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CEO & Managing Director
Savita Satish Gowda (Ms.)

Whole Time Directors
Lalit Misra
Vijay Kirpalani.

Director :
Mohan P. Kala (CA)

Non-Executive Directors :
V. N. Badoni (Dr.)
Nivvedita Patil (Dr.)
Drunal Shah.
Sanjay Shah
Harish Palecanda

Registered Office :
W-34 & W-34/1, MIDC, Taloja,
Dist. Raigad, Maharashtra 410 208.

Corporate Office :
Sharon House,
Plot no. 163, Park Street, SVP Nagar,
Mhada, Andheri (W),
Mumbai 400 053.

Administrative Office :
C-310/312, BSEL Tech Park,
Opp. Vashi-Railway Station,
Navi Mumbai – 400 703.

website :
www.sharonbio.com

Bankers :
Allahabad Bank.
Axis Bank Limited.
Barclays Bank Plc.
Canara Bank.
ING Vysya Bank.
Punjab National Bank.
State Bank of India.

Statutory Auditors :
Shyam C. Agrawal & Company
(Chartered Accountants)

Company Secretaries (in practice) :
Jagdish Patel & Company.
(Company Secretaries)

Company Secretaries :
Samsad Alam Khan.

Registrar & Transfer Agent :
Link Intime India Private Limited.

Dear Sharon Family,

Years and Decades of your Trust and Bank on us have given me this great privilege to exhibit you, your Company's 23rd Accomplishment Annual Report for the year ended 30th June 2012.

Decades of experience, dedication and transparency in work have jaunt us to delimitate the Healthcare Sector, not only of our country but overseas even. Together, we have not only unified our business but also your Trust, which have further enhanced our traits to make your company **Expand & Expand**. Transporting to the memories back, when we started this journey and looking now at your companies position, is not just mind-boggling but that even proves our inner strength, foresight, Incessant Research & Development, prime marketing strategy, effective chain supply and prompt regulatory affairs.

Great opportunities with high margins, in pharmaceutical industry and with gleaming future of pharma sector in India, have induced the management of your company to put forward the funds of the company for the expansion of Uttarakhand, Formulation Plant, which have UKMHRA approval along with, Canadian Health Authority, Australian Health Authority, GMP, WHO and ISO-9001-2008 Certifications. Total expansion cost arrives to 950.00 Million Rs. The expansion in Formulation Plant shall not only enhance production and sales but it will also make glinting presence of SHARON in high regulatory markets by giving cut-throat competition to some big giants of Pharma sector.

Further, being found competent enough in the field of Research & Development, **“Ministry of Science and Technology”, Government of India, have approved 69.00 Million Rs.** for a research project. Out of total project cost, Rs. 10 Million have been received this year from the “Ministry of Science and Technology”.

“Department of Scientific and Industrial Research” (DSIR), Government of India, have issued Tax Deduction Certificate, for 2 (two) R&D locations, located at Uttarakhand, Formulation Plant and another for L-6, MIDC, Taloja Plant, for availing **200% deduction on R&D Expenditure**, under section 35 (2AB) of Income Tax Act, 1961.

Toxicology is a subject of my interest involving high level of accuracy and very much bounded by the time barriers for performing a single report. Setup, run and operated by Kremer Haque (Dr.), a German Citizen, is an experience of completely different reckon. We are pleased to inform that, even during such a fleeting time span, we have conducted hundreds of studies, out of which many studies were in-depth.

It gives me a feeling of bliss to announce that **your SHARON** have achieved turnover of **7.85 Billion Rs.** which has boosted your sales by 29.54% further enhancing PBT by 45.54% and PAT by 33.52% accelerating the EPS by 33.54% to Rs. 39.42 per equity share.

Future of anything, consider dead or alive, purely depends on the act of its surroundings. Not boasting but its fact that we got the best, educated, rational and accorded dedicated staff force ready to work 24 * 7 with accelerating oomph every second with every pump. After staying in such a family surrounding, with a team of different departments but supporting each other in all aspects, for almost 2 decades I can assertively say that sooner we will be heard as a Hulk in the Pharmaceutical Sector.

Being a responsible citizen of India, your company have donated the medicines worth Rs. 10 lacs to the Flood effected people in uttarakhand during the current year. Blood donation camps have also been organized by our company and volunteered by our employees within the network of social course.

Last but not least, I would like to express my sincere gratitude to my fellow colleagues, employees for their sincerity and hard work and thanks to entire Sharon team, Shareholders, Bankers, Creditors and all associates for the help & guidance to bring your company in successful growth and assure our stakeholders to deliver the maximum value to their stake in future through various efforts.

On Behalf of the Board

Sd/-

Place: Mumbai
Date: 22.10.2012

Savita Satish Gowda (Ms.)
(CEO & Managing Director)

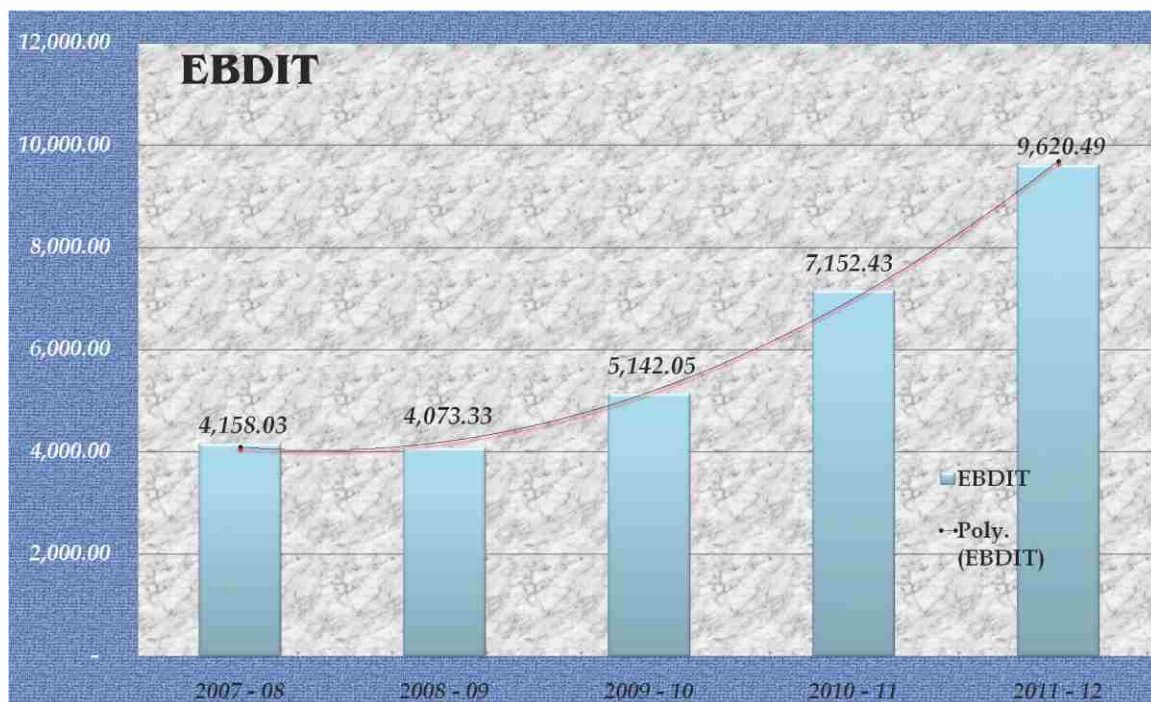
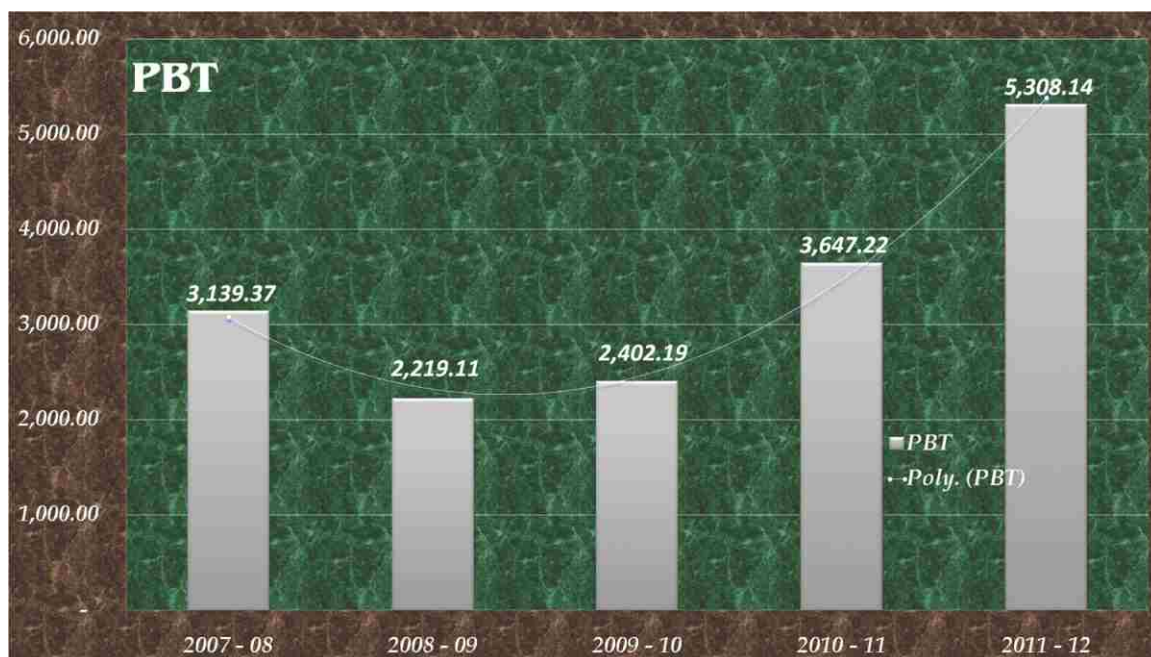
Financial Highlights of your Company

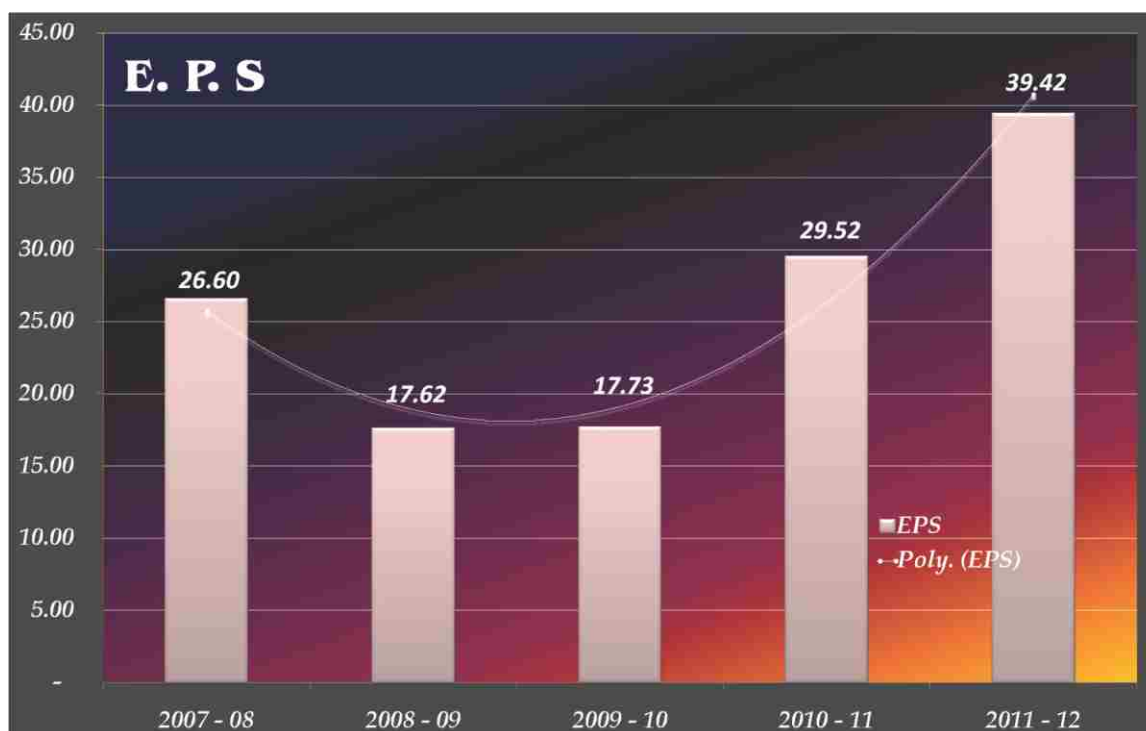
Accounting periods

₹ in Lacs

Particulars	2007 - 08	2008 - 09	2009 - 10	2010 - 11	2011 - 12
Turnover	33,461.60	41,979.12	49,649.88	60,604.66	78,506.14
Other Income	250.51	183.23	156.97	112.18	92.69
EBDIT	4,158.03	4,073.33	5,142.05	7,152.43	9,620.49
Interest	658.70	1,436.32	2,099.88	2,680.81	3,425.97
Depreciation	359.96	417.90	639.98	824.40	886.38
PBT	3,139.37	2,219.11	2,402.19	3,647.22	5,308.14
Income Tax	407.00	310.00	350.00	400.00	910.00
PAT	2,718.79	1,860.24	1,871.63	3,116.65	4,161.44
EPS	26.60	17.62	17.73	29.52	39.42







NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of Sharon Bio-Medicine Limited will be held at the Registered office at Plot No.W-34, W-34/1 MIDC, Taloja, Dist. Raigad, Maharashtra 410 208 on 29th December, 2012 at 9.00 a.m. to transact following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 30th June, 2012 and Profit and Loss Account for the Financial year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Vijay Kirpalani, who retires by rotation, and being eligible, offers himself for appointment.
4. To appoint a Director in place of Mr. Drunal Shah, who retires by rotation, and being eligible, offers himself for appointment.
5. To appoint a Director in place of Mr. Harish Palecanda, who retires by rotation, and being eligible, offers himself for appointment
6. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

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

“RESOLVED THAT, the subject to the provisions of section 198, 269, 309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, the consent of the Members be and is hereby accorded for the appointment of Mr. Vijay Kirpalani, as a Whole –time Director of the Company for the period of five years w.e.f. from 01.01.2013 to 31.12.2017 on monthly salary not exceeding Rs. 500,000/- (Rupees Five Lacs only) per month with an annual increment not exceeding 25% of the last salary drawn and all types of perquisites as may be allowed under the policy of the Company.

RESOLVED FURTHER THAT, the remuneration payable to the Appointee, in the event of absence or inadequacy of profit, be paid within the permissible limit, and in accordance with, the provisions of section 198 of the Companies Act, 1956, read with the provisions of section II of Part II of Schedule XIII thereto as duly approved and recommended by the remuneration committee.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby authorised to alter and vary any or all of the terms and conditions as approved vide this resolution as may deem fit or expedient or proper from time to time which may have the effect of increasing the remuneration or perquisites or benefits and for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper in the best interest of the Company.”

On Behalf of the Board

Sd/-

Place: Mumbai
Date: 22.10.2012

Savita Satish Gowda (Ms.)
(CEO & Managing Director)

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself, and proxy so appointed need not be a member of the Company. In order to be effective, proxy form must be lodged with the company not less than 48 hours before the commencement of the meeting.
2. The register of members and the share transfer book of the Company shall remain closed from 25th December, 2012 till 29th December, 2012 (both days inclusive).
3. The Dividend as recommended by the Board, if approved at the members meeting will be payable on or after 29th December, 2012 to those whose names are on the Register of Members of the Company as
 - (a) As beneficial owner as at the end of the business day on 22nd December, 2012 as per the list to be furnished by the depositories in respect of the shares held in electronic form.
 - (b) In the Register of Members of the Company as on 29th December, 2012 after giving effect to all valid shares transfer in physical form lodged with the company before 25th December, 2012.
4. Members are requested to bring their copy of the Annual Report along with them as copies of the same will not be distributed at the meeting.
5. Members desirous of asking any questions in regards to accounts published herein at the Annual General Meeting are requested to send in their questions in writing so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
6. 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.
7. Members who hold shares in electronic form are requested to write their DP Id and client 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 to facilities identification of membership at the Meeting. Members are requested to bring their attendance slip along with their copy of the Annual Report to the Meeting. As copies of Annual Report will not be distributed at the meeting. Kindly forward your email-id to the company or RTA so as to enable in future to communicate in electronic mode.
8. Members are requested to intimate change of address, if any, to the company quoting reference to their Registered Folio Number.
9. The Members holding shares in dematerialized form may please note that while opening a depository account with participants, they may have given their bank account details, which will be printed on their dividend warrants. However, if Members want to change/ correct the bank account details, they should send the particulars to their depository participant with MICR code. The Company will not entertain any direct request from Members for deletion/ Changes in the bank account details furnished by the Depository Participants to the Company.

10. As required under Clause 49 (IV) of the Listing Agreement the details of the appointment of new Director or re-appointment of a Director is given below:

<i>Name of the Directors</i>	<i>Age</i>	<i>Educational Qualification</i>	<i>Directorships in other Companies</i>	<i>No. of Shares held</i>
Vijay Kirpalani	56	B.E.Chemistry	Nil	Nil
Drunal Shah	35	B.E.Chemistry	Nil	Nil
Harish Palecanda	42	B.Com	Nil	Nil

On Behalf of the Board

Sd/-

Savita Satish Gowda (Ms.)
(CEO & Managing Director)

Place: - Mumbai
Date: 22.10.2012

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

Point no. 7 of Special Business :

Mr. Vijay L. Kirpalani, B.E. in Chemical. He has around 31 years of experience in Designing, Executing & Engineering of Projects, Product Development, Technology development, Feasibility Study of the Projects. He was associated with the following organizations namely BARC, Bharat Petroleum Corporation, United Phosphorous and IPCL & Baroda Productivity Council. Further he has also worked with the following International Companies namely B.I.L. Chem Ltd. (Bangladesh), POLSERVICE (Poland), Egis Pharmaceuticals (Hungary), Fermion, O.Y. (Finland), Gist Brocades (Holland), Inter Chem Technical Associated (USA), Synthon Corp (USA), Green Valleys Estb. (Oman), Thomas H. Barton & Co. (USA).

Looking at his achievements, the Board of Directors in its meeting held on 22.10.2012 has approved remuneration as provided in the resolution.

This may be treated as an abstract under section 302 of the Companies Act, 1956

None of the Directors of Company, except Mr. Vijay Kriplani, were interested and concerned in this resolution.

On Behalf of the Board

Sd/-

Savita Satish Gowda (Ms.)
(CEO & Managing Director)

Place: - Mumbai
Date: 22.10.2012

DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present their **23rd Annual Report** on the business and operations of your Company together with the Audited Statement of Accounts and the Auditors Report for the financial period ended 30th June, 2012. The Financial highlights for the period under review are given below.

Company's Performance:

Your Company has achieved turnover of ₹ 785,06.14 lacs for the year-ended 30.06.2012 as against the turnover of ₹ 606,04.66 Lacs for the year-ended 30.06.2011.

The Financial Results as follows :

(₹ in Lacs)

<i>Particulars</i>	30.06.2012		30.06.2011	
	<i>Standalone</i>	<i>Consolidated</i>	<i>Standalone</i>	<i>Consolidated</i>
Turnover & Other Income	78,598.83	80,537.78	60,716.84	62,822.50
Profit Before Interest, Depreciation, Extra ordinary items & Tax (EBIDTA)	9,620.49	9,736.73	7,152.43	7,354.18
Interest	3,425.97	3,426.21	2,680.81	2,681.00
Depreciation & Amortization Expenses	886.38	886.38	824.40	824.40
Profit Before Tax & Extra-ordinary Item (P. B. T).	5,308.14	5,424.14	3,647.22	3,848.97
Provision for Tax.	910.00	910.00	400.00	400.00
Provision for Deferred Tax Liability.	233.56	233.56	130.57	130.57
Profit after Tax (P. A. T)	4,161.44	4,277.44	3,116.65	3,318.40
Earnings Per Share (E. P. S).				
- Basic	39.42	40.52	29.52	31.43
- Diluted	38.12	39.19	28.55	30.40

Operational Performance:

To the members :

Your Directors are happy to report that the year under review witnessed achievement of milestone by the Company, in terms of its total income, both on Standalone and consolidated basis. The Report reviews the company's operations covering products of APIs, API-intermediates, Bulk Drugs, formulations, Oral Dosages, Ointments, Tabsules, Capsules, Tablets, Research & Development and Toxicology.

Performance Review:

While Standalone above total Income stood at Rs 785,98.83 Lacs the consolidated turnover was Rs. 804,13.78 Lacs. The Standalone Profit in current year 2011-12 is Rs. 41,61.44 lacs against Rs. 31,16.65 Lacs in the previous year 2010 – 2011.

Your company have booked total sales by enhancing 29.54% of sales as compared to last year. During the last fiscal year your company had achieved net profit of 41,61.44 lacs showing an appreciation of 33.52% on an annualized basis.