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Annual General meeting on Wednesday, September 29, 2010 at 2.00 p.m. at Padmashali Kalyana Mandapam 2-12-66, Nehru Nagar, West Marredpally, Secunderabad - 500 026. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting Shareholders are requested to bring their copies to the Meeting.

Board of Directors

Dr. Alangudi Sanakaranarayanan
Kunasingam V. Sittamapalam
Dr. V. Narasaiah
M. Kalyan Ram
Kompella Sri Kalyan

- Whole Time Director & CEO
- Director
- Director
- Additional Director
- Additional Director

Company Secretary

N. Madhusudhana Reddy

Bankers

M/s. Canara Bank
Overseas Branch
Adarsh Nagar
Hyderabad

Auditors:

M/s. P. Murali & Co.,
Chartered Accountants
6-3-655/2/3, Somajiguda Hyderabad-500 082
Phone# (040)-23326666, 23312554

Registrars & Share Transfer Agents

M/s. Aarthi Consultants Pvt. Ltd.,
1-2-285, Domalguda,
Hyderabad - 500 029
Ph Nos. 27634445, 27638111
Fax No. 27632184

Registered Office :

Flat#608, 6th Floor
Lingapur Complex
Himayat Nagar,
Hyderabad-500029
Phone# Tel: 66784714; 66784719
Fax: 040-66776112

Date, Time and Venue of AGM

29.09.2010, 2.00 P.M
at Padmashali Kalyana Mandapam
West Marredpally, Secunderabad-26

CEO's Message

In 2010, we proudly celebrated our Twenty Third Anniversary as a Public Listed Company. This year has been a milestone in the history of Vivo Bio Tech Limited. We have started commercial operations of our state-of-art of 125,000 Sq.ft Small Animal Research Facility.

A future filled with opportunities

Many large pharmaceutical and biotech companies are faced with severe monetary realities that prompt them to clinch outsourcing as a strategic alternative to investing in escalating internal development capacity. Also, these companies do not have in place, nor does it make profitable sense for them to establish, the in-house capabilities to move their compounds through the regulatory process.

Despite the financial crunch and a drop in early-stage research, a new study conducted by Business Insights predicts that the global CRO market is expected to grow 14% per year during the next three years, making contract research a \$35 billion industry by 2013.

Today, approximately 25% of all biopharmaceutical drug development spending is outsourced, which represents a CRO market greater than \$15 billion.

Although growth has slowed in the recent years, the Asia Pacific region remains one of the highest growth regions specifically in the area of outsourcing and therefore remains a high priority for global pharma companies.

These key market dynamics create a mature environment for sizeable volumes of outsourcing and bode well for significant and continuous industry growth. Overall, the outsourcing market is poised to return to healthier growth rates from 2010.

Vibrant growth

In this fiscal year, we successfully started commercial operations of our state-of-art 125,000 Sq.ft Small Animal Research Facility. The facility has been designed in accordance with AAALAC international standards and has been validated by US based IPS International.

During the same period, we secured projects from clients across US, India and Malaysia. These include

- 1) Preclinical efficacy study & Acute/Sub acute toxicity study of an API for an Indian Client.
- 2) Sub acute toxicity study of a vaccine for a US based Vaccines Company.
- 3) Immunogenicity Study for a drug delivery system for a Malasiyan University
- 4) Regulatory Preclinical battery of a biopharmaceutical as required for RCGM submission for an Indian Pharmaceutical Company.
- 5) Efficacy study of mAbs by Xenografting three different cell lines in SCID mouse for an Indian Biotech Company
- 6) Purification of Cry 1AC and Cry 1EC proteins for a India based Biotech Seeds Company

We have also made applications to CPCSEA for permission for starting commercial operations of our Canine Facility and Breeding Facility.

We had increased our R&D staff significantly. As of July 31, 2010 we have approximately 111 employees.

Outlook 2011

In the next fiscal year, we anticipate –

- To receive AAALAC International and GLP (India) accreditations for our Small Animal Research Facility
- To start operations of our Small Animals Breeding facility
- To start operations of our Canine facility

We strongly believe that 2011 will be a far exciting year for Vivo Bio Tech Limited in terms of revenues, as we are fully equipped to meet the needs of clients globally, having established state-of-art infrastructure, knowledge teams and business contacts.

I thank our bankers (Canara Bank, Overseas Branch) for enduring to trust Vivo Bio Tech Limited and for their timely support, our employees who had extremely performed good, and finally, thanks to our shareholders, for their consistent confidence in our company.

Sincerely,

Dr. A. Sankaranarayanan,
Chief Executive Officer
Vivo Bio Tech Limited

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of the Company will be held on Wednesday, the 29th day of September, 2010, at 2 P.M. at Padmashali Kalyana Mandapam, 2-12-66, Nehru Nagar, West Marredpally, Secunderabad-500 026 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account for the year ended March 31, 2010: Balance Sheet as on that date along with the Schedules forming part of it, notes to accounts and the Reports of the Directors' and Auditors' thereon.
2. To appoint a director in place of Kunasingam V. Sittampalam, who retires by rotation and being eligible offer himself for re-appointment
3. To appoint M/s. P. Murali & Co., Chartered Accountants, Hyderabad as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To Consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. Kalyan Ram, who was appointed as an Additional Director of the company, who holds office under Section 260 of the Companies Act, 1956, up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company.

5. To Consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. K. Sri Kalyan, who was appointed as an Additional Director of the company, who holds office under Section 260 of the Companies Act, 1956, up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company

6. To Consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT Pursuant to the provisions of Section 198,269 and 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956(hereinafter referred to as the "Act" which includes any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the appointment of Mr. K. Sri Kalyan, as Whole Time Director of the Company, for a period of 3 (Three) years with effect from 22nd July, 2010 on a monthly remuneration of Rs.30,000 Per month.

“RESOLVED FURTHER that the remuneration as set out in this resolution including benefits, amenities and perquisites, shall be allowed and paid to Mr.K.Sri Kalyan as minimum remuneration during the currency of his tenure, notwithstanding the absence or inadequacy of profits for any financial year, but shall not, in any such financial year, exceed the ceiling laid down in this behalf in Schedule XIII to the Act, including amendments made thereto”

“RESOLVED FURTHER THAT subject to the provisions of the Companies Act, 1956 and subject to the accordance of the requisite approvals, the board be and is hereby authorized to revise the gross salary of the appointee by a maximum of 50% per annum”.

7. Issue and allotment of warrants on preferential basis to Strategic Investors and promoters of the Company

To Consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956(Act) (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company, the Listing Agreement entered into between the Company and the Various stock exchanges, the Guidelines for Preferential Issues contained in Securities and Exchange Board of India(Issue of Capital and Disclosure Requirements) Regulations, 2009, rules and regulations framed by Reserve Bank of India(RBI) and other statutory /regulatory authorities, and subject to all applicable norms, guidelines, regulations in force, and statutory approvals, consents, permissions or sanctions as may be necessary, of appropriate authorities, institutions or bodies and subject to such conditions as the authorities may impose at the time granting their approvals/consents/permissions/sanctions and which may be agreed to by the Board of Directors of the Company (the “Board”, which expression shall include any committee thereof constituted/to be constituted by the Board for exercising the powers conferred on the Board by this Resolution) if it thinks fit in the interest of the Company, consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot 14,50,000 (Fourteen Lacs Fifty Thousand Only) warrants of Rs.10/- each at a premium to be decided as per the SEBI guidelines, to strategic investors and promoter of the company, the details of which are mentioned in the Explanatory Statement annexed hereto, on preferential allotment basis, , on such terms and conditions and in such manner as the Board may think fit, whether or not they are members of the Company

“RESOLVED FURTHER THAT

- a) The relevant date for the purpose of pricing of the equity shares as above, in accordance with the SEBI Guidelines is 30th August, 2010 being the 30th day prior to 29h September, 2010 (i.e. the 30th day prior to the date on which the meeting of the general body of shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956 to consider the proposed issue.)
- b) The equity shares to be issued and allotted on conversion of warrants in pursuance of this resolution shall rank pair passu with the then existing equity shares of the company in all respects.

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the equity shares and the utilization of the issue proceeds thereof, to effect any modification (s) to the foregoing (including any modifications to the terms of the issue) in the best interests of the Company and its shareholders and to execute all such writings and instrument(s) as the Board may in its absolute discretion deem necessary or desirable.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any committee of Directors of the Company to give effect to the aforesaid resolution”.

BY ORDER OF THE BOARD
For **Vivo Bio Tech Ltd**

PLACE : HYDERABAD
DATE : 31.08.2010

N.Madhu Sudhana Reddy
Company Secretary

NOTES

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company. Proxies in order to be effective must be filed with the company not later than 48 hours before the commencement of the meeting.
- b) The relevant Explanatory Statement in respect of the Special Business set out above, as required by Sec.173 (2) of the Companies Act, 1956 is annexed hereto.
- c) The Register of Members and Share Transfer books of the Company will remain closed from 26th September, 2010 to 29th September, 2010(both days inclusive).
- d) Members are requested to notify any change in their addresses to the Company immediately.

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2)
OF THE COMPANIES ACT, 1956**

Item#4

Sri M. Kalyan Ram was appointed as an Additional Director of the company as per the provisions of Section 260 of the Companies Act, 1956 ("the Act") in the Board meeting held on 26th November, 2009. Pursuant to Section 260 of the Companies Act, 1956 M. Kalyan Ram holds office of Director up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose the name of M. Kalyan Ram. The profile of the Director is given hereto under the head additional information.

The Board recommends the above resolution for member's approval in the Annual General Meeting.

None of the Directors is interested or concerned except Mr. M. Kalyan Ram

Item# 5

Mr. K. Sri Kalyan was appointed as an Additional Director of the company as per the provisions of Section 260 of the Companies Act, 1956 ("the Act") in the Board meeting held on 22nd July, 2010. Pursuant to Section 260 of the Companies Act, 1956 Mr. K. Sri Kalyan holds office of Director up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose the name of Mr. K. Sri Kalyan. The profile of the Director is given hereto under the head additional information.

The Board recommends the above resolution for member's approval in the Annual General Meeting.

None of the Directors is interested or concerned except Sri. K. Sri Kalyan.

Item# 6

The Board of Directors of the Company in its meeting held on 22nd July, 2010, appointed Mr. K. Sri Kalyan as Whole Time Director for a period of 3 years with effect from 22nd July, 2010 at a gross remuneration of Rs. 30,000 P.M. subject to the approval of members,

Considering his competence, experience as also the envisaged growth in the activities of the company and as compared to remuneration presently being paid to persons in similar situations in the country, the terms of his promotion and remuneration as set out below are viewed to be just, fair and reasonable. He is having no other directorships and also not a member in the committees of any other companies.

The remuneration has been approved by the remuneration committee.

As per the provisions of Schedule XIII of the Companies Act, 1956 appointment of Mr. K. Sri Kalyan as Whole Time Director requires the approval of the members in General Meeting. Hence, the above resolution at item# 6 is submitted to the meeting for ratification by the members of the company by passing a Special Resolution.

The Board of Directors commends the above resolution at Item# 6 for your approval.

None of the Directors of the Company except Mr. K. Sri Kalyan to the extent of his appointment as director is concerned or interested in this resolution.

Item#7

As members are aware the company has significant growth plans. These growth plans include, the incorporation of two 100% wholly owned subsidiary companies namely, Vivobio Labs Private Ltd and Vivobio Discovery Services Private Ltd.

While the current cash flows from the operations are not sufficient and the above projects would require significant outlay of funds in the coming years. These projects will necessitate external infusion of funds at different points of time in the future. Since the activities of the company are going to diversify into across different fields, there will be considerable amount of investment the company has to make. It is thought prudent to obtain shareholders approval for issue of securities through preferential allotment of shares to Promoters and strategic investors to enable the company to raise a part of this fund requirement for the said growth plans.

Hence, the company proposes to issue 14,50,000 Warrants to the promoters and strategic investors as detailed hereunder subject to the approval of members and such other approvals as may be necessary. The proposed issue of warrants on preferential basis to Promoters and strategic investors would be strictly in accordance with Chapter VII of the SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations 2009") and the following parameters would be subject to such changes as may be required to conform to the SEBI ICDR Regulations, 2009

The Warrants to be issued pursuant to the above will be subject to lock-in as stipulated under the applicable SEBI guidelines.

The company had sought indication from Strategic investors whether it would be desirous to subscribe to the above securities. The strategic investors in turn has confirmed and conveyed its intent to subscribe to these securities.

Disclosures, which are required to be made pursuant to Regulation 73(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

- (i) The objects of the Preferential issue**
To Fund the Future capital investments of the company as mentioned above.
- (ii) The Proposal of the promoters/directors/key management persons to subscribe to the offer.**
The intention and primary objective of the Promoters to subscribe to the offer through this preferential issue is to enhance their commitment towards the company and make available funds to the company's proposed growth plans

(iii) Share holding pattern of the Company before and after the proposed issue of Equity Shares pursuant to the resolution at Sl.No.7

Sl.No	Category	Pre – issue		Post Issue	
		No. of Equity Shares	Percentage %	No. of Equity Shares	Percentage %
1	Promoters Holding	6448700	68.97	6898700	63.87
2	Others	2901820	31.03	3901820	36.13
	TOTAL	9350520	100.00	10800520	100.00

iv) Proposed time within which allotment will be completed

The allotment of the Warrants being issued on preferential basis is proposed to be made within 15 days from the date of passing of the resolution by the Members.

v) Identity of proposed allottees and the percentage of post preferential issued capital that may be held by them

Identity of proposed allottees	No. of Equity Shares to be allotted	Percentage of post issue equity capital
Dr. A. Sankaranarayanan	4,50,000	4.17
Mallemkonda Realities (P) Ltd	10,00,000	9.26

The proposed allotment of warrants on preferential basis as envisaged above will not result in change in Control/Management of the Company.

Vi) The company hereby undertakes that

- It would re-compute the price of the securities specified above in terms of the provisions of the SEBI ICDR Regulations, 2009 where it is required to do so.
- If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

None of the Directors interested except Dr. A.Sankaranarayanan to the extent of the allotment of warrents to him.

By Order of the Board of Directors

For **Vivo Bio Tech Ltd**

Place: HYDERABAD
Date: 31-08-2010

N. Madhu Sudhana Reddy
Company Secretary