

21ST

**ANNUAL
REPORT**
2011-12



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VISION AND MISSION

Vision

To become the Partner of Choice for Integrated Practice Management and Revenue Management Solutions for Physicians and Healthcare Providers by providing cutting edge technology backed by immaculate service delivery network that follows the Sun

Mission

A seamless integration of state of the art technology into a single source Clinical Data Management, Billing and Receivable Management Solutions and acquire clients on Software As A Service model. Provide Total Customer Satisfaction through simple yet powerful tools



IN CONSOLIDATION MODE...



Accentia has gone a long way from being a single location, single service firm to a multi location, diversified Knowledge Process Outsourcing Company, operating from multiple locations in India, USA, UK and the Middle East. Not resting at being one of the fastest growing Healthcare Receivables Cycle Management Companies, we have now ventured into offering Software As A Service model in the healthcare outsourcing area, since the US administration has made sweeping changes in the healthcare sector, especially in the documentation area.

Medical Transcription was a little known industry when the units in Trivandrum and Bangalore were started in 1998-1999. In the decade that followed, Accentia ventured into Coding, Billing and Collections in HRCM, but since the change over from traditional medical transcription to EMR (Electronic Medical Records) has happened, we were looking to capitalise on the huge opportunities that is now open for Healthcare BPO companies by adapting to the changed scenario in the past one year, and are now in the consolidation mode.

Today Accentia is a Truly Global Company with thousands of talented professionals and operations in Trivandrum, Kochi, Bangalore, Hyderabad and Bhubaneswar in India; Fort Lauderdale, Portland, Oregon, Chicago and New Jersey in the US, and Raz Al Khaima in the Middle East.

MESSAGE FROM THE CEO

Dear Shareholders,

It is indeed a pleasure to stand before you to present a concise summary on the performance of your Company for the Financial Year 2011-2012.

For the year ended 31.03.2012, Accentia recorded revenues of Rs 26,081 lakhs over Rs 33,124 lakhs recorded last year, a decline of 21.26%. Net profit decreased from Rs 7,534 lakhs last year to Rs 2,306 lakhs this fiscal. EPS is Rs 15.76 against Rs 51.50 last year. I would like to briefly dwell upon the activities of your Company during the last financial year.

Although we have achieved a lower than previous year's financial numbers, our Company has put a firm step on the technology-cum-service platform offering by releasing one of the most comprehensive and stable Software as a Service (SaaS) platform for the US healthcare market. The highly scalable SaaS platform will pave way for a sustainable and steady growth for our business in the coming quarters.

After the transformation period, our Company is presently going through a consolidation phase with our SaaS offering in the US market. As you would recollect, the healthcare domain in the United States of America's has been going through a transformation in the last couple of years due to some major policy changes. There has been many significant changes in the technology and processes being used in the healthcare industry due to the introduction of the new healthcare policy by the Obama administration. The US Senate passed a historic Healthcare Bill in 2010 that is set to eliminate gross inefficiencies in the system which was leading to wastage of billions of dollars. The new bill is totally changing the way documentation and healthcare receivables cycle management has been conducted over the past 3 to 4 decades. A major mandatory requirement as per the new Obama Healthcare Bill is the usage of an Electronic Medical Records (EMR) suite to capture and record patients' demographical, clinical and all other related data into a database, which can be accessed anytime for future reference and analysis. Obama administration has set apart more than US\$ 80 billion to offer as monetary incentives of up to US\$ 44,000 per physician, payable to all physicians who adopt EMR software which is certified by the ONC-ATCB (Office of the National Coordinator – Authorised Testing and Certification Body).

Accentia's all inclusive SaaS platform combining Practice Management System (instaPMS), Electronic Medical Records (instaEMR), Electronic Prescription Module (insta eRx), Electronic lab Order (insta elab), Electronic Billing Module (instaBilling, including EDI) and realtime integration with electronic clearing houses, Patient Portal etc, was first launched in 2011 and thereafter our Company has put continuous efforts in improving the mobility and security of the platform. At present instaSaaS, our SaaS platform is one of the most feature rich, fully mobile, 100% HIPAA compliant, highly scalable platforms that can handle upto a million providers at a time.

On the 28th of July 2011, our first EMR offering for physicians got certified by ONC – ATCB in the US. It has been a very successful one-year period since that day, with the Company launching 8 different product offerings in 22 conventions attended in the past one year. In March 2012, our company launched ChiroPad, the first EMR solution for Chiropractic discipline on iPad. Thereafter, we have successfully launched iMediPad, the EMR on iPad for Internal Medicine and Cardiology specialties. Our core development team is currently focussed on the release of another 16 disciplines on our SaaS platform in the coming 6 months.

Our Company has invested considerable amount of funds in the development and continued improvements of PMS, EMR and SaaS platform that helped us transform to a technology cum service provider from a pureplay global BPO service provider. On any scale, this is a creditable achievement in the most competitive market place and I would like to take this opportunity to thank each member of our team who has been working selflessly over the past 2 years with single focus and dedication to make us the best and biggest global SaaS player over next few years.

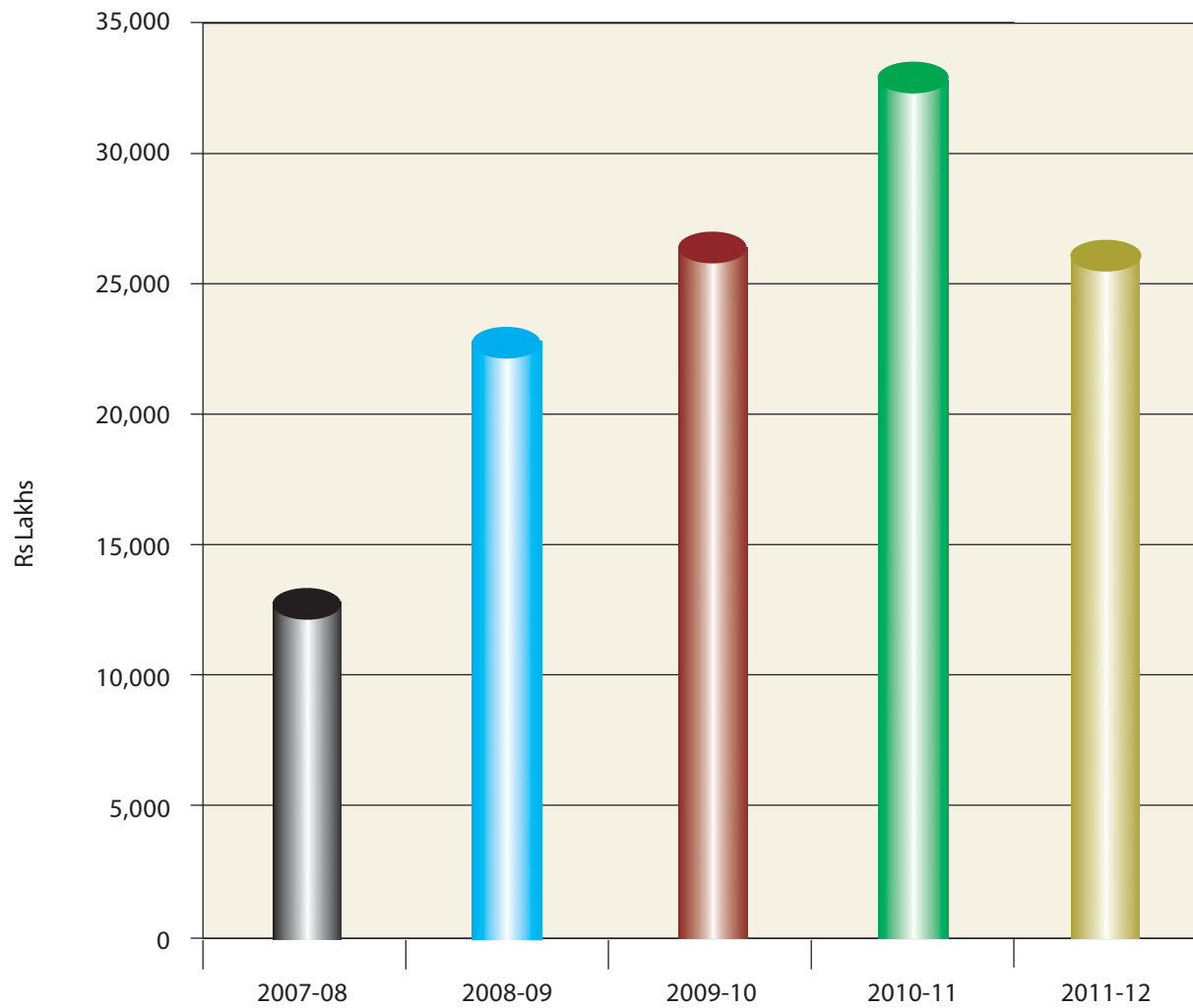
At present our focus is to acquire as many clients as possible on our SaaS platform before May 2014, the deadline for healthcare providers to migrate to EMR regime and claim the ARRA incentive from US Government. In order to conserve funds to meet the fund requirements for further development on 16 disciplines and aggressive marketing of SaaS, the Directors felt it is desirable not to recommend dividend on equity shares for the financial year.

During the financial year, Mr G. K. Misra resigned from the Board of Accentia Technologies due to his pre-occupation. I extend my sincere thanks to Mr Misra for his valuable contributions during his tenure.

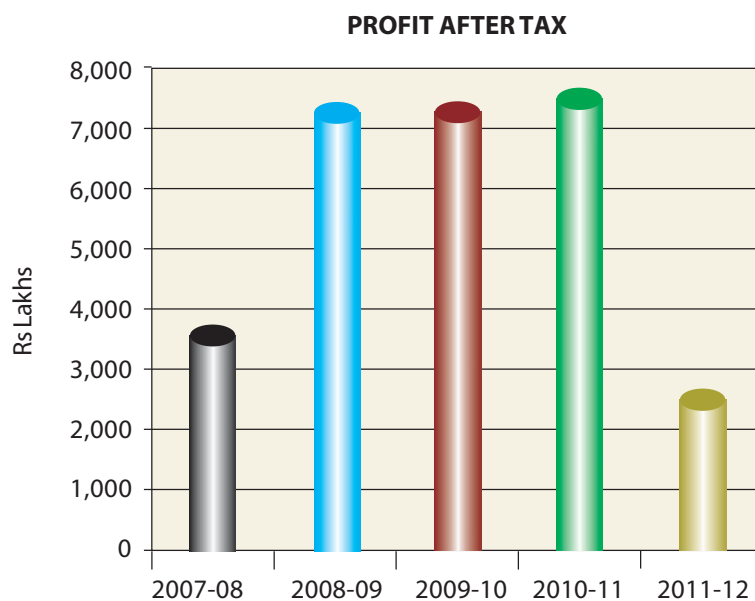
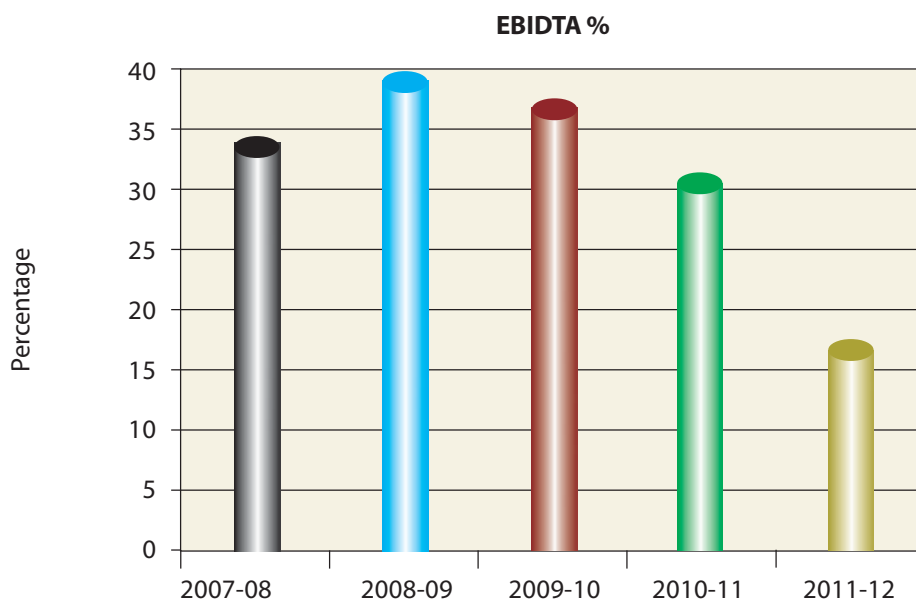
Let me take this opportunity to thank all the shareholders for their continued faith in the Company and the understanding they have shown during the last couple of years during the transformation and consolidation phases. I look forward to your continued patronage and support to take our Company to be the number one globally in our domain over the next few years.

Pradeep Viswambharan
Managing Director & Chief Executive Officer

REVENUES

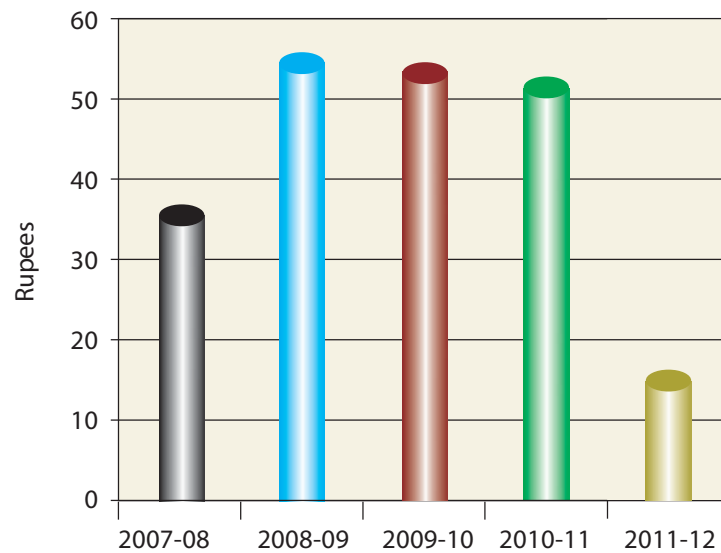


FINANCIAL OVERVIEW

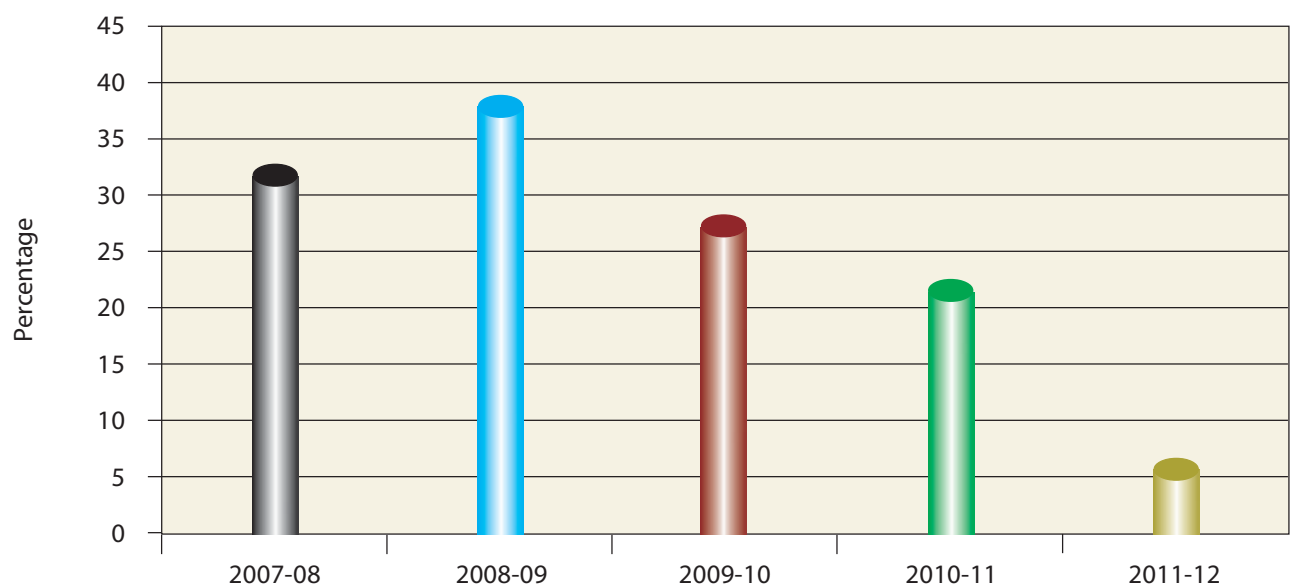


FINANCIAL OVERVIEW

EARNINGS PER SHARE



RETURN ON CAPITAL EMPLOYED



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr S.M. Parande

Chairman,
Independent Director

Mr Pradeep Viswambharan

Managing Director &
Chief Executive Officer

Mr Sooraj C. K.

Director,
Operations & HR

Mr Ravi Sankar

Director,
Corporate Planning

Mr Kabir Kewalramani

Nominee Director

Mr Kezer Kharawala

Independent Director