000 shares of common stock) was calculated as follows:

The aggregate principal amount of the Notes is two million dollars (\$2,000,000). The estimated conversion price of the Notes is \$.03 based on the following: \$.05 was the closing stock price prior to the closing date of the transaction, less a 40% discount. Thus, at a discounted price-per-share of \$.03, 66,666,667 shares of the Company s common stock would be issuable upon conversion of \$2,000,000 into common shares of the Company (Conversion Shares). The Securities Purchase Agreement requires us to register 225% of the Conversion Shares, which equals approximately 150,000,000 shares of common stock. In addition, the Company is also required to register 50,000,000 shares of the Company s common stock underlying the Warrants. Thus, a total of 200,000,000 shares of our common stock must be registered.

After the additional shares are used for the specific financing purpose set forth above, the general purpose and effect of the amendment to the Company s Articles of Incorporation in authorizing 700,000,000 additional shares of Common Stock will be to use such additional shares of common stock for general corporate purposes, including acquisitions, equity financings, stock dividends, stock splits or other recapitalizations, and grants of stock options. When the Board of Directors deem it to be in the best interests of the Company and the Stockholders to issue additional shares of Common Stock in the future from authorized shares, the Board of Directors generally will not seek further authorization by vote of the Stockholders, unless such authorization is otherwise required by law or regulations.

The additional authorized shares of Common Stock could have an anti-takeover effect. If the Company's Board of Directors desires to issue additional shares in the future, such issuance could dilute the voting power of a person seeking control of the Company, thereby deterring or rendering more difficult a merger, tender offer, proxy contest or an extraordinary corporate transaction opposed by the Company.

EFFECTIVE DATE OF AMENDMENT

Pursuant to Rule 14c-2 under the Exchange Act, the filing of the Amendment to the Certificate of Incorporation with the Delaware Secretary of State or the effective date of such filing, shall not occur until a date at least twenty (20) days after the date on which this Information Statement has been mailed to the Stockholders. The Company anticipates that the actions contemplated hereby will be effected on or about the close of business on August ____, 2006.

By Order of the Board of Directors

/s/ Chandana Basu

Chandana Basu

President, Chief Executive Officer & Director

