



Saamya Biotech (India) Ltd.



10th ANNUAL REPORT  
2011 - 12

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*Board of Directors*

<b>Dr. Y. Sonia Reddy</b>	: <i>Chairman &amp; Joint Managing Director</i>
<b>Dr. Y. Manivardhan Reddy</b>	: <i>Managing Director</i>
<b>Dr. P. Naveen Chander Reddy</b>	: <i>Independent Director</i>
<b>Mr. P. Suresh Reddy</b>	: <i>Independent Director</i>
<b>Dr. C. Naveen Reddy</b>	: <i>Independent Director</i>

*Address*

**Regd. Office**

Flat No. 104-106,  
Lumbini Enclave, Panjagutta,  
Hyderabad -500 082  
Phone:040-2339 8359  
Fax: 040-2339 5214

**Corporate Office**

Plot No.391D, Road No.81  
Jubilee Hills House Building Society  
Phase III, Jubilee Hills,  
Hyderabad - 500 096.  
Phone:040-2355 1601/03  
Fax: 040-2354 1127

**Email**

: [is@saamyabiotech.com](mailto:is@saamyabiotech.com)

**Website**

: [www.saamyabiotech.com](http://www.saamyabiotech.com)

**Bankers**

1. *Syndicate Bank, Somajiguda Branch, Hyderabad.*
2. *Indian Overseas Bank, Hyderabad Main Branch, Hyderabad.*
3. *The Lakshmi Vilas Bank, Bank Street, Hyderabad*

**Auditors**

*M/s P.MURALI & CO,  
CHARTERED ACCOUNTANTS  
6-3-655/2/3, Somajiguda,  
Hyderabad- 500 082  
Phone: 040-2332 6666  
Fax: 040-2339 2474*

**Share Transfer Agents**

**M/s. AARTHI CONSULTANTS PVT. LTD.**  
1-2-285, Domalguda, Hyderabad-29.  
Tel: (040) 27642217 / 27638111  
Fax: (040) 27632184  
Email: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

**Listed on**

*Bombay Stock Exchange Limited (BSE), Mumbai  
Madras Stock Exchange Limited, Chennai*



## NOTICE

**NOTICE** is hereby given that the 10<sup>th</sup> Annual General Meeting of the Members of the Company will be held on **Thursday the 27<sup>th</sup> September 2012** at 3.15 p.m. at Sundaraiah Vignana Kendram (Mini Hall), Bagh Lingampally, Hyderabad – 500 044 to consider the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March 2012 and Audited Profit & Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report.
2. To appoint a Director in place of Dr. P. Naveen Chander Reddy who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. P.Murali & Co., Chartered Accountants, Hyderabad as Statutory Auditors of the Company and to fix their remuneration.

BY THE ORDER OF BOARD OF DIRECTORS  
For SAAMYA BIOTECH (INDIA) LIMITED

PLACE: HYDERABAD  
DATE : 31-08-2012

**Dr. Y. Manivardhan Reddy**  
MANAGING DIRECTOR

### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THERE AT INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. An instrument appointing proxy to be effective must be lodged at the Registered Office of the Company at least 48 hours before the meeting.
3. The Register of Members / Register of Beneficiaries and Share Transfer Books of the Company will remain closed from Tuesday 25<sup>th</sup> September 2012 to Thursday 27<sup>th</sup> September 2012 (both days inclusive).
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
5. Members holding shares in physical form are requested to notify / send any change in their address to the Company's Share Transfer Agents, or to the Company at its registered office.



6. Members holding shares in dematerialization form are requested to notify/send any change in their address to the concerned depository participant(s).
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Corporate Members intend to send their authorized representatives to attend the meeting are requested to send a certified true copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
9. Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the company. Therefore, the shareholders willing to avail this facility may make nomination in form 2B.
10. Shareholders / proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of Annual Reports to the Annual General Meeting.

**ADDITIONAL INFORMATION REQUIRED  
TO BE FURNISHED UNDER THE LISTING AGREEMENT**

Brief Details of Directors seeking re-appointment at this Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

<b>Name of the Director</b>	<b>Dr. P. Naveen Chander Reddy</b>
Date of Appointment	27-12-2007
Date of Birth	12 <sup>th</sup> August, 1965
Qualification	M.D (General Medicine)
Expertise in Specific functional areas	He has more than 20 years of experience in Medical profession and is specialized in cardiology. He held senior executive positions in different institutions and hospitals.
List of Companies in which Directorships held as on 31.03.2012	· Life Line Credit Private Limited · PGR Infratech Private Limited
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2012	NIL

## DIRECTORS' REPORT

To  
**The Members,**  
**SAAMYA BIOTECH (INDIA) LIMITED**

Your Directors have pleasure in presenting the 10<sup>th</sup> Annual Report together with the Audited Balance Sheet, Profit & Loss Account and Cash Flow Statement for the financial year ended 31<sup>st</sup> March, 2012.

### FINANCIAL PERFORMANCE

The performance of the company during the period under review is as follows:

Particulars	(In Rupees)	
	2011 - 12	2010 - 11
Total Income	237,292,516	162,837,359
Expenditure	233,030,571	160,200,605
Operating Profit	4,261,945	2,636,754
Less: Depreciation	721,733	718,157
Less: Provision for Tax	1,035,950	653,723
Net Profit (after deferred tax provision)	2,786,789	882,166

Your company has recorded a gross turn over of Rs. 232,937,467 for the year ended 31<sup>st</sup> March, 2012 against a gross turn over of Rs. 169,348,712 last year. This net profit figure has grown up to Rs. 2,786,789 for the financial year under review as compared to Rs. 882,166 for the last financial year.

This growth has been made possible by the unending tireless efforts of top management along with many supporting disciplines. During the period under review, the Company has focused on its projects with revised plans and your Directors assure you to continue the same in the future,

### DIVIDEND

Due to inadequacy of profits, the Board could not recommend dividend during the year under review.

### JOINT VENTURE AGREEMENT

Your Company has entered into a joint venture to set up manufacturing plant with Perak Bio Corporation Sdn. Bhd. (PBC), a Perak State Govt. agency with equity participation from the Perak State Govt. firm. With the Government of Perak State in Malaysia, your company is jointly making efforts to source the



required funds for implementation of the project and once the financial closure is completed the construction of manufacturing plant will commence.

### **BIOTECH PROJECT, HYDERABAD**

Your Company chose not to seek disbursement of the loan sanctioned by Indian Overseas Bank for biotech project in Hyderabad as the interest rate is very high and is not viable in the present global scenario and economic downslide on all fronts. Instead your company chose alternative funding through FCCB for implementation biotech project at Hyderabad. As soon as the FCCB funds are received the construction of manufacturing facilities will be completed.

### **FCCB Issue:**

The Company efforts with reference to issuing of Foreign Currency Convertible Bonds (FCCBs) to raise the funds to the tune of USD 40 Million to fund implementation and expansion in India and Malaysia are continuing. The prospectus has been filed with Luxemburg Stock Exchange and the same is approved by the exchange. But due to global recession and economic slow-down the issue is not take place, once the market stabilized the issue will be in place.

### **FIXED DEPOSITS**

The Company has not invited/accepted any fixed deposits from the public in terms of Section 58A of the Companies Act, 1956.

### **EMPLOYEE PARTICULARS**

None of the employees is in receipt of remuneration exceeding the limit and whose particulars are required to be given as prescribed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 2011.

### **DIRECTORS**

Dr. P. Naveen Chander Reddy, Director, whose period of office determined by rotation is due to retire at this Annual General Meeting and being eligible offer himself for re-appointment.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2012, the applicable accounting standards have been followed and there are no material departures.
- ii. We have selected appropriate accounting policies and applied them consistently and have 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 as on 31<sup>st</sup> March 2012 and of the profit of the company for the financial year ended 31<sup>st</sup> March 2012.
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. We have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2012 on a going concern basis.
- v. The delay in depositing statutory dues including Income Tax, Cess and any other statutory dues with the appropriate authorities because your company not availed the loan sanctioned by Indian Overseas Bank and delay in obtaining required funding through FCCB due to global recession and economic slow-down.
- vi. The advance given to Maanya Biotech Limited is considered good and your company will get back the money within a short while or when time comes we could convert this against the Engineering and R&D services would require for our project.

### CODE OF CONDUCT

Pursuant to the Listing Agreement entered into by the company with the Bombay Stock Exchange Limited, a declaration declaring that all the members of the Board and the Senior Management Personnel of the company have affirmed compliance with the Code of Conduct of the Company, is forming part of the Corporate Governance Report attached herewith.

### CORPORATE GOVERNANCE

Your Directors are happy to report that your Company is compliant with the Corporate Governance requirements as per Clause 49 of the Listing Agreement with the Stock Exchanges. A separate section on Corporate Governance and Management Discussion and Analysis together with a certificate from the Statutory Auditor's confirming compliance is set out in the Annexure forming part of this report.





### **CEO/CFO CERTIFICATION**

The Board has recognized Managing Director of the Company as CEO for the limited purpose of Compliance under the Listing Agreement. The CEO has certified, in terms of revised clause 49 of the listing agreement, to the Board that the financial statements present a true and fair view of the company's affairs and are in compliance with existing accounting standards, internal control and disclosures.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed section on 'Management Discussion and Analysis' (MDA), pursuant to Clause 49 of the Listing Agreement forms part of this Annual Report.

### **STOCK EXCHANGES**

Company's present Equity shares are listed in Bombay Stock Exchange Limited and Madras Stock Exchange, and the Company has paid the Listing Fees to the Stock Exchanges for the Financial Year 2012-13.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company also has internal Audit system commensurate with its size and nature of business. The Company has adequate internal control systems and procedures in all operational areas and at all levels – equipments procurement, finance, and administration, marketing and personnel departments. The Audit Committee reviews the internal audit reports and the adequacy of internal controls from time to time.

### **AUDITORS**

M/s. P. Murali & Co., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

### **ADDITIONAL INFORMATION AS REQUIRED U/S 217(1) (E) OF THE COMPANIES ACT, 1956**

- (a) **Conservation of Energy:**  
All necessary measures for conservation of energy are taken by the company.
- (b) **Research and Development and Technology Absorption:**  
No research and Development has been carried out.
- (c) **Foreign Exchange Earnings & Outgo:**



(i) Foreign exchange earnings	:	Rs. 8,98,59,005/-
(ii) Foreign Exchange out go	:	Rs. 5,68,199/- towards foreign Travel.

### PERSONNEL

Your Directors take this opportunity to record their appreciation for the cooperation and loyal services rendered by the employees.

### ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the continuous assistance and co-operation extended to your Company by the valued customers, bankers, Reserve Bank India, SEBI, Bombay Stock Exchange Limited and all other regulatory Authorities. The Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the Company.

Place: Hyderabad

Date: 31<sup>st</sup> August, 2012

**On behalf of the Board**

**Dr. Y. Sonia Reddy**

Chairman & Joint Managing  
Director

**Dr. Y. Manivardhan Reddy**

Managing Director

## **THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

**Pursuant to Clause 49 of the Listing Agreement, a report on Management Discussion and Analysis Report is given below:**

### **I. INDUSTRY STRUCTURE AND DEVELOPMENT:**

The importance of India in the field of Biotechnology is manifold. In addition to generating trained manpower and a knowledge base, India is proving to be an ideal setting for manufacturing activities and high-level biotechnology research programs. With the initiatives taken by the government, Indian Biotechnology is poised for a tremendous growth.

The Department of Biotechnology (DBT) was set up under the Ministry of Science and Technology in 1986. This gave a new impetus to the development of biotechnology in India. The DBT has set up many Centers of Excellence in the country. These centers are responsible for generating skilled manpower as well as supporting R&D efforts of private industries. This has promoted interactions between the academia and the industry which has resulted in several industry houses from the "old industry" and entrepreneur initiatives to take root and grow biotechnology in India. The Indian Government has evolved bio-safety guidelines and has helped to lay down patent rules. It has also participated in technology transfers and international collaborations.

The Indian government has laid down a decent regulatory framework to approve GM crops and r-DNA products for human health. A proactive government policy allows stem cell research in the country while having in place sound ethical guidelines. The product patent regime is in force from the year 2005. The second amendment of the Indian Patents Bill was recently cleared by the Parliament, which include a 20-year patent term, emergency provisions and commencement of R&D immediately after the filing of patents. The bill is compatible with the provisions of WTO and TRIPS.

### **II. OPPORTUNITIES AND THREATS**

As the biotechnology industry outpaces traditional pharmaceuticals, the biotechnology leaders are taking top spots from big pharma peers. At the other end, small, emerging biotechnology companies struggle to find funding among risk-averse investors. As biotechnology companies merge and grow, they are rising in the ranks of the top companies overall. Traditional pharmaceutical companies, meanwhile, are partnering with the biotechnology sector to fill dry pipelines and to replace the dwindling blockbusters. Industry analysts believe that the growth of the biotechnology industry will continue to outpace that of pharmaceutical companies.

### **III. OUTLOOK FOR THE INDUSTRY**

According to Wood Mackenzie analysts, the seven largest biotechnology companies are growing at rates faster than the pharmaceutical industry's 9.1%

average growth. In his statement the chairman comments that the company continued to suffer from the depressed state of the biotechnology stock markets in the United States and particularly in the United Kingdom.

Several states have taken their own initiatives in terms of defining their own biotech policies to give an impetus to the industry in this sector and to biotechnology in India as a whole. States like Andhra Pradesh, Karnataka, Maharashtra, Kerala, Tamil Nadu and Himachal Pradesh are developing biotech parks. They are encouraging research activities, establishing links between their research institutions and industry. Several concessions are being offered to the industry in terms of single window clearance, speedy customs clearance, exemption from tax, creation of funds to be used for the incubation of new project, etc.

India is the second largest food producer after China, and thus offers a huge market for biotechnology products. Transgenics of rice, brassica, moonbean, pigeonpea, cotton, tomato and some vegetables like cabbage, cauliflower etc. are already into field trials. Some of these would be ready for large scale production in a few years.

#### **IV. FUTURE PLANS**

Documentation for acquisition of synthetic drug plant in Hyderabad is in progress and the same will be effected shortly. The company would take advantage of this unit for the manufacture of high value synthetic drug products of wide commercial demand, in addition to manufacturing the hemisynthetic biopharmaceuticals.

Saamya Biotech (India) Ltd., is pursuing with Foreign Currency Convertible Bonds (FCCB) issue for raising a sum to the tune of US \$ 40 million to support the company's expansion plans in Malaysia and in UAE.

#### **V. COLLABORATIONS AND AGREEMENTS**

The Company has negotiated with a European Technology Development Company for the technology transfer of products of company's interest, and is set for signing agreements. The collaborator company agreed to provide strains, know-how for fermentation and downstream process technologies, demonstration of processes with guaranteed high yield, setting up the plant and other related services to Saamya Biotech (India) Limited. Technological guidance from the collaborator will be an invaluable asset to Saamya Biotech (India) Limited.

Saamya Biotech has entered into a marketing agreement with Arch Pharmalabs Ltd., whereby Arch Pharmalabs stands as a valuable marketing associate of Saamya for marketing all the products manufactured by Saamya to the extent of 100% production.

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Saamya has been committed to the highest standard of Corporate Governance practices in the entire gamut of its business philosophy. The guiding forces of Corporate Governance at Saamya are its core values – Quality operations, Customer satisfaction, Shareholders' value, Belief in people. The Company believes that a strong Corporate Governance policy is indispensable to healthy growth of business and resilient and vibrant capital markets, besides being an important instrument of investor protection. In this direction, Your Company endeavors in true spirit, to adopt the best global practices in Corporate Governance.

### 2. BOARD OF DIRECTORS

#### A. Composition

Composition and category of Directors on the Board for the year 2011-12 are given below:

Name of the Director	Category	Number of Directorships in other Public Companies	Number of Board Committee memberships held in other Public Companies
Dr. Y. Manivardhan Reddy	Promoter & Executive Director	Nil	Nil
Dr. Y. Sonia Reddy	Promoter & Executive Director	Nil	Nil
Dr. P. Naveen Chander Reddy	Non-Executive Independent Director	Nil	Nil
Mr. P. Suresh Reddy	Non-Executive Independent Director	Nil	Nil
Dr. C. Naveen Reddy	Non-Executive Independent Director	1	Nil

- a. Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company except Dr. C. Naveen Reddy who is a

common Director, but neither he has any stake nor receiving remuneration from your company and also from Maanya Biotech Limited.

During the Financial Year 2011 - 12 the Board of Directors met Six times on 30<sup>th</sup> May 2011, 11<sup>th</sup> August 2011, 26<sup>st</sup> August 2011, 10<sup>th</sup> November 2011, 12<sup>th</sup> November 2011, and on 13<sup>th</sup> February 2012.

- b. The time gap between any two Board Meetings did not exceed three months.

**Attendance of Directors at Board Meetings during the year under review, and at the last Annual General Meeting (AGM) held on 30<sup>th</sup> September, 2011.**

Name of the Director	No. of Board Meetings attended	Whether attended the last AGM
Dr. Y. Manivardhan Reddy	6	Yes
Dr. Y. Sonia Reddy	6	Yes
Dr. P. Naveen Chander Reddy	6	Yes
Mr. P. Suresh Reddy	5*	No
Dr. C. Naveen Reddy	6	Yes

\*through video conference

**BOARD'S PROCEDURE**

Agenda papers along with explanatory statements were circulated to the Directors in advance for each of these meetings. All relevant information as per Clause 49 of the Listing Agreement was placed before the Board from time to time.

**3. AUDIT COMMITTEE**

- I) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- II) The terms of reference of the Audit Committee include a review of;
- 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.
  - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
  - 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.

- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
  - i Any changes in accounting policies and practices;
  - ii Qualification in draft audit report;
  - iii Significant adjustments arising out of audit;
  - iv The going concern concept;
  - v Compliance with accounting standards;
  - vi Compliance with stock exchange and legal requirements concerning financial statements;
  - vii Any related party transactions
    - Reviewing the company's financial and risk management's policies.
    - Disclosure of contingent liabilities.
    - Reviewing with management, external and internal auditors, the adequacy of internal control systems.
    - 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.
    - Discussion with internal auditors of any significant findings and follow-up thereon.
    - 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 systems of a material nature and reporting the matter to the Board.
    - 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.
    - Reviewing compliances as regards the Company's Whistle Blower Policy.

III) The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

#### Composition

The Company has constituted an Audit Committee comprising of the following three Non-Executive Independent Directors.

S.No	Name of the Director	Designation	Nature of Directorship
1	Dr. P. Naveen Chander Reddy	Chairman	Non-Executive & Independent Director
2	Dr. C. Naveen Reddy	Member	Non-Executive & Independent Director
3	Mr. P. Suresh Reddy	Member	Non-Executive & Independent Director

IV) Five Audit Committee meetings were held during the year on 30<sup>th</sup> May 2011, 11<sup>th</sup> August 2011, 26<sup>th</sup> August 2011, 12<sup>th</sup> November 2011, and on 13<sup>th</sup> February 2012.

The necessary quorum was present at all the meetings.

Attendance during the year 2011-12:

Name	Number of meetings held during the year	Number of meetings attended during the year
Dr. P. Naveen Chander Reddy	5	5
Dr. C. Naveen Reddy	5	5
Mr. P. Suresh Reddy	5*	4

\*through video conference

#### 4. REMUNERATION COMMITTEE

The Company has constituted Remuneration Committee to decide, fix the remuneration payable to the Managing / Whole time Directors of the Company.

However, the remuneration of the Managing / Whole time Director is subject to approval of the Board, and of the Company in the General Meeting and such approvals as may be necessary. The remuneration structure of Managing / Whole time Director comprises of salary only.

##### A. Composition

The Remuneration Committee consists of the following Directors:

S.No	Name of the Director	Designation	Nature of Directorship
1	Dr. C. Naveen Reddy	Chairman	Non-Executive & Independent Director
2	Dr. P. Naveen Chander Reddy	Member	Non-Executive & Independent Director
3	Mr. P. Suresh Reddy	Member	Non-Executive & Independent Director

##### B. Brief description of terms of reference

The Remuneration Committee shall function in accordance with the terms of reference made by the Board of Directors, which are given as follows:

1. To fix the remuneration packages of Executive Directors i.e., Managing Director, Whole time Directors, etc.,



2. To decide on the elements of remuneration package of all the Directors i.e., salary, benefits, bonuses, stock options, pension etc.”

The details of the salary and commission paid / payable for the Financial Year ended 31<sup>st</sup> March, 2012 to the Managing / Whole time Director are as under:

Name of the Director	Designation	Relationship with other Directors	Salary per annum(Rs.)	Commission
Dr. Y. Manivardhan Reddy	Managing Director	Husband of Dr. Y. Sonia Reddy	900,000/-	NIL
Dr. Y. Sonia Reddy	Chairman & Joint Managing Director	Wife of Dr. Y. Manivardhan Reddy	1,200,000/-	NIL

The Company does not have any stock option scheme to the Whole-time Directors. The appointments are made in accordance with the terms and conditions specified in the respective resolutions passed by the members in the General Meetings, which do not provide for severance fees.

## 5. INVESTORS’ GRIEVANCE COMMITTEE

### A. Composition

Your Company has constituted an Investors’ Grievance Committee consisting of the following Directors:

S.No	Name of the Director	Designation	Nature of Directorship
1	Dr. Y. Manivardhan Reddy	Chairman	Managing Director
2	Dr. C. Naveen Reddy	Member	Non-Executive & Independent Director
3	Dr. P. Naveen Chander Reddy	Member	Non-Executive & Independent 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 balance sheet, non-receipt of declared dividend etc.
- 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 Share Transfer Agents, who process share transfers within a week of lodgment in the case of shares held in physical form.

- i. Name & address of the Compliance Officer  
 Mr. M. Bhavani Shankar, 104-106, Lumbini Enclave, Opp. NIMS, Panjagutta, Hyderabad-500 082. E-mail: is@saamyabiotech.com
- ii. During the period under review, no complaint was received from the shareholders, and there are no pending Complaints as on date of this report.

## 6. GENERAL BODY MEETINGS

Financial Year	Date	Time	Venue	Special resolutions passed
9 <sup>th</sup> AGM 2010-11	30.09.2011	4.15 P.M	Sundaraiah Vignana Kendram, (Mini Hall), Bagh Lingampally, Hyderabad – 500 044	<ol style="list-style-type: none"> <li>1. Re-appointment of Dr. Y Manivardhan Reddy, as Managing Director of the Company</li> <li>2. Change in designation of Dr. Y Sonia Reddy as Chairman &amp; Joint Managing Director of the Company</li> <li>3. Ratification of the re-appointment and remuneration paid to Dr. A K SadhuKhan, as Director – Technical, of the Company</li> <li>4. Ratification of the re-appointment and remuneration paid to Dr. K Narayana Reddy, as Director-Technical, of the Company.</li> </ol>

8 <sup>th</sup> AGM 2009-10	30.09.2010	3.30 PM	Sundaraiah Vignana Kendram, (Mini Hall), Bagh Lingampally, Hyderabad – 500 044	<ol style="list-style-type: none"> <li>1. Increase in borrowing limit of the Company upto Rs. 300 Crores under section 293(1)(d) of the Companies Act, 1956.</li> <li>2. Increasing the limit upto Rs. 300 Crores under Section 293(1)(a) of the Companies Act, 1956</li> </ol>
7 <sup>th</sup> AGM 2008-09	30.09.2009	4.00 PM	Sundaraiah Vignana Kendram, (Mini Hall), Bagh Lingampally, Hyderabad – 500 044	Nil

**Note:** During the year no resolutions were passed through postal ballot.

## 7. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Auditors' Certificate on Corporate Governance as required by revised Clause 49 of the Listing Agreement is given as an annexure to the Director's Report.

## 8. DISCLOSURES

- The Company has not entered into any transaction of material nature with related parties i.e., Directors, Management, their relatives conflicting with the Company's interest except Dr. C. Naveen Reddy who is a common Director, but neither he has any stake nor receiving remuneration from your company and also from Maanya Biotech Limited.

- **Details of non-compliance**

There has been no non-compliance of any legal requirements nor have been any strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last 3 years.

- **Whistle Blower policy**

We have established a mechanism for employees to report concerns about unethical behavior, fraud or violation of code of conduct of the Company. The mechanism provided direct access to the Chairman of

the Audit Committee for exceptional cases. All employees can also directly meet the Audit Committee members of the Company. The Whistle Blower Policy has been posted on the Intranet of the Company.

▪ **Compliance with non-mandatory requirements of clause 49 of the listing agreement**

The Company has complied with the non –mandatory requirements relating to remuneration committee and Whistle Blower policy to the extent detailed above and has not complied with other non-mandatory requirements.

## 9. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results will be sent to the Stock Exchanges immediately after the Board approves the same and these results will also be published in prominent daily newspapers. These financial statements, press releases are also posted on the Company's website, at [www.saamyabiotech.com](http://www.saamyabiotech.com). As the financial performance of the Company is well published, individual communication of half yearly results are not sent to the shareholders.

The Management Discussion and Analysis Report forms part of the annual report, which is posted to the shareholders of the Company.

## 10. GENERAL SHAREHOLDER INFORMATION:

The following information would be useful to the shareholders:

### a) Tenth Annual General Meeting

Date and Time : 27.09.2012, at 03.15 P.M

Venue : Sundaraiah Vignana Kendram (Mini Hall), Bagh Lingampally, Hyderabad – 500 044.

### b) Financial Calendar 2012-13 (Tentative Schedule)

For the Quarter ended 30<sup>th</sup> June, 2012, the Company has already declared the Unaudited Financial Results on August 13, 2012.

Adoption of Quarterly results for the Quarter ending

- 30<sup>th</sup> September, 2012 : 1<sup>st</sup>/2<sup>nd</sup> Week of November, 2012
- 31<sup>st</sup> December, 2012 : 1<sup>st</sup>/2<sup>nd</sup> Week of February, 2013
- 31<sup>st</sup> March, 2013 : on or before 15<sup>th</sup> May 2013
- Annual General Meeting : August / September, 2013  
(Next year)

### c) Book Closure Date

Tuesday 25<sup>th</sup> September 2012 to Thursday 27<sup>th</sup> September 2012 (both days inclusive)

d) **Listing on Stock Exchanges** : Bombay Stock Exchange Ltd, Mumbai  
Madras Stock Exchange Limited, Chennai

### e) Stock Code

- Stock Code / Symbol : BSE : 532905 / SAAMYABIO
- Demat ISIN number : INE320H01019

### Electronic Connectivity

#### National Securities Depository Limited

Trade World, Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai – 400 013

#### Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers, 28<sup>th</sup> Floor  
Dalal Street, Mumbai – 400 023

#### f) Stock Market Data

The monthly high / low prices of shares of the Company from April, 2011 to March, 2012 at Bombay Stock Exchange Limited:

**Scrip Code: 532905 Company Name: SAAMYABIO For the period: April 2011 to March 2012**

Month	High Price	Low Price	Close Price	No. of Shares
Apr 11	6.59	5.05	5.34	1,78,718
May 11	7.46	4.90	6.99	5,03,830
Jun 11	8.49	5.25	5.50	3,76,962
Jul 11	5.95	5.04	5.20	2,03,517
Aug 11	5.49	4.25	4.55	1,93,182
Sep 11	5.74	4.33	4.50	1,74,719
Oct 11	5.17	4.03	4.41	1,39,686
Nov 11	5.09	3.50	3.99	1,71,538
Dec 11	4.70	2.90	3.15	1,20,119
Jan 12	4.09	2.92	3.77	1,04,707
Feb 12	4.40	3.14	3.55	2,05,810
Mar 12	3.80	3.07	3.31	2,13,497

#### g) Registrars and Transfer Agents

Aarathi Consultants Pvt. Ltd.,  
1-2-285, Domalguda, Hyderabad- 500 029.  
Tel: (040) 27642217/27638111, Fax: (040) 27632184  
Email: [info@aarathiconsultants.com](mailto:info@aarathiconsultants.com)

#### h) Share Transfer System

SEBI has vide its circular dated 27-12-2002, directed that all work relating to share registry, both physical and demat should be maintained at a single point. Accordingly, the Share Transfers, both physical and demat form, are done by the Registrar and Share Transfer Agents i.e., M/s. Aarathi Consultants Private Limited, Domalguda, Hyderabad. The requests received for transfer of shares in physical form are generally completed within the stipulated time.

**11. (A) Shareholding pattern as on 31<sup>st</sup> March 2012:**

SAAMYA BIOTECH (INDIA) LIMITED EQUITY								
Scrip Code in BSE: 532905								
Category code	Category of Share holder	No. of Shareholders	Total Number of shares	Number of shares held in demat form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encum-bere	
					As a Percentage of (A+B)1	As a Percentage of (A+B+C)	Number of Shares	As a Percentage
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>							
<b>(1)</b>	<b>Indian</b>							
a.	Individuals/Hindu Undivided Family	5	8874600	7084600	35.67	35.67	0	0
b.	Central Government/ State Government(s)	0	0	0	0	0	0	0
c.	Bodies Corporate	0	0	0	0	0	0	0
d.	Financial Institutions/ Banks	0	0	0	0	0	0	0
e.	Mutual Funds	0	0	0	0	0	0	0
f.	Trusts	0	0	0	0	0	0	0
	<b>Sub Total (A)(1)</b>	<b>5</b>	<b>8874600</b>	<b>7084600</b>	<b>35.67</b>	<b>35.67</b>	<b>0</b>	<b>0</b>
<b>(2)</b>	<b>Foreign</b>							
a.	Individuals (Non Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0
b.	Bodies Corporate	0	0	0	0	0	0	0
c.	Institutions	0	0	0	0	0	0	0
d.	Overseas Corporate Bodies	0	0	0	0	0	0	0
	<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group</b>							

Category code	Category of Share holder	No. of Share-holders	Total Number of shares	Number of shares held in demat form	Total share-holding as a percentage of total number of shares		Shares pledged or otherwise encum-bered	
					As a Per-centage of (A+B)1	As a Per-centage of (A+B+C)	Number of Shares	As a Per-centage
	(A)=(A)(1)+(A)(2)	5	8874600	7084600	35.67	35.67	0	0
<b>(B)</b>	<b>Public Shareholding</b>							
<b>(1)</b>	<b>Institutions</b>							
a.	Mutual Funds/UTI	0	0	0	0	0	0	0
b.	Financial Institutions/Banks	0	0	0	0	0	0	0
c.	Central Government/State Government(s)	0	0	0	0	0	0	0
d.	Venture Capital Funds	0	0	0	0	0	0	0
e.	Insurance Companies	0	0	0	0	0	0	0
f.	Foreign Institutional Investors	0	0	0	0	0	0	0
g.	Foreign Venture Capital Investors	0	0	0	0	0	0	0
h.	Foreign Companies	0	0	0	0	0	0	0
	<b>Sub Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2)</b>	<b>Non-Institutions</b>							
a.	Bodies Corporate	157	1334840	1334840	5.36	5.36	0	0
b.	Individuals							
	i) Individual share holders holding nominal share capital upto Rs.1 lakh	11460	9185742	9185122	36.92	36.92	0	0
	ii) Individual share holders holding nominal share capital in excess of Rs.1 lakh	183	5199872	5199872	36.92	36.92	0	0
	i) Non Resident Individuals	106	281643	281643	1.13	1.13	0	0
	ii) Overseas Corporate Bodies	0	0	0	0	0	0	0
	iii) Trusts	1	200	200	0	0	0	0

	iv) Employees	0	0	0	0	0	0	0
	v) Clearing Members	5	563	563	0.02	0.02	0	0
	vi) Foreign Nationals	0	0	0	0	0	0	0
	<b>Sub Total (B)(2)</b>	<b>11912</b>	<b>16007900</b>	<b>16007280</b>	<b>64.33</b>	<b>64.33</b>	<b>0</b>	<b>0</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>11912</b>	<b>16007900</b>	<b>16007280</b>	<b>64.33</b>	<b>64.33</b>	<b>0</b>	<b>0</b>
	<b>Total (A)+(B)</b>	<b>11917</b>	<b>24882500</b>	<b>23091880</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0</b>
(C)	Shares held by Custodians and against Depository Receipts have been issued	0	0	0	0	0	0	0
	<b>Grand Total (A)+(B)+(C)</b>	<b>11917</b>	<b>24882500</b>	<b>23091880</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0</b>

**(B) Distribution of Shareholding as on 31.03.2012**

Range (Rs)	No. of Shareholders	% of Total Shareholders	Shares Amount	% of Total Shares Amount
1 - 5,000	8003	67.16	23369850	9.39
5,001 - 10,000	1840	15.44	16730820	6.72
10,001 - 20,000	953	8.00	15597560	6.27
20,001 - 30,000	338	2.84	8980490	3.61
30,001 - 40,000	164	1.38	6023900	2.42
40,001 - 50,000	190	1.59	9156780	3.68
50,001 - 1,00,000	212	1.78	16070460	6.46
1,00,001 and above	217	1.82	152895140	61.45
<b>Total</b>	<b>11917</b>	<b>100.00</b>	<b>248825000</b>	<b>100.00</b>

**12. DEMATERIALIZATION OF SHARES AND LIQUIDITY**

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE320H01019. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. Over 92% of the Company's shares up to 31<sup>st</sup> March 2012 are now held in electronic form. Shares of the Company are actively traded in Bombay Stock Exchange Limited, and hence have good liquidity. The Company's shares are also listed on Madras Stock Exchange, Chennai. The list of depository participants is available with the National Securities Depository Limited (NSDL) at [www.nsdl.co.in](http://www.nsdl.co.in).



Particulars	No. of Shares	% Share Capital
NSDL	16957666	68.15
CDSL	6134214	24.65
PHYSICAL	1790620	7.20
<b>Total</b>	<b>24882500</b>	<b>100.00</b>

### 13. ADDRESS FOR CORRESPONDENCE

**Registered office** : 104-106 Lumbini Enclave, Opp.NIMS,  
Punjugutta, Hyderabad 500082.

**R & T Agent** : Aarathi Consultants Pvt. Ltd.  
1-2-285, Domalguda, Hyderabad- 500 029.  
Tel: (040) 27642217/27638111  
Fax: (040) 27632184  
Email: info@aarthicconsultants.com

#### On behalf of the Board

Place: Hyderabad  
Date: 31<sup>st</sup> August 2012

**Dr. Y. Manivardhan Reddy**  
Managing Director

**Dr. Y. Sonia Reddy**  
Chairman & Joint  
Managing Director

#### CERTIFICATE FROM MANAGING DIRECTOR FOR COMPLIANCE WITH CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT

This is to certify that M/s. Saamya Biotech (India) Limited has put in place the Code of Conduct for the Board of Directors and Senior Management. This code is applicable to all the Directors of the Company and the Members of Senior Management, which includes the employees of the Company who are one level below the Whole time Directors and all the functional heads. The Directors and Members of Senior Management have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management as on March 31, 2012. The Company has complied with the provisions of the Listing Agreement in this respect.

**For Saamya Biotech (India) Limited**

Date: Hyderabad  
Place: 31<sup>st</sup> August 2012

Dr. Y. Manivardhan Reddy  
Managing Director

**CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER (CEO)  
AND CHIEF FINANCIAL OFFICER (CFO)**

I, **Dr. Y. Manivardhan Reddy**, Managing Director of M/s. Saamya Biotech (India) Limited certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2012 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. That there are, to the best of our 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. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we 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.

Place : Hyderabad  
Date :31<sup>st</sup> August, 2012

**Dr. Y. Manivardhan Reddy**  
Managing Director

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Saamya Biotech (India) Limited**  
Hyderabad

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate governance of Saamya Biotech (India) Limited (“the company”) for the year ended 31<sup>st</sup> March, 2012 as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchanges.

The compliance of the conditions of the corporate governance is the responsibility of the management. Our examination, conducted in the manner described in the Guidance note on “Certification of Corporate Governance” issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

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

**For P. Murali & Co.,**  
Chartered Accountants

Place: Hyderabad  
Date: 31<sup>st</sup> August, 2012

P. Murali Mohana Rao  
Partner

**AUDITORS' REPORT**

To  
The Members,  
**SAAMYA BIOTECH (INDIA) LIMITED,**

We have audited the attached Balance Sheet of Saamya Biotech (India) Limited as at 31<sup>st</sup> March, 2012 and also the Profit & Loss Account for the period ended on that date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis of our opinion.

As required by the Companies (Auditor's report) order 2003 and as amended by the Companies (Auditor's report) (Amendment) order 2004, issued by the Central Government of India in terms of the sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The balance sheet details dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the balance sheet dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of section 211 of Companies Act, 1956;



- (v) On the basis of written representations received from the Directors, as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed Director in terms of clause(g) of sub-section(1) of section 274 of Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012;
- (b) In the case of the Profit & Loss Account, of the Profit for the period ended on that date; and

**And**

- (c) In the case of Cash Flow statement, of the cash flows for the period ended on that date:

Place: Hyderabad  
Date : 31.08.2012

**For P. MURALI & CO.,  
CHARTERED ACCOUNTANTS  
FRN : 007257S**

**P. Murali Mohana Rao**  
Partner  
Membership No. 23412

**ANNEXURE TO THE AUDITORS' REPORT**

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- (c) The company has not disposed off substantial part of the fixed assets during the year.
- II. The company has no Inventory. Hence this clause is not applicable.
- III. (a) The Company has granted interest free unsecured loans to Companies covered in the register maintained U/s.301 of the Companies Act, 1956. The amount involved during the period and outstanding amount of the said loan aggregating to Rs. 76,40,220/-
- (b) The Company has not taken any loans, secured or unsecured from Companies, Firms or other parties covered in the register maintained U/s.301 of the Companies Act, 1956.
- (c) As the Company has not taken any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
- (d) As no loans are taken by the company, the clause of repayment of interest & principal amount to parties is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of company and the nature of its business with regard to purchase of fixed assets and for sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control.
- V. (a) In our opinion and according to the information and explanation give to us, since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of any party in the financial year, the entry in the register U/s. 301 of the Companies Act, 1956 does not arise.
- (b) According to the information and explanations give to us, as no such contracts or arrangements made by the company, the



applicability of the clause of charging the reasonable price having regard to the prevailing market prices at the relevant time does not arise.

- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.
- VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- IX. (a) The Company is irregular in depositing statutory dues including Income Tax, Cess and any other statutory dues with the appropriate authorities and at the last of the financial year there were some amounts outstanding which were due for more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, some undisputed amounts are payable in respect of Income Tax, Cess and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.
- X. The company has been registered for a period of not less than 5 years, and it has no accumulated losses at the end of the current financial year and the Company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- XI. According to information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- XII. According to the information and explanations given to us, the company has not granted any loans or advance on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this company as this company is not covered by the provisions of special status applicable to Chit Fund in respect of Nidhi / Mutual Benefit Fund / Societies.

- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) order 2003, are not applicable to the company.
- XV. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise.
- XVI. According to the information and explanations given to us, the Company has not obtained any Term Loans during this Financial Year.
- XVII. According to the information and explanations given to us, no funds are raised by the company on short-term basis. Hence the clause of short term funds being used for long-term investment does not arise.
- XVIII. According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX. According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation or security or charge in respect of debentures issued does not arise.
- XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year under audit.

Place: Hyderabad  
Date : 31.08.2012

**For P. MURALI & CO.,**  
CHARTERED ACCOUNTANTS  
FRN : 007257S

**P. Murali Mohana Rao**  
Partner  
Membership No. 23412



**SAAMYA BIOTECH (INDIA) LIMITED**  
Balance Sheet as at 31st March, 2012

Particulars	Note No	As on 31-03-2012 ₹	As on 31-03-2011 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	248,825,000	230,925,000
(b) Reserves and Surplus	2	47,973,947	1,087,158
(c) Money received against share warrants		-	62,000,000
<b>(2) Share Application Money Pending Allotment</b>			
	3	38,980,860	25,128,835
<b>(3) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	4	100,181	382,708
(b) Long Term Borrowings	5	3,775,654	2,232,724
<b>(4) Current Liabilities</b>			
(a) Trade Payables	6	159,804,448	72,474,113
(b) Other Current Liabilities	7	2,269,469	725,751
(c) Short-Term Provisions	8	5,129,469	3,336,256
<b>Total</b>		<b>506,859,028</b>	<b>398,292,545</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible & Intangible Assets	9	15,180,792	13,581,126
(ii) Capital work in progress	9	290,174,764	287,484,994
(b) Long term Loans and Advances	10	2,202,445	2,202,945
(c) Other Non Current Assets	11	207,965	237,673
<b>(2) Current assets</b>			
(a) Trade Receivables	12	183,581,388	81,761,981
(b) Cash and Bank Balances	13	420,333	362,617
(c) Short-Term Loans and Advances	14	15,091,341	12,661,210
<b>TOTAL</b>		<b>506,859,028</b>	<b>398,292,545</b>

## Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements  
AS PER OUR REPORT OF EVEN DATE

For P.Murali &amp; Co.,

For and on behalf of the Board

Firm Regn. No: 007257S

Chartered Accountants

**P. Murali Mohana Rao**  
Partner  
M.No. 023412

**Dr. Y. Sonia Reddy**  
Chairman & Joint  
Managing Director

**Dr. Y. Manivardhan Reddy**  
Managing Director

Place : Hyderabad

Date : 31.08.2012



**SAAMYA BIOTECH (INDIA) LIMITED**  
**Profit and Loss statement for the year ended 31st March, 2012**

Particulars	Note No	Year Ending 31-03-2012 Rupees	Year Ending 31-03 -2011 Rupees
Revenue from Operations	15	230,658,967	162,835,300
Other Income	16	6,633,548	2,059
<b>Total Revenue</b>		<b>237,292,516</b>	<b>162,837,359</b>
<b>Expenses:</b>			
Purchase of Stock-in-Trade	17	213,197,074	154,682,902
Employee Benefit Expenses	18	3,490,628	772,037
Other Operating Expenses	19	142,068	57,283
Administrative and Selling Expenses	20	15,995,500	4,439,215
Financial Costs	21	205,301	249,168
Depreciation	9	721,733	718,157
<b>Total Expenses</b>		<b>233,752,304</b>	<b>160,918,762</b>
Profit / (Loss) Before Tax		3,540,212	1,918,597
Tax Expense:			
(1) Current tax		1,035,950	653,723
(2) Deferred tax		(282,527)	382,708
Profit / (Loss) After Tax		<b>2,786,789</b>	<b>882,166</b>
Earning per equity share:	28		
(1) Basic & Diluted EPS		Rs. 0.12	0.04

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements  
AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,  
Firm Regn. No: 007257S  
Chartered Accountants

For and on behalf of the Board

**P.Murali Mohana Rao**  
Partner  
M.No. 023412

**Dr. Y. Sonia Reddy**  
Chairman & Joint  
Managing Director

**Dr.Y. Manivardhan Reddy**  
Managing Director

Place : Hyderabad  
Date : 31.08.2012

**SAAMYA BIOTECH (INDIA) LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2012**

Particulars	Year Ended 31-03-2012 (Rupees)	Year Ended 31-03-2011 (Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	3,540,212	1,918,597
Adjustments for:		
Finance Cost	205,301	384,634
Misc. Expenses Written off	29,708	29,708
Loss on Sale of assets	70,258	1,248,164
Depreciation	721,733	718,157
Operating Profit before Working Capital changes	4,567,212	4,299,260
Trade Receivables	(101,819,407)	(58,296,331)
Current Liabilities & Provisions	-	47,165,622
Trade Payables	87,330,335	-
Other Current Liabilities	1,543,718	-
Short Term Provisions	757,263	-
Short Term Loans and Advances	(2,430,131)	(594,105)
Cash generated from operations	(10,051,010)	(7,425,554)
Cash flow before extraordinary items	(10,051,010)	(7,425,554)
Extraordinary Items	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(10,051,010)</b>	<b>(7,425,554)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase / Sale of Fixed Assets	(2,391,658)	824,000
Increase in Capital Work-in-Progress	(2,689,770)	(9,410,167)
Increase in Investments	-	73,236
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(5,081,428)</b>	<b>(8,512,930)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Equity Shares	17,900,000	-



Proceeds from Share Application Money	13,852,025	15,298,800
Redemption of Share Warrants	(62,000,000)	-
Proceeds from Secured Loans	-	653,534
Proceeds from Long Term Borrowings	1,542,930	-
Interest Paid	(205,301)	(384,634)
Increase in Securities Premium & Capital Reserve	44,100,000	-
Decrease in Long term Loans and Advances	500	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>15,190,154</b>	<b>15,567,700</b>
<b>NET INCREASE \ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>57,716</b>	<b>(370,784)</b>
Cash and Cash equivalents (Opening Balance)	362,617	733,401
Cash and Cash equivalents (Closing Balance)	<b>420,333</b>	<b>362,617</b>

For and on behalf of the Board

**Dr. Y. Sonia Reddy**  
Chairman & Joint Managing Director

**Dr. Y. Manivardhan Reddy**  
Managing Director

PLACE : HYDERABAD

DATE : 31.08.2012

CERTIFICATE

To  
The Board of Directors  
Saamya Bio-tech India Limited  
Hyderabad.

We have examined the attached Cash Flow Statement of M/s. Saamya Biotech (India) Limited for the year ended 31st March, 2012. The Statement has been prepared by the company in accordance with the requirement of Clause 32 of listing agreement with Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 31-08-2012 to the members of the company.

Yours faithfully,  
for P. MURALI & CO.,  
CHARTERED ACCOUNTANTS  
FRN : 007257S

PLACE: HYDERABAD  
DATE : 31.08.2012

P.MURALI MOHANARAO  
PARTNER

**SIGNIFICANT ACCOUNTING POLICIES**

**General:**

- (i) These accounts are prepared on the historical cost basis and on the accounting principles of going concern.
- (ii) Accounting policies not specifically referred to otherwise or consistent and in consonance with generally accepted accounting principles.

**Revenue Recognition:**

The Company follows the mercantile system of Accounting and recognizes income and expenditure on accrual basis.

**Fixed Assets:**

Fixed assets are stated at cost. Cost of acquisition of fixed assets is inclusive of freight, duties, taxes and incidental expenses thereto.

**Capital Work-in-Progress:**

The Capital Work-in-progress includes cost of Fixed Assets under installation, advances for Capital Goods and unallocated expenditure.



**Depreciation and Amortization:**

Depreciation is provided on straight line method on pro-rata basis and at the rates and manner specified in the schedule XIV of the Companies Act, 1956.

Preliminary Expenses are amortized over the period of 10 years.

**Taxation:**

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company. Deferred tax asset and liability is recognized for future tax consequences attributable to the timing difference that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset and liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

**Gratuity:**

The company has not made provision for gratuity as per actuarial valuation specified in Accounting Standard 15 (AS 15).

**Earnings per Share:**

The earning considered in ascertaining the company's earning per share comprises net profit after tax. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the year as per AS – 20.

**Related Party Disclosures:**

The Company as required by AS – 18, furnishes the details of Related Party Disclosures.

**SAAMYA BIOTECH (INDIA) LIMITED**  
Notes to Financial Statements for the year ended March 31, 2012

<b>NOTE NO. 1 : SHARE CAPITAL</b>			
Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	Equity Share Capital		
	(a) Authorised		
	( No. of Shares 250000000 - Current Year)	2,500,000,000	
	( No. of Shares 250000000 - Previous Year)		2,500,000,000
	(b) Issued		
	( No. of Shares 24882500 - Current Year)	248,825,000	
	( No. of Shares 23092500 Previous Year)		230,925,000
	(c) Subscribed & Fully Paid Up		-
	( No. of Shares 24882500 - Current Year)	248,825,000	
	( No. of Shares 23092500 Previous Year)		230,925,000
	(d) Subscribed & not fully paid up		-
	(e) Par Value per share Rs. 10/-		
	<b>Total Equity Share capital</b>	<b>248,825,000</b>	<b>230,925,000</b>
II	<b>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>		
	<b>Equity Shares of Rs.10Each, Fully paid up</b>		<b>No.of Shares</b>
	At the Beginning	23,092,500	23,092,500
	Issued during the year - Preferential Issue	1,790,000	-
	Forfeited / Bought Back during the year	-	-
	At the end	24,882,500	23,092,500
III	<b>Details of Shareholder holding more than 5% shares of the company:</b>		
	<b>Equity Shares of Rs. 10 each Held By</b>		<b>% of Share Holding</b>
	Y.Manivardhan Reddy No. Of Shares (C.Y ) 5180850 , ( P.Y) 3704750	20.82	16.04
	Y.Sonia Reddy - No. Of Shares (C.Y ) 3688750 , ( P.Y) 3374750	14.82	14.61

**NOTE NO. 2 : RESERVES AND SURPLUS**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	<b>RESERVES AND SURPLUS</b>		
	a) Capital Reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year	43,205,000	-
	<b>Sub Total</b>	43,205,000	-
	b) Securities Premium		
	As at the commencement of the year	-	-
	Add: Additions during the year	895,000	-
	<b>Sub Total</b>	895,000	-
	c) Surplus :		
	Opening Balance-Profit and Loss Account	1,087,158	204,992
	Add: Transfer from Profit & Loss Account	2,786,789	882,166
	<b>Sub Total</b>	3,873,947	-
	<b>Total Reserves and Surplus</b>	<b>47,973,947</b>	<b>1,087,158</b>

**NOTE NO. 3 : SHARE APPLICATION MONEY PENDING ALLOTMENT**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	Share Application Money	38,980,860	25,123,835
	<b>Total Share Application Money</b>	<b>38,980,860</b>	<b>25,123,835</b>

**NOTE NO. 4 : DEFERRED TAX LIABILITY ( NET )**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	Opening Deferred tax Liability	382,708	-
	Add : Deferred Tax Liability for the year (Due to SLM and WDV Difference)	(282,527)	382,708
	Deferred Tax Liability for the year (Due to Others)		
	<b>Gross Deferred tax Liability</b>	100,181	382,708
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>100,181</b>	<b>382,708</b>



## NOTE NO. 5 : LONG TERM BORROWINGS

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	Long Term Borrowings		
	a) Vehicle Loans From Banks		
	HDFC Car Loan - Toyota Fortuner	1,558,050	1,822,000
	HDFC Car Loan - Safari	67,604	210,724
	(Secured by the Hypothecation of an Underlying Asset)	-	-
	<b>Sub Total</b>	1,625,654	2,032,724
	ii) Un Secured Loans From Others	2,150,000	200,000
	<b>Sub Total</b>	2,150,000	200,000
	<b>Total Long Term Borrowings</b>	3,775,654	2,232,724

## NOTE NO. 6 : TRADE PAYABLES

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	a) Trade Payables	159,804,448	72,474,113
	<b>Total Trade Payables</b>	159,804,448	72,474,113

## NOTE NO. 7 : OTHER CURRENT LIABILITES

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	a) Other Payables		
	Vat Payable	1,278,500	54,300
	TDS Payable	989,969	671,451
	Professional Tax payable	1,000	-
	<b>Total Other Current Liabilities</b>	2,269,469	725,751

**NOTE NO. 8 : SHORT TERM PROVISIONS**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	a) Statutory Provisions		
	Provision for Income Tax	1,035,950	653,723
	b) Other Provisions		
	Salaries Payable	203,541	181,100
	Rent Payable	168,250	183,550
	Audit Fee Payable	316,415	204,055
	Other Provisions	3,405,313	2,113,828
	<b>Total Short Term Provisions</b>	<b>5,129,469</b>	<b>3,336,256</b>

NOTE NO 9 : TANGIBLE & INTANGIBLE ASSETS AS AT 31-03-2012									
Sl. No.	Particulars	Gross Block			Depreciation/Amortization			Net Block as on 31.03.2012	Net Block as on 31.03.2011
		As on 01.04.2011	Deletions during the year	As on 31.03.2012	Dep.As on 01.04.2011	Dep. for the year 2011-2012	Deletions during the year		
	<b>Tangible Fixed Assets:</b>								
1	Land	9,366,930	-	9,366,930	-	-	-	9,366,930	9,366,930
2	Furniture & Fixtures	562,633	-	562,633	35,615	35,615	-	491,403	527,018
3	Office Equipments	1,267,923	106,000	1,161,923	78,862	78,582	11,743	1,016,222	1,189,061
4	Vehicles	836,503	2,415,657	3,252,160	79,468	270,707	-	2,901,985	757,035
5	Computers	2,077,911	-	2,077,911	336,829	336,829	-	1,404,253	1,741,082
	<b>Intangible Fixed Assets</b>								
	<b>TOTAL</b>	<b>14,111,900</b>	<b>2,415,657</b>	<b>16,421,557</b>	<b>530,774</b>	<b>721,733</b>	<b>11,743</b>	<b>15,180,793</b>	<b>13,581,126</b>
	Previous Year	16,371,448	26,000	14,111,900	-	718,157	187,384	13,581,127	16,371,448
	Capital Work in Progress:	287,484,994	2,689,770	290,174,764	-	-	-	290,174,764	287,484,994

**NOTE NO. 10 : LONG TERM LOANS AND ADVANCES ( NON CURRENT )**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	Security Deposits	2,202,445	2,202,945
	<b>Total Long Term Loans and Advances</b>	<b>2,202,445</b>	<b>2,202,945</b>

**NOTE NO. 11 : OTHER NON CURRENT ASSETS**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	a) Miscellaneous expenses Not written off	207,965	237,673
	<b>Total Other Non Current Assets</b>	<b>207,965</b>	<b>237,673</b>

**NOTE NO. 12 : TRADE RECEIVABLES**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
	Unsecured, Considered Good	81,761,981	-
	<b>Other Receivables:</b>		
	Unsecured, Considered Good	101,819,407	81,767,981
	<b>Total Trade Receivables</b>	<b>183,581,388</b>	<b>81,767,981</b>

**NOTE NO. 13 : CASH AND BANK BALANCES**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	Cash and Cash Equivalents :		
	a) Balances with banks :		
	On Current Accounts	285,194	101,915
	b) Cash on Hand	135,139	260,702
	<b>Total Cash and Cash Equivalents</b>	<b>420,333</b>	<b>362,617</b>

**NOTE NO. 14 : SHORT TERM LOANS AND ADVANCES ( CURRENT )**

Sl. No.	Particulars	As on 31-03-2012 ₹	As on 31-03-2011 ₹
I	<b>Advances Recoverable in Cash or in kind</b> Unsecured, Considered Good	7,451,122	5,654,122
II	Loans and Advances to Related Parties Maanya Bio-Tech Limited	7,640,220	7,007,088
	<b>Total Short Term Loans and Advances</b>	<b>15,091,342</b>	<b>12,661,210</b>

**NOTE NO. 15 : REVENUE FROM OPERATIONS**

Sl. No.	Particulars	Year Ended 31-03-2012 ₹	Year Ended 31-03-2011 ₹
I	Revenue from operations		
	(a) Sale of Products (Chemicals)		
	Domestic Sales	47,848,500	169,348,712
	Export Sales	185,088,967	-
		232,937,467	169,348,712
	Less: Duties and Taxes	2,278,500	6,513,412
	<b>Total Revenue from Operations</b>	<b>230,658,967</b>	<b>162,835,300</b>

**NOTE NO. 16 : OTHER INCOME**

Sl. No.	Particulars	Year Ended 31-03-2012 ₹	Year Ended 31-03-2011 ₹
I	(a) Profit on Mutual Funds	-	2,059
	(b) Foreign Exchange Gain	6,573,548	-
	(c) Rental Income	60,000	-
	<b>Total Other Income</b>	<b>6,633,548</b>	<b>2,059</b>

**NOTE NO. 17 : PURCHASE OF STOCK IN TRADE**

Sl. No.	Particulars	Year Ended 31-03-2012 ₹	Year Ended 31-03-2011 ₹
I	Purchases-Chemicals	213,197,074	154,682,902
	<b>Total Trade Purchases</b>	<b>213,197,074</b>	<b>154,682,902</b>

**NOTE NO. 18 : EMPLOYEE BENEFIT EXPENSES**

Sl. No.	Particulars	Year Ended 31-03-2012 ₹	Year Ended 31-03-2011 ₹
I	(a) Salaries & Wages	1,298,250	772,037
	(b) Managerial Remuneration	2,100,000	-
	(c) Staff Welfare	92,378	-
<b>Total Employee Benefit Expenses</b>		<b>3,490,628</b>	<b>772,037</b>

**NOTE NO. 19 : OTHER OPERATING EXPENSES**

Sl. No.	Particulars	Year Ended 31-03-2012 ₹	Year Ended 31-03-2011 ₹
I	(a) Payment to Auditors:		
	(i) As Auditor	84,270	27,575
	(ii) For Taxation Matters	28,090	-
	(b) Miscellaneous Expenses Written Off	29,708	29,708
<b>Total Other Operating Expenses</b>		<b>142,068</b>	<b>57,283</b>

**NOTE NO. 20 : ADMINISTRATIVE AND SELLING EXPENSES**

Sl. No.	Particulars	Year Ended 31-03-2012 ₹	Year Ended 31-03-2011 ₹
I	(a) Telephone, Postage and Others	354,326	316,856
	(b) Business Promotion Expenses	9,734	107,442
	(c) Travelling and Conveyance	1,097,280	293,020
	(d) Office Maintenance	1,769,518	185,667
	(e) Printing & Stationery Expenses	136,351	120,312
	(f) Professional Consultancy fee	1,158,265	442,725
	(g) Electricity Charges	243,001	323,446
	(h) Security Charges	158,955	178,692
	(i) Rent	2,362,500	600,000
	(j) Repairs	90,331	115,810
	(k) Rates & Taxes (excluding Income Tax)	471,606	359,587
	(l) Loss on sale of asset	70,258	1,248,164
	(m) Freight	102,065	-
	(n) Interest on late payment of Taxes	205,692	147,494
	(o) Interest paid to Suppliers	7,738,988	-
	(P) Vehicle Maintenance	26,630	-
<b>Total Administrative and Selling Expenses</b>		<b>15,995,500</b>	<b>4,439,215</b>

## NOTE NO. 21 : FINANCE COST

Sl. No.	Particulars	Year Ended 31-03-2012 ₹	Year Ended 31-03-2011 ₹
I	(a) Interest Expenses		
	- Interest on Vehicle Finance	198,260	237,140
	- Loan processing Charges & Bank Charges	7,041	12,028
	<b>Total Finance Cost</b>	<b>205,301</b>	<b>249,168</b>

## 22. Share Capital:

The Equity Share Capital of the Company as on 31<sup>st</sup> March 2012 was Rs. 248,825,000/- divided into 24,882,500 Equity Shares of Rs. 10/- each fully paid up.

The Company had allotted 15,000,000 Share Warrants to promoter / Promoter group in the Board Meeting held on 27<sup>th</sup> February 2010. These Warrants are convertible into equal number of Equity Shares at a option of the warrant holder within 18 months from the date of the allotment. Out of the total warrants, Mr. Y. Manivardhan Reddy and Mrs. Y. Sonia reddy exercised the option to convert 1,790,000 Share Warrants into equal number of Equity Shares. Accordingly, the Board of the Company in its meeting held on 26<sup>th</sup> August 2011 allotted 1,790,000 Equity Shares at a price of Rs.10.50 (including premium of Rs.0.50) and pursuant to this allotment the Paid up Capital of the Company has increased by Rs.17,900,000 and Securities Premium of Rs. 895,000. The remaining Warrants were lapsed and the application money paid on those lapsed warrants of Rs.43,205,000 has forfeited and transferred to Capital Reserve.

## 23. Earnings and Expenditure of Foreign Exchange as reported by the Company to the Government of India and as certified by the management.

	Current Year (Rs.)	Previous Year (Rs.)
(i) Foreign exchange Earnings	89,859,005	Nil
(ii) Foreign exchange Outgo		
Foreign Travel	568,199	639,646

24. There are no dues to SSI Units outstanding for more than 30 days.

25. No Confirmations were obtained from debtors / creditors as to the balances receivable from / payable to them as at year end.

**26. Segment Reporting**

The Company has started only trading division operations. So the total revenue related to trading division only and hence the Segment Reporting as required by AS – 17 is not disclosed here separately.

27. Additional information pursuant to provisions of part II of Schedule VI of the companies Act,1956.

	Year Ended 31-03-2012		Year Ended 31-03-2011	
	Qty (Kgs)	Amount (Rs.)	Qty (Kgs)	Amount (Rs.)
1. Opening Stock	NIL	NIL	NIL	NIL
2. Purchases During the year	705	213,197,074	125475	154,682,902
3. Sales During the year	705	232,937,467	125475	169,348,712
4. Closing Stock	NIL	NIL	NIL	NIL
5. Shortage / Excess, if any	NIL	NIL	NIL	NIL

**28. The Earnings Per Share:**

Particulars	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
Net Profit for the Year ( Rs. )	2,786,789	882,166
Weighted Average No. of Shares Outstanding during the year	24161596	23092500
Basic & Diluted Earnings per Share (Rs.)	0.12	0.04
Nominal Value of the Share (Rs.)	10/-	10/-

**29. Related Party Disclosures:**

Particulars of Related Parties:

Name of the Related Party	Nature of Relationship
Dr. Y. Sonia Reddy	Chairman & Joint Managing Director
Dr. Y. Manivardhan Reddy	Managing Director
Dr. P. Naveen Chander Reddy	Independent Director
Mr. P. Suresh Reddy	Independent Director
Dr. C. Naveen Reddy	Independent Director
Maanya Bio-Tech Limited	Common Director



**Transactions & Remuneration during the year with Related Parties:**

<b>Name of the Party</b>	<b>Nature of Relationship</b>	<b>Nature of Transaction</b>	<b>2011-12 (Rs.)</b>	<b>2010-11 (Rs. )</b>
Dr. Y. Sonia Reddy	Chairman & Joint Managing Director	Remuneration	1,200,000	1,200,000
Dr. Y. Manivardhan Reddy	Managing Director	Remuneration	900,000	1,200,000
Dr. K. Narayana Reddy	Executive Director	Remuneration	NIL	360,000
Dr. Ashok Kumar Sadhukhan	Executive Director	Remuneration	NIL	360,000

30. Previous year's figures have been regrouped wherever necessary.

31. The figures have been rounded off to the nearest rupee

**As per our report of even date**  
**For P. MURALI & CO.,**  
 CHARTERED ACCOUNTANTS  
 FRN : 007257S

**P. Murali Mohana Rao**  
 Partner  
 Membership No. 23412

Place: Hyderabad  
 Date: 31.08.2012

**For and on behalf of the Board**  
**SAAMYA BIOTECH (INDIA) LIMITED**

**Dr. Y. Sonia Reddy**  
 Chairman & Joint Managing Director

**Dr. Y. Manivardhan Reddy**  
 Managing Director

Dear Shareholder(s),

**Sub: Request for registration of e-mail ID under “Green Initiative” issued by Ministry of Corporate Affairs, Govt. of India.**

- 1) Ministry of Corporate Affairs, Government of India (MCA) has issued a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies, stating that the service of notice / document by a company to its shareholders can be made through electronic mode, vide circular nos. 17/2011 dt.21.04.2011 & 18/2011 dt. 29.04.2011. For full text of the said circulars, please refer to MCA’s website [www.mca.gov.in](http://www.mca.gov.in). The said Circulars inter-alia stipulates that the Companies have to obtain e-mail address by giving an advance opportunity to every shareholder to register their e-mail address and changes therein from time to time with the Company or Depository Participant (DP).
- 2) In view of the above, your company proposes to send Annual Reports (Audited Financial Statements, Directors Report, Auditors Report, etc.,) and also other documents including Notice of the Annual General Meeting, henceforth to the shareholders in electronic mode. Accordingly, an advance opportunity is given to you to register your e-mail address to receive the notice/ document in electronic mode as under:

Shares held in Electronic Mode	If Email ID is already registered with DP	Please inform changes, if any therein to DP and also update the same.
	If Email ID is <b>not</b> registered	Please register Email ID with DP immediately.
Shares held in Physical Mode	If Email ID is already registered	Please inform changes, if any therein to Share Transfer Agent (STA) and also update the same
	If Email ID is <b>not</b> registered	Please register immediately with Share Transfer Agent (STA)

- 1) In case, you are interested in receiving the notices / documents in physical form only, irrespective of your shareholding in demat or physical, please inform to our STA at the addresses given below:

M/s Aarathi Consultants Pvt. Ltd Unit : Saamy Biotech (India) Limited, 1-2-285, Domalguda, Hyderabad – 500029. Tel.no. 040-27638111/4445 Fax no. 040-27632184 E-mail: info@aarthiconsultants.com	or	Click Button on “Green Initiative” on website <a href="http://www.aarthiconsultants.com">www.aarthiconsultants.com</a>
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- 1) Please note that the e-mail address indicated in your DP account, with depositories viz. NSDL/CDSL and e-mail address received by our STA will be deemed to be your registered email address for serving notices/ documents etc., including those covered under Section 219 of the Companies Act, 1956, (the Act) read with section 53 of the Act.
- 2) Further, the documents electronically sent to you, would be displayed on our website [www.saamyabiotech.com](http://www.saamyabiotech.com) well in advance for your ready reference and an advertisement would be issued in newspapers to this effect for information of the shareholders.
- 3) This move by the Ministry is welcome initiative, since it will benefit the society at large through reduction in paper consumption and contribution towards a Green Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.
- 4) We are sure you would appreciate the “Green Initiative” undertaken by MCA and your company’s desire to participate in such initiatives. We are also sure that you would join hands with the Company in complying “Green Initiative” by registering/ updating your e-mail address with concerned depository including dividend mandate/ECS and change of address, if any for prompt receipt of communications/dividend and avoid loss in postal transit.

Yours faithfully  
For Saamya Biotech (India) Limited

Dr. Y. Manivardhan Reddy  
Managing Director





10<sup>th</sup> Annual General Meeting  
SAAMYA BIOTECH (INDIA) LIMITED

Regd.Office:104-106, Lumbini Enclave, Punjagutta, Hyderabad - 500 082.

*Admission Slip*

<b>Date</b>	<b>Venue</b>	<b>Time</b>
27 <sup>th</sup> September, 2012	Sundaraiah Vignana Kendram (Mini Hall), Bagh Lingampally, Hyderabad – 500 044	03.15 pm

Name of the shareholder	Folio no. / DPID and Client ID no.	No. of shares

I certify that I am a registered shareholder of the Company and hold above-mentioned shares in the Company and hereby record my present at the 10<sup>th</sup> Annual General Meeting of the Company.

**Member's/Proxy signature**

*Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission Slip and hand over at the entrance duly signed.*

10<sup>th</sup> Annual General Meeting  
SAAMYA BIOTECH (INDIA) LIMITED

Regd.Office:104-106, Lumbini Enclave, Punjagutta, Hyderabad - 500 082.

*Proxy Form*

Regd. Folio no.: ..... No. of shares .....

DP ID no. .... Client ID no. ....

I / We \_\_\_\_\_ of \_\_\_\_\_ being Member / Members of Saamya Biotech (India) Limited hereby appoint \_\_\_\_\_ of \_\_\_\_\_ as my / our proxy to attend and vote for me/us on my / our behalf at the 10<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, 27<sup>th</sup> September 2012 at 03.15 p.m. at Sundaraiah Vignana Kendram, (Mini Hall), Bagh Lingampally, Hyderabad – 500 044 and at any adjournment thereof.

As witness my/our hand (s) this \_\_\_\_\_ day of \_\_\_\_\_ of 2012  
Signed by the said \_\_\_\_\_

Affix Re1/-  
Revenue  
Stamp





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Book Post

To,



**Saamya Biotech (India) Ltd.**

Suite 104-106, Lumbini Enclave

Opp: NIMS, Punjagutta, Hyderabad 500 082, A.P., INDIA.

Tel: +91-40-23398359, 23399241 Fax: +91-40-23395214

E-mail: [saamyaindia@saamyabiotech.com](mailto:saamyaindia@saamyabiotech.com)

Website: [www.saamyabiotech.com](http://www.saamyabiotech.com)