



Saamy Biotech (India) Ltd.



**8th Annual Report
2009-10**



Board of Directors	Mr. C. Chandrasekhar Reddy	<i>Chairman</i>
	Dr. Y. Manivardhan Reddy	<i>Managing Director</i>
	Dr. Y. Sonia Reddy	<i>Vice Chairman & Joint Managing Director</i>
	Dr. K. Narayana Reddy	<i>Technical Director</i>
	Dr. Ashok K Sadhukhan	<i>Technical Director</i>
	Dr. P. Naveen Chander Reddy	<i>Independent Director</i>
	Mr. P. Suresh Reddy	<i>Independent Director</i>
	Dr. C. Naveen Reddy	<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 1601/04Fax: 040-2354 1127

Factory

Plot Nos. 9 & 10, S.P. Biotech Park Phase-II,
Turkapally, Shamirpet Mandal, Hyderabad.

Email

info@saamyabiotech.com

Website

www.saamyabiotech.com

Bankers

1. Syndicate Bank, Somajiguda Branch, Hyderabad.
2. Indian Overseas Bank, Hyderabad Main Branch.
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

**Registrars & Share
Transfer Agents**

M/s. Aarthi Consultants Pvt. Ltd.
1-2-285, Domalguda, Hyderabad-29.
Tel: (040) 27642217 / 27638111 Fax: (040) 27632184
Email: info@aarthiconsultants.com

Listed on

Bombay Stock Exchange Limited (BSE), Mumbai



CHAIRMAN'S MESSAGE

Dear Shareholders,

At the outset, I am delighted to bring to your pleasant notice that your company has commenced earning revenues this year, while continuing with the task of implementing the biotech project in the Genome Valley for the manufacture of high value biopharmaceuticals. Since the project implementation is experiencing undue delays on various fronts, the management has initiated marketing of drug intermediates and raw materials through outsourcing as supplementary means of revenue generation and this has earned revenues for your company for the first time, and this activity will be intensified in future. This activity would also enable your company to strengthen the marketing team in due course.

The expansion plans of your company will be executed with the funds sanctioned by the Indian Overseas Bank and the release of the fund is awaited shortly pending compliance with the required balance documentation.

Your company has also contemplated to reduce the interest burden arising from availing the term loan funds granted by the banks and to circumvent the delays involved in the release of these funds, by exploring the avenues to increase the equity funding as partial replacement of the term loan portion originally proposed. Your company has taken steps to raise equity funding to the tune of US \$ 20 million by way of FCCB (Foreign Currency Convertible Bonds), in line with the mandate given by you through postal ballot. These funds will be utilized for implementing the biotech project both in India and in Malaysia. The processes related to FCCB issue are in progress.

Your company is progressing well on the front of implementing the proposed biotech project in Malaysia through its subsidiary company, M/s. Saamya Biotech (Malaysia) Sdn. Bhd., at a cost of Rs. 136.23 crores. The manufacturing plant will be set up in Perak State of Malaysia as a joint venture with Perak Bio Corporation Sdn. Bhd. (PBC), a Perak State Govt. agency with equity participation from the Perak State Govt. firm. A joint venture (JV) agreement has been entered with PBC to this effect on January 05, 2010 in presence of the honourable Chief Minister of Perak State, Y.A.B. Dato' Seri Dr. Zambry Bin Abd. Kadir, in Perak. The Malaysian Govt. is very pleased to collaborate with your company and His Excellency Dato' Sri Mohd Najib bin Tun Abdul Razak, the Malaysian Prime Minister, has expressed his immense pleasure on this event while exchanging the JV Agreement with the Vice Chairman of your company in presence of the honourable Chief Minister of Perak State, Malaysia, Y.A.B. Dato' Seri Dr. Zambry Bin Abd. Kadir, in a ceremonious function arranged in Chennai on January 22, 2010.



Your company will also be completing shortly the processes related to the acquisition of synthetic drug plant in Hyderabad at a cost of Rs. 15.45 crores for manufacturing value added products from the biopharmaceuticals produced from the biotech plant.

I am happy that your company continues to register progress in its path of achieving the objectives despite facing several impediments in the course. I take pleasure in rededicating my efforts along with my colleagues on the Board to take your company to heights of success and enable you to reap the fruits at the earliest.

I wish to thank all our well wishers, stakeholders, collaborators, bankers and employees of the company for extending their full support and cooperation all through the year.

Place: Hyderabad

Date: 30th August, 2010

C. C. Reddy
C. C. Reddy
Chairman



NOTICE

NOTICE is hereby given that the Eighth Annual General Meeting of the Members of the Company will be held on **Thursday the 30th September 2010** at 03.30 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 31st March 2010 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. K. Narayana Reddy, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. P. Suresh Reddy who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. P.Murali & Co., Chartered Accountants, Hyderabad as Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

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

Increase in Authorized Share Capital:

"RESOLVED THAT pursuant to the provisions of Article - 3 of the Articles of Association of the Company and Sections 16, 94 & 97 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments or re-enactment thereof), the Authorized Share Capital of the Company be and is hereby increased from Rs.125 Crores (Rupees One Hundred and Twenty Five Crores) divided into 12,50,00,000 (Twelve Crores Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 250 Crores (Rupees Two Hundred and Fifty Crores) divided into 25,00,00,000 (Twenty Five Crore) Equity Shares of Rs. 10/-(Rupees Ten) each.

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company be deleted by substituting in its place and instead the following clause as new Clause V:

- (V) "The authorised share capital of the Company shall be Rs. 250,00,00,000 (Rupees Two Hundred and Fifty Crores) divided into 25,00,00,000 (Twenty Five Crore) Equity Shares of Rs. 10/-(Rupees Ten) each with the rights, privileges and conditions attaching thereto as are provided in the Articles of Association of the Company with the power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956, or provided in the Articles of Association of the Company for the time being.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorized to do perform and execute all such acts, matters, deeds and things as it may consider necessary, expedient, usual or proper to give effect to this resolution, including but not limited to filing of necessary forms with the Registrar of



Companies and to comply with all other requirements in this regard and for any matters connected herewith or incidental hereto.”

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Special Resolution**:

“RESOLVED THAT in modification of the resolution passed at the Extra-ordinary General Meeting of the Shareholders of the Company held on 3rd October, 2007, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293(1)(d) and other applicable provisions of the Companies Act, 1956, for borrowing from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company (apart from the Temporary loans obtained or to be obtained from time to time from the Company’s Bankers in the ordinary course of business) together with the money already borrowed, may exceed the aggregate of the Paid-up share Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose(s), provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs.300 Crores (Rupees Three Hundred Crores only)”.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as well as to execute all such documents, instruments and writings as may be required in order to give effect to the above resolution.”

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

PLACE: HYDERABAD
DATE : 30th August, 2010

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 28th September 2010 to Thursday 30th September 2010 (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.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM No. 5

The present Authorised Share Capital of the Company is Rs. 125 crores comprising of 12,50,00,000 (Twelve Crore and Fifty Lakhs) equity shares of Rs. 10/- each. It has become essential to increase the present Authorised Share Capital to facilitate the Board to bring in additional funds.

The existing Clause V of Memorandum of Association specifies the present Authorised Share Capital of your Company. In view of increase in the Authorised Share Capital from Rs. 125 crores comprising of 12,50,00,000 (Twelve Crore and Fifty Lakhs) equity shares of Rs. 10/- each to Rs. 250,00,00,000 (Rupees Two Hundred and Fifty Crores) divided into 25,00,00,000 (Twenty Five Crore) Equity Shares of Rs. 10/- (Rupees Ten), the present Clause V of the Memorandum of Association needs to reflect increase in Authorised Share Capital.

A copy of the existing Memorandum and Articles of Association as well as the form of the amended Memorandum and Articles of Association of the Company is available for inspection by members at the Registered Office of the Company during working hours on any working day. As per the provisions of Section 94 of the Companies Act, 1956, approval of the Shareholder is required for amending the Authorised Share Capital. Consequent to change in the Authorised Share Capital, Clause V related to the Capital Clause in the Memorandum will also change as stated in Resolution.

None of the Directors of the Company are in any way interested in the Resolution, except to the extent of their shareholding and the shareholding of their relatives in the Company.

Your Directors recommend the above Resolution for your approval.

ITEM No. 6

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Public Company cannot borrow money (a part from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the Company's Paid-up Capital and Free Reserves (that is reserves not set apart for any specific purpose) without the consent of the shareholders in the General Meeting. The shareholders of the Company at the Extra-ordinary General Meeting held on 3rd October, 2007 authorized the Board of Directors to borrow upto Rs.100 Crores. In view of the FCCB issue and proposed acquisition and expansion activities by the company the Debts may exceed the Paid up Capital and Free Reserves of the Company and further with this resolution the Company may avail further loans from the Banks/Financial Institutions or any other Lenders for business purposes, hence, it is considered necessary to enhance the said borrowing limits of the Board of Directors to Rs.300 Crores.



The Resolution set out at item No.6 of the notice is put forth for consideration of the members as a Special resolution pursuant to section 293(1)(d) of the Companies Act,1956, authorizing the Board of Directors to borrow upto a sum of Rs.300 Crores.

Your Directors recommend the above Resolution for your approval.

None of the Directors of the Company are in any way concerned or interested in the said resolution.

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

PLACE: HYDERABAD
DATE : 30th August, 2010

Dr. Y. Manivardhan Reddy
MANAGING DIRECTOR

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)

Name of the Director	Dr. K. Narayana Reddy	Mr. P. Suresh Reddy
Date of Appointment	02-12-2005	18-07-2008
Date of Birth	01-04-1950	12-06-1962
Qualification	M.Sc, Ph.D (Bio-Medical Sciences)	MS (Computer Science)
Expertise in Specific functional areas	He has over 16 years of experience in Pharma and Bio-Industry. He holds Ph.D and worked in reputed institutions in India and abroad like National Institute of Nutrition, Hyderabad and Institute for Physical Biochemistry, Munich, Germany. He is instrumental in designing and establishing Biochemistry and drug screening laboratories at Dr. Reddy's Research Foundation of Dr. Reddy's Laboratories.	He has over 10 years of experience in the IT Industry and has good business relation in the United States of America.
List of Companies in which Directorships held as on 31.03.2010	NIL	NIL
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2010	NIL	NIL



DIRECTORS' REPORT

To

The Members,

SAAMYA BIOTECH (INDIA) LIMITED

Your Directors have pleasure in presenting the Eighth Annual Report together with the Audited Balance Sheet, Profit & Loss Account and Cash Flow Statement for the financial year ended 31st March, 2010.

FINANCIAL RESULTS REVIEW AND PROSPECTS

Saamya is pleased to report that the first time in its history, the Company has recorded the revenue and income from marketing Chemicals, Drugs & related pharmaceutical products, through outsourcing. This marks a turning point for the Company as an active player in its commercial operations.

From the financial prospective, the Company has improved its overall financial position. Total revenue of the Company for the financial year ended 31st March, 2010 is Rs. 2,34,65,650/- and the Company incurred a total expenditure of Rs. 2,30,17,816/- thereby recording operating profit of Rs. 4,47,834/- and registered a net profit of Rs. 2,04,992/-.

During the period under review, the Company has focused on its projects with revised plans by redesigning of the Company's plant and engineering structure and added two more products (Tacrolimus and Rapamycin) to the existing products.

COMPANY'S PRODUCTS / SERVICES

The company would manufacture Biopharmaceuticals in the plant coming up at Shapoorji Pallonji Biotech Park Phase-II, Turkapally, 35 km from Hyderabad city, Andhra Pradesh, India. The company is supported by renowned Scientists and Technocrats in the field of Biotechnology. The cost of the project is estimated at Rs. 6,756.42 lakhs. The project is financed by equity share capital of Rs. 2,308.00 lakhs which includes Core-promoters' contribution to the extent of Rs. 808.00 lakhs and Rs. 1,500.00 lakhs from Public Issue. The company has taken necessary steps to obtain the Term loan of Rs. 4,448.42 lakhs from Financial Institutions.

DIVIDEND

As you are aware that the company is in the process of implementing the project, your Directors have not recommended any dividend at this Annual General Meeting.

JOINT VENTURE AGREEMENT

Your company is progressing well on the front of implementing the proposed biotech project in Malaysia through its subsidiary company, M/s. Saamya Biotech (Malaysia) Sdn. Bhd. The manufacturing plant will be set up in Perak State of Malaysia as a joint venture with Perak Bio Corporation Sdn. Bhd. (PBC), a Perak State Govt. agency with equity participation from the Perak State Govt. firm. A joint venture (JV) agreement has been entered with PBC to this effect on January 05, 2010.



ACQUISITION

Your company will be completing shortly the proposal related to the acquisition of synthetic drug plant in Hyderabad for manufacturing value added products from the biopharmaceuticals produced from the biotech plant.

SHARE CAPITAL

(i) Authorised Share Capital

During the period under review, consent of the shareholders of the Company was sought to increase the Authorized Share Capital of the Company from Rupees Twenty Five Crores to Rupees One Hundred Twenty Five Crores by passing resolution through the postal ballot to enable the company to expand its capital base. The Company had received overwhelming response from the Shareholders and the result for approving the increase in Authorized Share Capital of the Company was declared on January 25, 2010.

(ii) Preferential Issues

a. FCCB Issue:

The Company with a view to expand its business, has obtained the approval of the shareholders through postal ballot, for issue of Foreign Currency Convertible Bonds (FCCBs) to raise the funds to the tune of USD 40 Million. Company has obtained the In-principle approval from Bombay Stock Exchange Limited for the same (Ref.No. DCS/AMAL/BS/24(a)/420/2010-11, dated 27-07-2010). Necessary application has been made to Reserve Bank of India and the Loan Registration No. 2010541 is allotted for the FCCB issue (Ref No. DSIM/BPSD/45/04.61.19/2009-10, dated 20-8-2010). These funds will be utilized for implementing the biotech projects both in India and in Malaysia. The processes related to FCCB issue are in progress.

b. Convertible Warrants:

The Company has accorded the approval from the shareholders through postal ballot, for issue of 1,50,00,000 Convertible Warrants to promoters / Promoter Group, convertible into equal number of equity shares of Rs. 10/- each, at the option of the Warrant holders within an aggregate time period of 18 months from the date of allotment of the Warrants. Company has sought the In-principle approval from Bombay Stock Exchange Limited for the same.

POSTAL BALLOT

The details of Postal Ballot process conducted by the Company during the year under review are set out in the report on Corporate Governance, annexed to this report.

DEMAT SUSPENSE ACCOUNT - UNCLAIMED SHARES

As on 31st March 2010, 2500 Equity Shares of 5 Shareholders were lying in the Escrow Account due to non-availability of the correct particulars. Despite the three reminders having been sent at the address given in the Application form as well as captured in depositories database, by the Registrars to the Issue, viz., M/s. Aarathi Consultants Pvt. Ltd., no response has been received. As a result, it is proposed to credit the said unclaimed shares to the



M/s. Saamya Biotech – Demat Suspense Account and the same shall be held by the Company purely on behalf of the allottees who are entitled for the shares in such account, in view of the compliance of the provisions of Clause 5A of the Listing Agreement.

Every successful allottee who has not received the shares in its demat Account may approach the Company or its RTA with their correct particulars and proof of their identity for crediting of the Shares from the Demat Suspense Account to their individual demat Account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

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, 1975.

DIRECTORS

Dr. K. Narayana Reddy and Mr. P. Suresh Reddy, Directors, whose period of office determined by rotation is due to retire at the ensuing Annual General Meeting and being eligible offer themselves 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 31st March, 2010, 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 31st March 2010 and of the profit of the company for the financial year ended 31st March 2010.
- 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 31st March, 2010 on a going concern basis.



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

The Company's Equity shares are presently listed in Bombay Stock Exchange and the Company has paid the Listing fees to the Stock Exchanges for the Financial Year 2010-11.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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 Company also has internal Audit system commensurate with its size and nature of business. The internal audit function will be done by a firm of Chartered Accountants. 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:

Your company will continue to focus and invest in its R & D activities in the biopharmaceutical sector.

(c) Foreign Exchange Earnings & Outgo:

- (i) Foreign exchange earnings : There are no foreign exchange earnings
(ii) Foreign Exchange out go : Total Rs. 13,06,048/-

Particulars	INR
Foreign Travel	13,06,048-00
Purchase of Equipments	-
Membership Fee	-
TOTAL	13,06,048-00

PERSONNEL

The relationship between the management and the staff was very cordial throughout the year under review. 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.

On behalf of the Board

Place: Hyderabad
Date: 30th August, 2010

Dr. Y. Manivardhan Reddy
Managing Director

Dr. Y. Sonia Reddy
Vice Chairman & Joint
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:

Biotech industry is registering a steady growth globally by achieving cumulative advances in the improvement of microbial strains and in the development of innovative technologies in the fields of medicine, diagnostics, agriculture, food processing and waste removal. The production of antibiotics, vaccines and bioactive therapeutic proteins continues to generate major revenues in the medical sector, while Bioseeds, Biopesticides and Biofertilizers dominate in the agriculture sector. The revenues from diagnostics, specialty biochemicals, reproductive technologies like in vitro fertilization and DNA profiling, forensics and transplantation technologies are steadily increasing. The technologies related to clearing oil spills and detoxifying industrial chemical wastes are gaining importance. Prominent growth is recorded in bioservices sector dealing with clinical trials and contract research.

II. OPPORTUNITIES AND THREATS

Opportunities

The biotechnology industry is competing with and even outpacing the traditional Pharma industry in generating revenues over the respective investments. Big pharma companies are resorting to acquisitions of or collaborations with small biotech companies to fill in their dried up product pipe lines. Prominent opportunities exist in the areas of clinical trials, bioinformatics and contract research sectors. Another area that holds promise is nanotechnology. Stem cell therapy research also has huge potential.

Threats

The prominent threats are the large investments involved in developing the biotech products which make the end use products necessarily expensive and therefore, the costs of development need to be controlled to achieve wide marketability of products with affordable prices. The Chinese market needs to be born in mind by the Indian biotech companies in pricing their products, since the Chinese products are available in market at relatively lower prices.

III. OUTLOOK FOR THE INDUSTRY

Biotech industry in India is strengthening gradually and at present there are more than 350 biotech companies in India providing employment for over 20,000 scientists. According to reports, biotechnology industry in India has become the fourth largest adopter of biotech crop in the world, replacing Canada. The Indian biotechnology industry is stated to become a US \$ 5 billion industry by 2010. India is gaining recognition in the field of clinical trials. A large number of companies are providing research and development expertise to global pharmaceutical companies. The availability of vast pool of English speaking science



graduates, good regulatory processes and the cost advantage position India as a favourable investment destination by way of globalization, mergers and acquisitions and alliances. Indian companies are also expanding overseas.

IV. FUTURE PLANS

The company has envisaged a strategic plan to enhance the value of some of the biopharmaceuticals produced from the biotech plant by treating them with a value addition process in a synthetic drug plant thereby generating hemi synthetic drugs of very high commercial value. To meet this end, the company would be shortly acquiring a synthetic drug plant in Hyderabad at a negotiated price of Rs. 15.45 crores. A term loan of Rs. 12.06 crores is raised from Lakshmi Vilas Bank for this purpose and the amount is ready for release pending compliance with some documentation aspects. 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.

Your company has made significant strides in its expansion plans in Malaysia with its subsidiary company, M/s. Saamya Biotech (Malaysia) Sdn. Bhd. A biotech plant is proposed to be set up in Perak State in collaboration with Perak State Govt. and a joint venture agreement has been entered to this effect. The total cost of the project is estimated at Rs. 136.23 crores, of which Rs. 43.53 crores shall comprise the equity from the main promoter Saamya Biotech (India) Ltd. (55%), Perak State Govt. (12%) and private placements (33%) and a term loan of Rs. 92.70 crores would be raised from Malaysian financial institutions. The fund raising process is progressing briskly both at the end of financial institutions and at the promoter's end. The promoter, Saamya Biotech (India) Ltd., are 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 as per the mandate given by the share holders through postal ballot.

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 that comprise supply of:

- Improved strains
- Fermentation process
- Down stream process
- QC analysis and
- Demonstration with guaranteed high yields

The European company is the chief Collaborator for technology transfer of fermentation products to Saamya Biotech (India) Ltd. The collaborator company is a well known fermentation technology development company that develops and transfers the technologies for commercialization. The state-of-the-art pilot plant facility is located in Europe. The



company is providing all services, which are necessary for the successful implementation of fermentation projects worldwide. The company has a wide clients base across the Globe and a number of technologies were transferred in the past to several companies in different countries; these are: Lovastatin, Cyclosporin A, Daunomycin, Rifampicin, Vit B-2, Vit B-12, Compactin, Pravastatin, Salinomycin, Nystatin and many more.

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

Arch Pharmalabs Limited, Mumbai, a well-known pharma company in India with wide international customer base has been established in Mumbai in the year 1999 with a clear aim of setting up its mark in the international market for pharmaceutical products. The company has 5 manufacturing plants located across India, which are built in compliance with WHO-cGMP standards and has recorded a turnover of Rs. 1,000 crores in the year 2009. Presently Arch is preferred supplier for various intermediates and APIs to many reputed multinational pharma companies. 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

- The state-of-the-art facility that complies with US FDA norms is coming up in the S. P. Biotech Park Phase-II, Hyderabad with the location offering several advantages like single window clearance of all regulatory issues, tax holidays, common effluent treatment, uninterrupted power supply, wonderful landscape, housing colony, school and other related facilities.
- Project will generate high revenues with proposed overall production of 342 kg of APIs. Higher production is possible within the same facility through company's in-house R & D program and thus, possibility of higher revenues is evident.
- 100% EOU status.
- Unique high value biopharmaceutical products and fewer competitions.
- Higher returns are envisaged on capital employed
- Minimum gestation period.
- Company will be debt free after VII yrs and considers dividend to shareholders from the 2nd yr of operation.

SBIL comes under FDIP (Foreign Direct Investment Project) category and has brighter prospect for investments from NRI's.



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, Saamya 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 2009-10 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
Mr. C. Chandrasekhar Reddy	Non-Executive Director	2	Nil
Dr. Y. Manivardhan Reddy	Promoter & Executive Director	Nil	Nil
Dr. Y. Sonia Reddy	Promoter & Executive Director	2	Nil
Dr. K. Narayana Reddy	Executive Director	Nil	Nil
Dr. Ashok K Sadhukhan	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.

During the Financial Year 2009 - 10 the Board of Directors met Seven times on 30th April 2009, 30th July 2009, 31st August, 2009, 30th October 2009, 17th December 2009, 25th January 2010 and on 27th February 2010.

- 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 30th September, 2009.

Name of the Director	No. of Board Meetings attended	Whether attended the last AGM
Mr. C. Chandrasekhar Reddy	4	No
Dr. Y. Manivardhan Reddy	7	Yes
Dr. Y. Sonia Reddy	7	Yes
Dr. K. Narayana Reddy	6	Yes
Dr. Ashok K Sadhukhan	6	Yes
Dr. P. Naveen Chander Reddy	7	Yes
Mr. P. Suresh Reddy	1	No
Dr. C. Naveen Reddy	6	Yes

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 previous Annual General Meeting of the Company was held on 30th September 2009 and Dr. P. Naveen Chander Reddy, Chairman of the Audit Committee, attended previous AGM.
- IV) 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.

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



V) Four Audit Committee meetings were held during the year, on 30th April 2009, 30th July 2009, 30th October 2009 and on 25th January 2010.

The necessary quorum was present at all the meetings.

Attendance at the Audit Committee Meetings during the year 2009 - 10:

Name	Number of meetings held during the year	Number of meetings attended during the year
Dr. P. Naveen Chander Reddy	4	4
Dr. C. Naveen Reddy	4	4
Mr. P. Suresh Reddy	4	1

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:

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 31st March, 2010 to the Managing / Whole time Director are as under:

Name of the Director	Designation	Relationship with other Directors	Salary per annum (Rs. in Lakhs)	Comm- ission
Dr. Y. Manivardhan Reddy	Managing Director	Husband of Dr. Y. Sonia Reddy	18,00,000/-	NIL
Dr. Y. Sonia Reddy	Vice Chairman & Joint Managing Director	Wife of Dr. Y. Manivardhan Reddy and daughter of Mr. C. Chandrasekhar Reddy	18,00,000/-	NIL
Dr. K. Narayana Reddy	Executive Director	None	16,40,400/-	NIL
Dr. Ashok Kumar Sadhukhan	Executive Director	None	15,54,361/-	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:

No	Name of the Director	Designation	Nature of Directorship
1	Dr. Ashok K Sadhukhan	Chairman	Executive 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 Registrar and 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: info@saamyabiotech.com

ii. During the period under review, 11 complaints were received from the shareholders, all of them have been resolved and there are no pending Complaints as on date of this report.

6. General Body Meetings

Financial Year	Date	Time	Venue	Spl. resolutions passed
7th AGM 2008-09	30.09.2009	4.00 PM	Sundaraiah Vignana Kendram, (Mini Hall), Bagh Lingampally, Hyderabad – 500 044	NIL 1 Increase in Remuneration of Dr. Y. Manivardhan Reddy, Managing Director. 2 Increase in Remuneration of Dr. K. Narayana Reddy, Technical - Director. 3 Increase in Remuneration of Dr. Ashok Kumar Sadhukhan, Technical Director.
6th AGM 2007-08	30.09.2008	4.00 PM	Sundaraiah Vignana Kendram, (Mini Hall), Bagh Lingampally, Hyderabad – 500 044	4 Appointment of Dr. Y. Sonia Reddy as CEO of the Company and fix the remuneration. 5 Appointment of Dr. Y. Sonia Reddy to the office of profit. 6 To keep the Books of Accounts at a place other than at Registered Office of the Company.
5th AGM 2006- 07	29.09.2007	11.00 AM	At the registered office of the Company at Flat Nos. 104-106, Lumbini Enclave, Punjagutta, Hyderabad – 500082.	NIL



7. Postal Ballot:

During the financial year 2009-10, Company has conducted a Postal Ballot process for seeking the approval of members of the Company for the below mentioned business items mentioned in the postal ballot notice:

- 1) Ordinary Resolution
 - to Increase in Authorised Share Capital of the Company from Rs. 25 Cr. to Rs. 125 Cr.
- 2) Special Resolution
 - to create, issue, offer and allot further shares in all or one or in combination of Equity Shares, GDR, ADR, Convertible Bonds/ Debentures and / or other securities.
- 3) Special Resolution
 - to issue, offer and allot Warrants on preferential basis to promoters/ Promoter group.

Ms. RVN Padmaja, Practicing Company Secretary was appointed as Scrutinizer for overseeing the Postal Ballot process. Postal Ballot notice dated December 17, 2009 was dispatched to the members on December 21, 2009 under the Companies (Passing of Resolution by Postal Ballot) Rules, 2001.

The result of the aforesaid Postal Ballot was announced on January 25, 2010.

8. 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.

9. 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.

§ 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.

**10. 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. 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.

11. General Shareholder Information:

The following information would be useful to the shareholders:

a) Eighth Annual General Meeting

Date and Time : 30.09.2010, at 03.30 P.M
Venue : Sundaraiah Vignana Kendram, (Mini Hall),
Bagh Lingampally, Hyderabad – 500 044.

b) Financial Calendar 2010-11 (Tentative Schedule)

For the Quarter ended 30th June, 2010, the Company has already declared the Unaudited Financial Results on July 29, 2010.

Adoption of Quarterly results for the Quarter ending
§ 30th September, 2010 : 1st/2nd Week of November, 2010
§ 31st December, 2010 : 1st/2nd Week of February, 2011
§ 31st March, 2011 : on or before 15th May 2011
Annual General Meeting (Next year) : August / September, 2011

c) Book Closure Date

Tuesday 28th September 2010 to Thursday 30th September 2010 (both days inclusive)

d) Listing on Stock Exchanges : Bombay Stock Exchange Ltd

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, 28th Floor, Dalal Street, Mumbai – 400 023

**f) Stock Market Data**

The monthly high / low prices of shares of the Company from April, 2009 to March, 2010 at Bombay Stock Exchange Limited:

Scrip Code: 532905 Company Name: SAAMYABIO For the period: April 2009 to March 2010

(in Rupees)

Month	High Price	Low Price
Apr 09	7.39	4.11
May 09	9.85	4.90
Jun 09	9.70	6.55
Jul 09	7.23	5.49
Aug 09	7.15	5.90
Sep 09	7.40	6.25
Oct 09	7.83	6.06
Nov 09	7.46	5.65
Dec 09	14.10	6.08
Jan 10	11.75	9.46
Feb 10	10.70	8.00
Mar 10	10.40	8.40

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@aarthiconsultants.com

h) Share Transfer System

SEBI vide its circular dated 27-12-2002, has 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.



12.(A) Share Holding pattern as on 31st March 2010

Category code	Category of Shareholder	No. of Share holders	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 encumbered	
					As a Percentage of (A+B) 1	As a Percentage of (A+B+C)	Number of shares	As a Percentage
(A)	Shareholding of Promoter and Promoter Group							
(1)	Indian	4	7484600	7484500	32.41	32.41	0	0
a.	Individuals/Hindu Undivided Family	0	0	0	0	0	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
	Sub Total (A)(1)	4	7484600	7484500	32.41	32.41	0	0
(2)	Foreign							
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
	Sub Total (A)(2)	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	4	7484600	7484500	32.41	32.41	0	0

B.	Public Shareholding								
(1)	Institutions								
a.	Mutual Funds/UTI	0	0	0	0	0	0	0	0
b.	Financial Institutions/Banks	0	0	0	0	0	0	0	0
c.	Central Government/State Government(s)	0	0	0	0	0	0	0	0
d.	Venture Capital Funds	0	0	0	0	0	0	0	0
e.	Insurance Companies	0	0	0	0	0	0	0	0
f.	Foreign Institutional Investors	0	0	0	0	0	0	0	0
g.	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0
h.	Foreign Companies	0	0	0	0	0	0	0	0
	Sub Total (B)(1)	0	0	0	0	0	0	0	0
(2)	Non-Institutions								
a.	Bodies Corporate	247	2016567	2016567	2016567	2016567	8.73	8.73	0
b.	Individuals	12858	9679319	9678799	9678799	9678799	41.92	41.92	0
	i) Individual shareholders holding nominal share capital upto Rs.1 lakh	129	3640209	3640209	3640209	3640209	15.76	15.76	0
	ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	135	246343	246343	246343	246343	1.07	1.07	0
	i) Non Resident Individuals	0	0	0	0	0	0	0	0
	ii) Overseas Corporate Bodies	1	200	200	200	200	0	0	0
	iii) Trusts	0	0	0	0	0	0	0	0
	iv) Employees	19	25262	25262	25262	25262	0.11	0.11	0
	v) Clearing Members	0	0	0	0	0	0	0	0
	vi) Foreign Nationals	0	0	0	0	0	0	0	0
	Sub Total (B)(2)	13389	15607900	15607900	15607380	15607380	67.59	67.59	0
	Total Public Shareholding								
	(B)=(1)+(B)(2)	13389	15607900	15607380	15607380	15607380	67.59	67.59	0
(C)	Total (A)+(B)	13393	23092500	23091880	23091880	23091880	100	100	0
	Shares held by Custodians and against Depository Receipts have been issued	0	0	0	0	0	0	0	0
	Grand Total (A)+(B)+(C)	13393	23092500	23091880	23091880	23091880	100	100	0



(B) Distribution of Shareholding as on 31.03.2010

Range (Rs)	No. of Shareholders	% of Total Shareholders	Shares Amount	% of Total Shares Amount
1 – 5000	9240	69	27373780	11.85
5,001 – 10000	2084	16	18974350	8.22
10,001 – 20000	1000	7	16516880	7.15
20,001 – 30000	359	3	9578190	4.15
30,001 – 40000	157	1	5710580	2.47
40,001 – 50000	184	1	8937920	3.87
50,001 – 100000	194	1	15082470	6.53
1,00,001 and above	175	1	128750830	55.75
Total	13393	100.00	230925000	100.00

13. 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 99.99% of the Company's shares up to 31st March 2010 are now held in electronic form. Shares of the Company are actively traded in Bombay Stock Exchange, and hence have good liquidity. The list of depository participants is available with the National Securities Depository Limited (NSDL) at www.nsdl.co.in.

Particulars	No. of Shares	% Share Capital
NSDL	17482598	24.29
CDSL	5609282	75.71
PHYSICAL	620	0.00
Total	23092500	100.00

14. Address for Correspondence

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

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

On behalf of the Board

Place: Hyderabad
Date: 30th August, 2010

Dr. Y. Manivardhan Reddy
Managing Director

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



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

We, Dr. Y. Manivardhan Reddy, Managing Director and Dr. Y. Sonia Reddy, Vice Chairman & Joint 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 31st March 2010 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 : 30th August, 2010

Dr. Y. Manivardhan Reddy

Managing Director

Dr. Y. Sonia Reddy

Vice Chairman &
Jt. 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 31st March, 2010 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: 30th August, 2010

P. Murali Mohana Rao
Partner

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, 2010. The Company has complied with the provisions of the Listing Agreement in this respect.

For Saamya Biotech (India) Limited

Date: Hyderabad
Place: 30th August, 2010

Dr. Y. Manivardhan Reddy
Managing Director



AUDITORS' REPORT

To
The Members,
SAAMYA BIOTECH (INDIA) LIMITED,

We have audited the attached Balance Sheet of Saamya Biotech (India) Limited as at 31st March, 2010 and also Profit and Loss Account for the period ended on the 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 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 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 31st March, 2010;



(b) In the case of the Profit & Loss Account, of the Profit for the period ended on that date; and

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

For P. Murali & Co.,
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Membership No. 23412
Partner

Place: Hyderabad
Date: 29th July, 2010

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 not granted any loans, secured or unsecured to Companies, Firms or other parties covered in the register maintained U/s.301 of Companies Act, 1956.
- (b) The Company has not granted any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is prejudicial to the interest of the company, is not applicable.
- (c) As no loans are granted by company, the clause of receipt of interest & principal amount from parties is not applicable to the company.
- (d) No loans have been granted to Companies, Firms & other parties listed in the register U/s. 301 of the Companies Act, 1956, hence overdue amount of more than rupees one lakh does not arise and the clause is not applicable.
- (e) 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.
- (f) 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.

- (g) 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 regular 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 no 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, no 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. The Company has not incurred cash losses in the current 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 term loans obtained by the Company were applied for purpose for which such loans were obtained by the Company.
- 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. We have verified the end use of money raised by public issues as disclosed in the notes to the financial statements.
- 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.

For P. Murali & Co.,
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Membership No. 23412
Partner

Place: Hyderabad
Date: 29th July, 2010



BALANCE SHEET AS AT 31st MARCH, 2010

	Sch. No.	Year Ended 31-03-2010	As at 31-03-2009
I			
SOURCE OF FUNDS			
1. SHAREHOLDERS FUNDS			
a. Share Capital	1	230,925,000	230,925,000
b. Share Application Money		9,830,035	14,115,035
c. Convertible Warrants		62,000,000	-
d. Reserves & Surplus		204,992	-
2. LOAN FUNDS			
a. Secured Loans	2	1,379,190	1,146,133
b. Unsecured Loans		200,000	-
TOTAL		304,539,217	246,186,168
II			
APPLICATION OF FUNDS			
1. FIXED ASSETS			
a. Gross Block	3	16,371,448	7,004,518
2. INVESTMENTS	4	73,236	68,323
3. CURRENT ASSETS, LOANS & ADVANCES			
a. Sundry Debtors		23,465,650	-
b. Cash & Bank Balance	5	733,401	538,257
c. Loans, Advances & Deposits	6	199,165,049	164,791,100
d. Pre-operative Expenses pending for allocation		93,179,828	75,114,940
Less: Current Liabilities & Provisions	7	28,716,775	1,628,059
NET CURRENT ASSETS		287,827,152	238,816,238
4. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		267,381	297,089
NOTES ON ACCOUNTS	8	-	-
TOTAL		304,539,217	246,186,168

As per our report even date
For P. MURALI & CO.,
CHARTERED ACCOUNTANTS

for and on behalf of the Board of Directors
SAAMYA BIOTECH (INDIA) LIMITED

Partner

Managing Director Vice Chairman & Director
Jt. Managing Director

Place: Hyderabad
Date: 29th July, 2010



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010 (MARKETING DIVISION)

PARTICULARS	Schedules Nos.	Year Ended 31-03-2010
1 INCOME		
Sales		23,465,650
		23,465,650
2 EXPENDITURE		
Purchase		22,039,650
Salaries & Wages		75,641
Rates & Taxes		902,525
Operating & Admin. Expenses		90,878
Bank Charges		7,056
Audit Fee		11,030
Misc.Expenditure W/o.		29,708
		23,156,488
3 PROFIT / (LOSS) BEFORE TAXATION		309,162
4 PROVISION FOR INCOME TAX		104,170
5 PROFIT/(LOSS) AFTER TAXATION		204,992
6 BALANCE BROUGHT FORWARD		-
7 BALANCE CARRIED FORWARD		204,992
8 EARNING PER SHARE		0.01
NOTES ON ACCOUNTS	8	-

As per our report even date
For P. MURALI & CO.,
 CHARTERED ACCOUNTANTS

for and on behalf of the Board of Directors
SAAMYA BIOTECH (INDIA) LIMITED

Partner

Managing Director Vice Chairman & Director
 Jt. Managing Director

Place: Hyderabad
 Date: 29th July, 2010



SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31-03-2010

(Rupees)

PARTICULARS	AS AT 31-03-2010	AS AT 31-03-2009
SHARE CAPITAL SCHEDULE - 1		
AUTHORISED:		
125,000,000 Equity shares of Rs.10/-each	1,250,000,000	
PREVIOUS:		
25,000,000 Equity shares of Rs.10/-each		250,000,000
ISSUED, SUBSCRIBED AND PAID UP:		
23,092,500 Equity shares of Rs.10/-each	230,925,000	230,925,000
TOTAL	230,925,000	230,925,000
SCHEDULE - 2		
SECURED LOANS		
Finance from Banks/Financial Institutions for Vehicles, Computers (Against hypothecation of vehicles/Computers)	1,379,190	1,146,133
TOTAL	1,379,190	1,146,133
SCHEDULE - 3		
FIXED ASSETS		
Land	9,366,930	-
Furniture & Fixtures	562,633	562,633
Office Equipments	1,241,923	1,241,923
Vehicle	3,122,051	3,122,051
Computers	2,077,911	2,077,911
TOTAL	16,371,448	7,004,518
SCHEDULE - 4		
INVESTMENTS		
Liquid Funds with Banks/Financial Institutions	73,236	68,323
TOTAL	73,236	68,323
SCHEDULE - 5		
CASH & BANK BALANCES		
Cash in Hand	677,922	398,477
Bank Balance with Scheduled Bank		
a. Current Accounts	25,479	74,780
b. Others - IPO Refund Account	30,000	65,000
TOTAL	733,401	538,257



SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31-03-2010

(Rupees)

PARTICULARS	AS AT 31-03-2010	AS AT 31-03-2009
SCHEDULE - 6		
LOANS, ADVANCES & DEPOSITS		
Loans & Advances		
a. Advance for Capital Goods	166,500,000	112,000,000
b. Advance for Land & Building	18,395,000	26,902,000
c. TDS Receivable	1,185	1,185
d. Other Advances	12,062,024	24,286,075
Deposits (Including Deposit with BSE)	2,206,840	1,601,840
TOTAL	199,165,049	164,791,100
SCHEDULE - 7		
CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors	22,582,730	355,996
Provisions & Outstanding Expenses	6,134,045	1,272,063
TOTAL	28,716,775	1,628,059

SCHEDULE-8**NOTES FORMING PART OF THE ACCOUNTS****A. 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.

Investments:

Investments are valued at cost or market price which ever is lower.

Fixed Assets:

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

**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 any provision for gratuity to its employees, because no employee has put in qualifying period of service for entitlement of this benefit.

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.

B. NOTES OF ACCOUNTS

1. Share Capital:

The Equity Share Capital of the Company as on 31st March 2009 was Rs. 230,925,000/- divided into 230,92,500 Equity Shares of Rs. 10/- each fully paid up.

During the year:

The Company has accorded the approval from the shareholders through postal ballot, for issue of 1,50,00,000 Convertible Warrants to promoters / Promoter Group, convertible into equal number of equity shares of Rs. 10/- each, at the option of the Warrant holders within an aggregate time period of 18 months from the date of allotment of the Warrants. Company has sought the In-principle approval from Bombay Stock Exchange Limited for the same.

2. Particulars of Employees in accordance with sub-section (2A) of section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975.

NIL

(in Rupees)

	Current Year	Previous Year
3. Managerial Remuneration		
Director's Remuneration	67,94,761/-	59,50,689/-
4. Auditor's Remuneration		
Audit Fee	66,180/-	56,180/-
5. Earnings and Expenditure of Foreign Exchange as reported by the Company to the Government of India and as certified by the management.		
		(in Rupees)
	Current Year	Previous Year
(i) Foreign exchange Earnings	Nil	Nil
(ii) Foreign exchange Outgo	Nil	109,67,283/-
6. Foreign Travel	13,06,048/-	12,98,503/-

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



8. Confirmations were obtained from debtors / creditors as to the balances receivable from / payable to them as at year end.
9. **Deposits:**
Include Rs. 15,00,000/- made to Bombay Stock Exchange Limited for ensuring compliance for all the listing requirements. This amount is refundable on compliance of the said requirements and after furnishing No Objection Certificates from the Securities & Exchange Board of India.
10. **Secured Loans:**
Company has taken the Vehicle / Equipment loans from the Banks / financial institutions which are secured against hypothecation of vehicles / equipments.
11. **Deferred Tax:**
As there is no timing difference of depreciation / loss, the provision for deferred income tax liability does not arise as per Accounting Standard 22 (As 22) issued by the ICAI, and hence differed income tax liability has not been provided.
12. **Loan & Advances:**
Includes advance for Capital Goods of Rs. 1665.00 lakhs and Land & Building of Rs. 183.95 lakhs.
13. During the year the company has started only marketing division operations. Hence the total revenue related to the marketing division.
14. **The Earning Per Share:**
- | Particulars | As at 31 st March 2010 | As at 31 st March 2009 |
|--|-----------------------------------|-----------------------------------|
| Net Profit for the Year (Rs. Lakhs) | 2.05 | - |
| Weighted Average No. of Shares Outstanding during the year | 23092500 | - |
| Basic & Diluted Earnings per Share (Rs.) | 0.01 | - |
| Nominal Value of the Share(Rs.) | 10/- | - |
15. Previous year's figures have been regrouped wherever necessary.
16. The figures have been rounded off to the nearest rupee.

SIGNATURES TO SCHEDULES 1 TO 8

As per our report of even date
For P. MURALI & CO.,
CHARTERED ACCOUNTANTS

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

P. Murali Mohana Rao
Membership No. 23412
Partner

Managing Director

Vice Chairman &
Joint Managing Director

Place: Hyderabad
Date: 29th July, 2010

Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2010**

Particulars	Year Ended 31-03-2010	Year Ended 31-03-2009
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	309,162	NIL
Adjustments for:		
Finance Cost	-	-
Misc. Expenses Written off	29,708	-
Depreciation	-	-
Operating Profit before working capital changes	338,870	-
Trade Receivables	(23,465,650)	-
Increase in Current Liabilities & Provisions	26,984,546	(1,208,063)
Increase in Preoperative Expenses	(18,064,888)	(37,279,111)
Cash generated from operations	(14,207,122)	(38,487,174)
Interest Paid	-	-
Cash flow before extraordinary items	(14,207,122)	(38,487,174)
Extraordinary Items	-	-
Net Cash Flow from Operating Activities	(14,207,122)	(38,487,174)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase / Sale of Fixed Assets	(9,366,930)	(875,854)
Increase in Loans & Advances	(34,373,949)	(34,362,600)
Increase in Investments	(4,913)	82,235,856
NET CASH USED IN INVESTING ACTIVITIES	(43,745,792)	46,997,402
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Equity Shares	-	-
Proceeds from Share Application Money	(4,285,000)	(934,270)
Proceeds from Convertible Warrant	62,000,000	-
Proceeds from Secured Loans	233,058	(8,086,820)
Proceeds from Unsecured Loans	200,000	(782,511)
Net Cash Flow from Financing Activities	58,148,058	(9,803,601)
NET INCREASE \ (DECREASE) IN CASH AND CASH EQUIVALENTS	195,144	(1,293,373)
Cash and Cash equivalents (Opening Balance)	538,257	1,831,630
Cash and Cash equivalents (Closing Balance)	733,401	538,257

As per our report even date
For P. MURALI & CO.,
CHARTERED ACCOUNTANTS

for and on behalf of the Board of Directors
SAAMYA BIOTECH (INDIA) LIMITED

Partner
Place: Hyderabad
Date: 29th July, 2010

Managing Director Vice Chairman & Director
Jt. Managing Director



CERTIFICATE

To
The Board of Directors
Saamya Biotech (India) Limited
Hyderabad.

We have examined the attached Cash Flow Statement of M/s. Saamya Biotech (India) Limited for the year ended 31st March, 2010. 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 29th July, 2010 to the member of the company.

Yours faithfully
For P. Murali & Co.,
Chartered Accountants
FRN: 007257S

Place: Hyderabad
Date: 29th July, 2010

P. Murali Mohana Rao
Membership No. 23412
Partner



**Statement Pursuant to part IV of Schedule VI to the Companies Act, 1956:
Balance Sheet Abstract and Company's General Business Profile**

I. Registration Details

Registration No. State Code

Balance Sheet Date

Date Month Year

II. Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Preferential Issue <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Bonus Issue <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Private Placement <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="9"/>	Total Assets <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="9"/>
Sources of Funds Paid - Up Capital <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="5"/>	Share Application Money <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="3"/> <input type="text" value="0"/>
Convertible Warrants <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>	Reserves & Surplus <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="5"/>
Secured Loans <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="9"/>	Unsecured Loans <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/>
Application of Funds Net Fixed Assets <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="2"/>	Investments <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="3"/>
Net Current Assets <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="7"/>	Misc. Expenditure <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="7"/>
Accumulated Losses <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Deferred Income Tax Assets <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

IV Performance of Company (Amount in Rs. Thousands)

Turnover <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="6"/>	Total Expenditure <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="7"/>
+ - Profit/ Loss Before Tax <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="6"/>	+ - Profit/ Loss After Tax <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="5"/>
Earning Per Share in Rs. <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="0"/> . <input type="text" value="0"/> <input type="text" value="1"/>	Dividend rate % <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

V. Generic Names of Three Principal Products / Services of Company

Item Code No.
(ITC Code) .

Product Descriptions : BIO-CHEMIC PHARMACEUTICALS



**8TH ANNUAL GENERAL MEETING
SAAMYA BIOTECH (INDIA) LIMITED**

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

ADMISSION SLIP

Date	Venue	Time
30 th September, 2010	Sundaraiah Vignana Kendram (Mini Hall), Bagh Lingampally, Hyderabad – 500 044	03.30 pm

Name of the shareholder	Folio no. / DPID and Client ID	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 8th 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.

**8TH 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 8th Annual General Meeting of the
Company to be held on Thursday, 30th September 2010 at 03.30 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 2010
Signed by the said _____

Affix Re1/- Revenue Stamp

Signature





Saamy Biotech (India) Ltd.

Suite 104-106, Lumbini Enclave
Opp: NIMS, Punjagutta, Hyderabad 500 082, A.P., INDIA.
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E-mail: saamyaindia@saamyabiotech.com
Website: www.saamyabiotech.com

