Connecting the dots

SeQuent Scientific Limited

Annual Report 2012-13

Forward-looking Statements

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates', or other similar expressions as they relate to Company or its business are intended to identity such forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, future event, subsequent development or otherwise.

NAVIGATING this report

The BIG picture
doesn't just
COME from
DISTANCE; it also
comes from time.

- Simon Sinek

ONE CAN'T CONNECT THE DOTS LOOKING FORWARD.

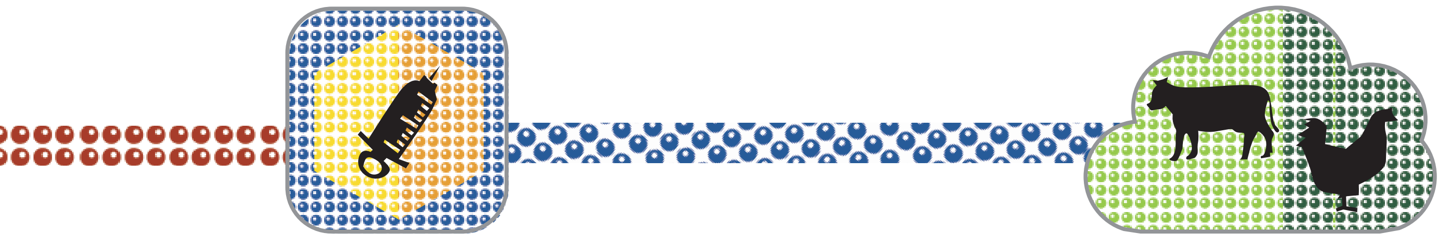
It's only by doing small things right, consistently that one can achieve greater goals. At SeQuent Scientific, we have been working harder each day to overcome the odds– be it building a robust yet unconventional business model or creating a niche in highly competitive segments or growing amidst constraints emanating from internal as well as external environment. In the process of pursuing excellence, we managed to transform the stumbling blocks into stepping-stones.

THE YEAR 2012-13 WAS EQUALLY CHALLENGING.

The input costs continued to increase and with the rising competition, our margins remained under pressure. We continued to emerge as a leaner and efficient organisation, thereby limiting the losses to a large extent. We focused on efficient utilisation of our capacities and persisted with de-bottlenecking initiatives. Additional capacities led to addition of newer clients, which helped us stem the tide. At the same time, our research and development initiatives fructified into six newer products and filing of four DMFs. We continued to invest into development of non-infringing processes and kept our intellectual capital intact amidst weakened economic sentiment.

IT FEELS GOOD WHEN THE PIECES START FITTING TOGETHER AND IN THE PROCESS, THE BIG PICTURE STARTS EMERGING.

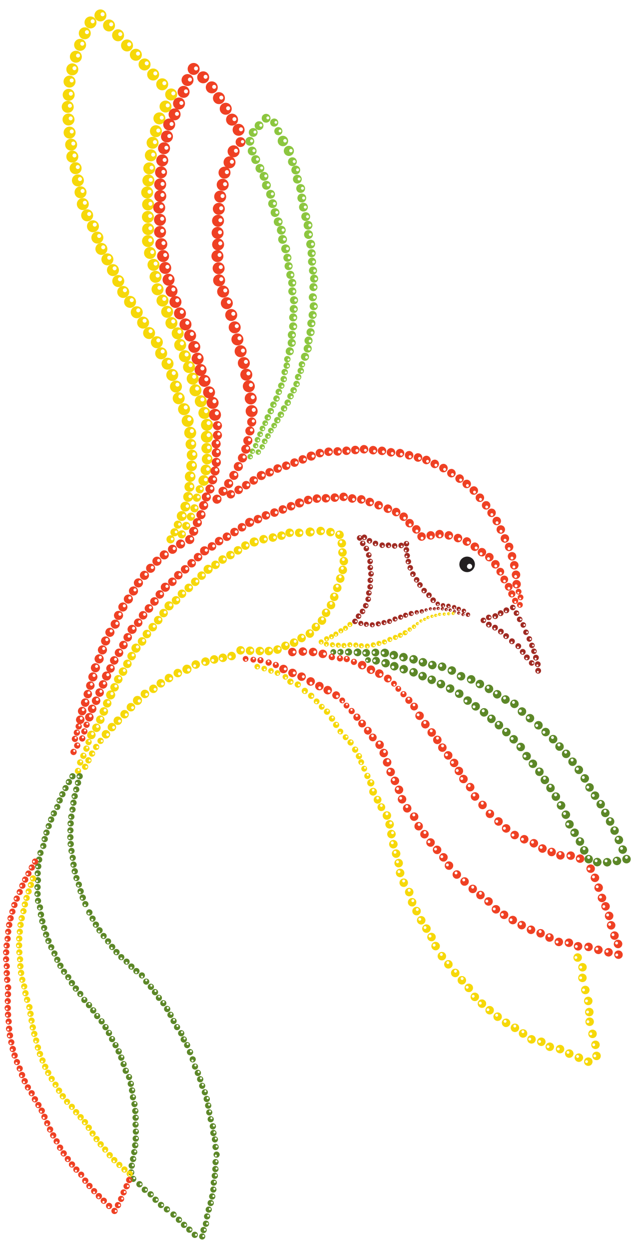
Our perseverance finally started showing signs of paying off in the beginning of 2013-14. In April 2013, our API Drug manufacturing facility at Mangalore received an USFDA approval. This approval would enable us to tap the large pharmaceuticals markets and demonstrate our strengths related to economies, quality, product portfolio and processes to craft a new journey of value creation. At the same time, we also decided to leverage upon our in-depth knowledge in veterinary segment by forming a joint venture company along with Shasun Pharmaceuticals, a leading player in Indian API industry. The JV Company will focus on developing, manufacturing and selling veterinary products inclusive of both API and formulations in the global market.



HAVING LAID A STRONG FOUNDATION, WE REMAIN CONFIDENT AND OPTIMISTIC.

Confident – of our vision to create sustained value for our stakeholders and optimistic, that the dots would connect in the future too.

The WINDS BENEATH



our WINGS.

OUR VISION

To be a reliable source in the mature generic and niche molecule areas while building a sustainable CRAMS resource for our customer.

OUR MISSION

To deliver quality products competitively while adhering to high quality standards and safety of our people and our environment.

OUR QUALITY POLICY

SeQuent Scientific Limited is engaged in development & manufacture of pharmaceuticals and specialty chemicals. Every product manufactured in our premises shall adhere to the prescribed quality norms for the product and focused efforts shall be taken towards continual improvement of the product and processes involved. We shall achieve this by ensuring excellent Quality Standards in:

OUR PEOPLE

Through constant training and motivation programs to imbibe the goals and objectives of the Company in their work

OUR INPUTS

Through strict adherence to Quality standards prescribed for the respective inputs

OUR FACILITIES

Through stringent in-house manufacturing & documentation standards complying to cGMP and all applicable legal and regulatory requirements

The DOTS that define us.

THE FIGURES THAT DEFINE US

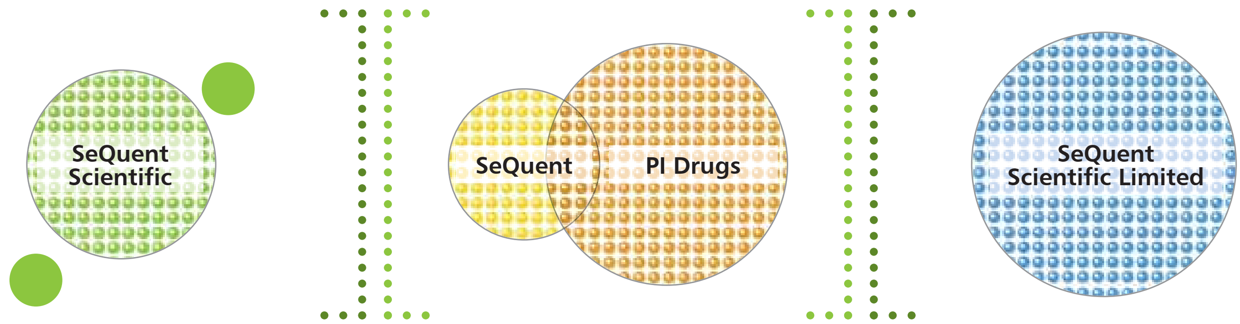
Rs. 3.14 billion operational revenues

900+ employees

FIVE manufacturing locations in THREE Indian states

Rs. 3.12 billion market capitalization (as on 31.03.2013)

OUR GENESIS



Acquired by first generation entrepreneures in 2007

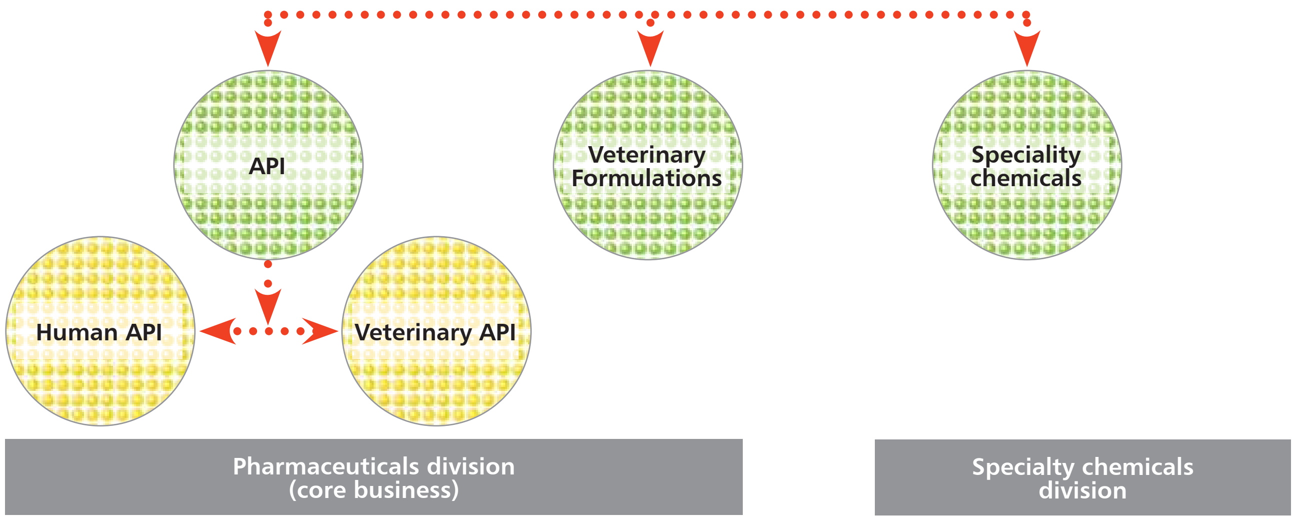
Merged into PI Drugs in February, 2008

Name changed post merger from PI Drugs to Sequent

OUR REPUTATION

- Largest producer of Anthelmintic APIs
- Diversified business model having presence in Human and Animal Health segments as well as specialty chemicals

OUR BUSINESSES



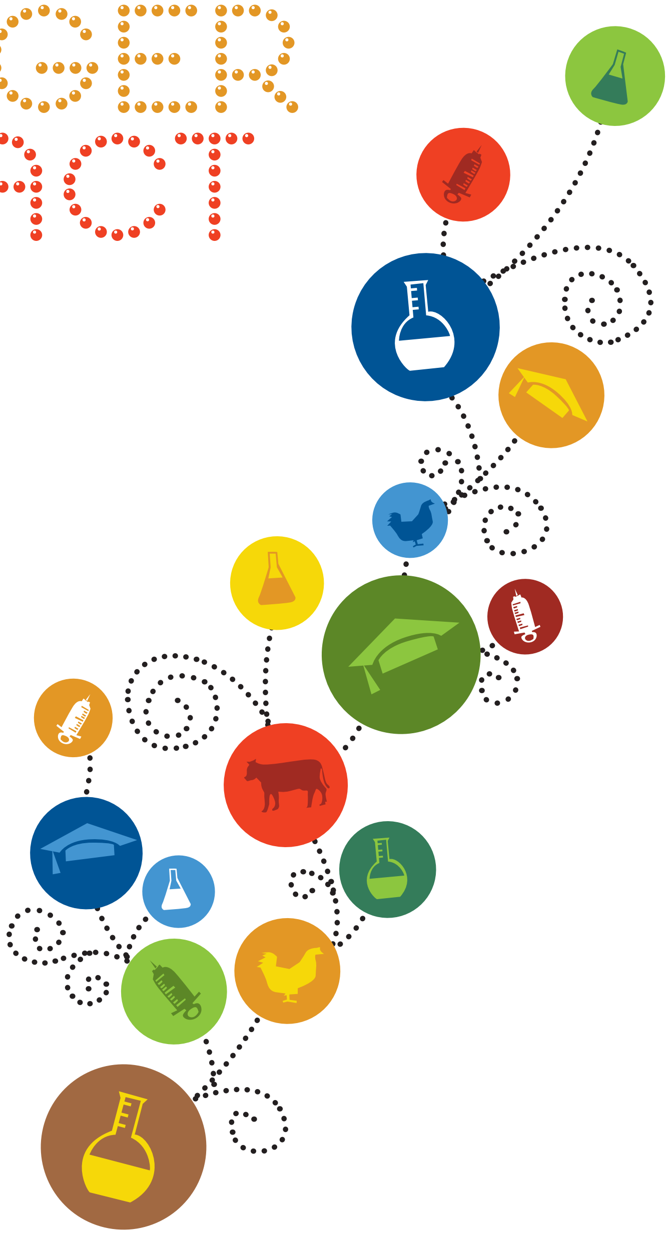
OUR PRESENCE

Registered office - Thane, Maharashtra   Corporate office - Bengaluru, Karnataka

Manufacturing plants -

- Mangalore, Karnataka (USFDA, TGA approved, ISO 9001:2000 and ISO 14001 certified) – Human & Veterinary APIs
- Ambernath, Maharashtra (cGMP facility and Certificate of Suitability from EU) – Human & Veterinary APIs and Veterinary Formulations
- Tarapur, Maharashtra (ISO 9001:2000 certified) – Human & Veterinary APIs
- Mahad, Maharashtra (cGMP facility and Certificate of Suitability from EU) – Human & Veterinary APIs
- Panoli, Gujarat (ISO 9001:2000 certified) – Specialty Chemicals

The YEAR OF SMALLER STEPS AND LARGER IMPACT



HUMAN APIS

- Mangalore unit received US FDA approval; to expand focus from lesser regulated markets to regulated ones in the coming years
- 2nd largest in terms of divisional revenues
- Offers a wide range of large volume APIs as well as Niche APIs and Drug intermediates
- Demonstrated range of synthetic chemistry skills with capacity, manufacturing flexibility and quality certifications
- R&D focused model; consistent investments has led to increased filings
- 21 APIs under-development; 37 DMFs filed till date
- Focus on forging long term partnerships with innovator companies

VETERINARY APIS

- The largest segment in the company in terms of revenues
- Divisional revenues registered an increase of 13% during 2012-13
- A preferred supplier to top veterinary drug manufacturers across the globe
- Leading producer of animal Anthelmintic APIs
- Focus on creating an extensive product pipeline
- The division's growth is not innovator-dependent and therefore offers huge scope across regulated and unregulated markets

VETERINARY FORMULATIONS

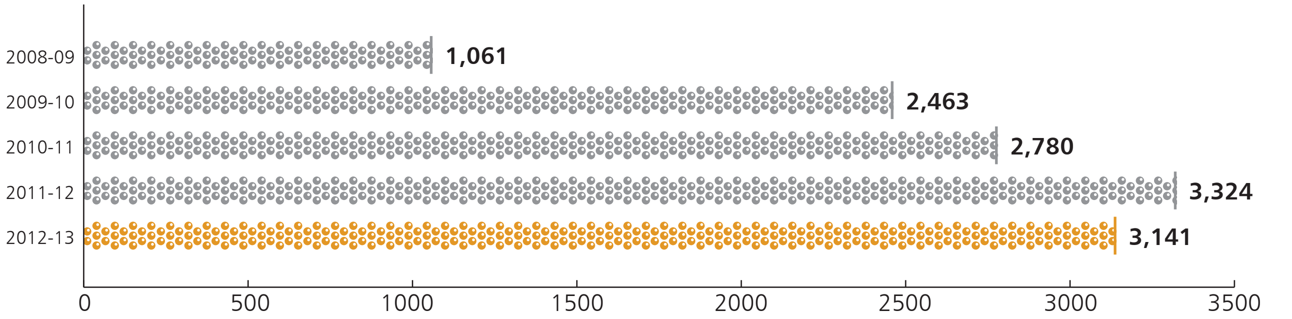
- Forayed into the segment as a forward integration for veterinary APIs
- Divisional revenues registered an increase of 56% during 2012-13
- Caters to a wide product range in the Anthelmintic category
- Exports dominated revenues
- One of the few companies in India in its product space
- Products registered in various markets in Africa
- Building its market share in the attractive and less-competitive Indian market

SPECIALTY CHEMICALS

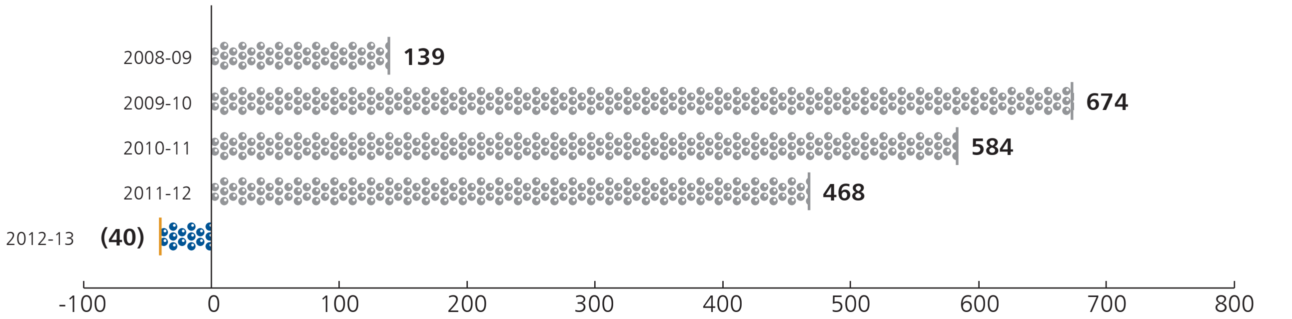
- Niche operation catering to non-pharma products
- Divisional revenues registered an increase of 5% during 2012-13
- Introduced two new products during 2012-13
- Commenced exports during 2012-13

FINANCIAL

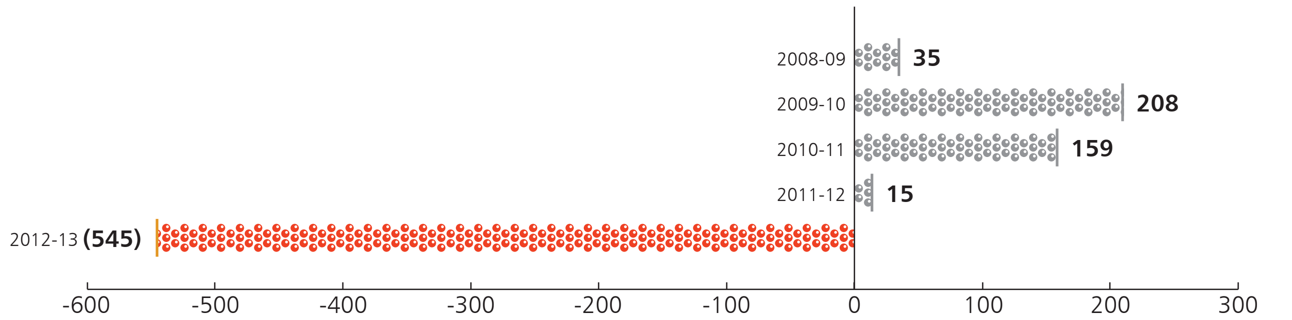
REVENUE FROM OPERATIONS (₹mn)

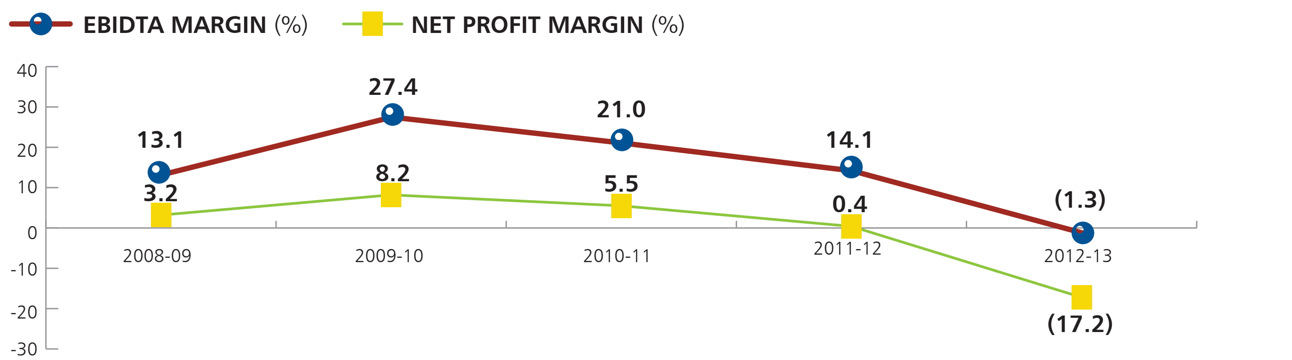


EBIDTA (₹mn)



NET PROFIT (₹mn)

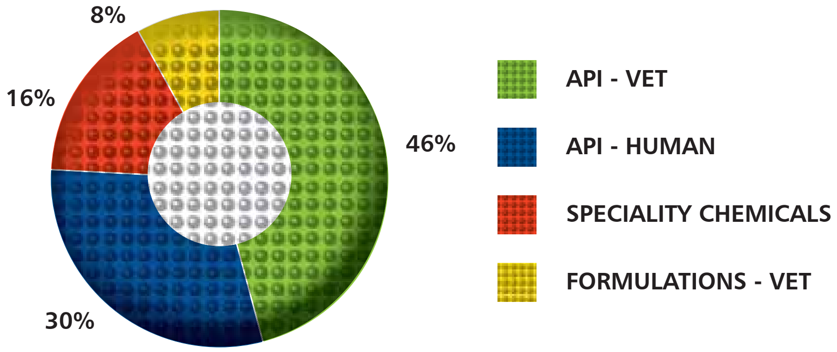




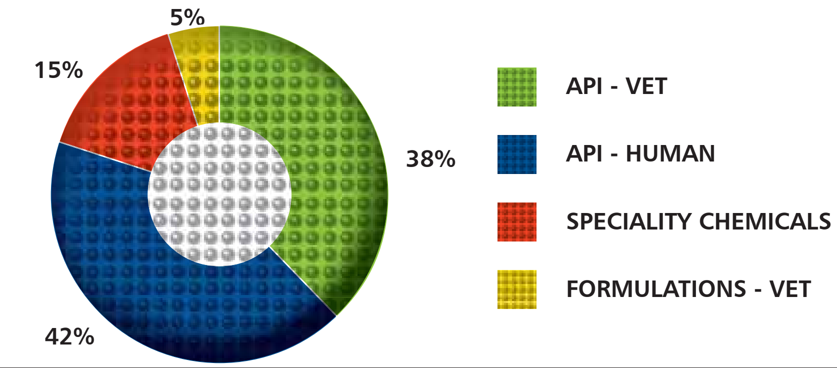
SNAPSHOTS

SEGMENT-WISE REVENUE BREAK-UP

2012-13

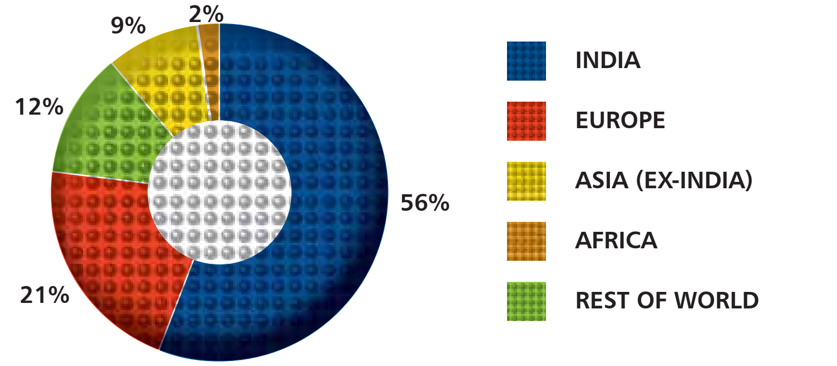


2011-12

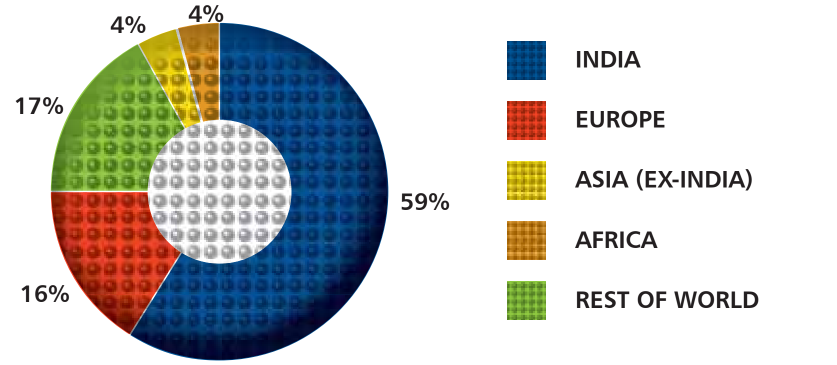


GEOGRAPHY-WISE REVENUE BREAK-UP

2012-13



2011-12



From the Management's Desk

THE NIGHT IS DARKEST BEFORE THE DAWN.

2012-13 WAS A TOUGH YEAR

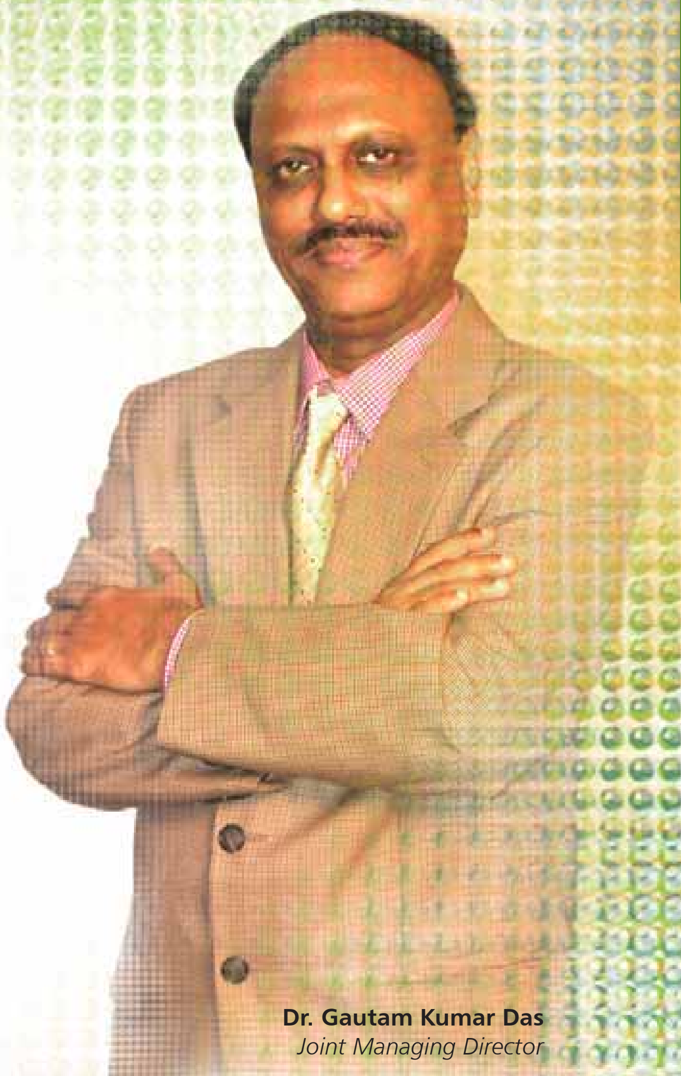
Like every tough year, it made us stronger. We strived harder to protect our margins despite rising costs. We continued to streamline and consolidate our manufacturing processes to improve economies and efficiencies. We continued to focus on key segments like Human APIs and Animal Health, thereby laying a foundation for our future growth. We also continued to expand our product pipeline to newer markets – in domestic as well as overseas countries. The impact of these initiatives will start translating to improvement in our operational performance from the current financial year onwards.

2012-13 WAS ALSO A YEAR OF TAKING HARD DECISIONS

Like every time, we chose future gain over immediate pain. We chose a somber economic environment to critically examine and review our existing operations. We chose to consolidate our focus, by exiting non-remunerative markets and discontinuing low margin products. We continued to assess each investment carefully to ensure that it adds critical value to the organisation. We also took a brave decision of creating higher provisions for our doubtful debts, which led to an optical impact on our bottom-line. We registered a net loss of Rs. 545 million, the largest since our inception, mainly on account of depreciating product margins and higher provisioning. We continued to pursue our research and development initiatives, thereby further strengthening our product pipeline to 37 DMFs.

2012-13 WAS ALSO A YEAR OF BROADENING HORIZONS

We commenced our journey as a specialty chemicals manufacturer and forayed into Animal Health on account of acquisition. At the same time, we invested into our Human API facilities and emerged as a diversified pharmaceuticals solutions provider with presence across the value chain. However, with each business now gained a decent size, it was time for us to think on exploring greater value from our businesses. Being a preferred partner to global pharmaceuticals companies, we also chose to partner our peers to this end. The seeds of thoughts planted during 2012-13 finally bloomed into an initiative on ground, with the proposed joint venture company with Shasun Pharmaceuticals Limited. Together, through this joint venture company, we would develop, manufacture and sell veterinary products inclusive of both APIs and formulations in the global market and also offer a wide range of products to both the domestic and global clients. While Shasun Pharmaceuticals would hold 27% in this JV Company, we would hold the remaining 73%. We would progressively transfer our interests in veterinary API and formulations to this company, thereby further strengthening our market share in the coming years.



Dr. Gautam Kumar Das
Joint Managing Director

2013-14 MARKS A NEW BEGINNING

Since the past three years, we at SeQuent have awaited our US FDA approval patiently. It gives me great pleasure to communicate that our efforts have paid off well. In April 2013, our API manufacturing facility at Mangalore received USFDA approval, marking the beginning of an exciting phase for us at SeQuent. With our ability to manufacture niche and complex APIs coupled with our tight cost structure and flexible capacities, we would now be able to offer our products to the regulated markets. This in turn would also lead to better profitability for the company in the coming years. At the same time our foray to domestic formulations market has started giving encouraging results and we are confident to build a decent share in fast growing animal health market such as India. We also believe that the input costs have peaked in 2012-13 and going forward, we would see the margins improving across our segments of presence.

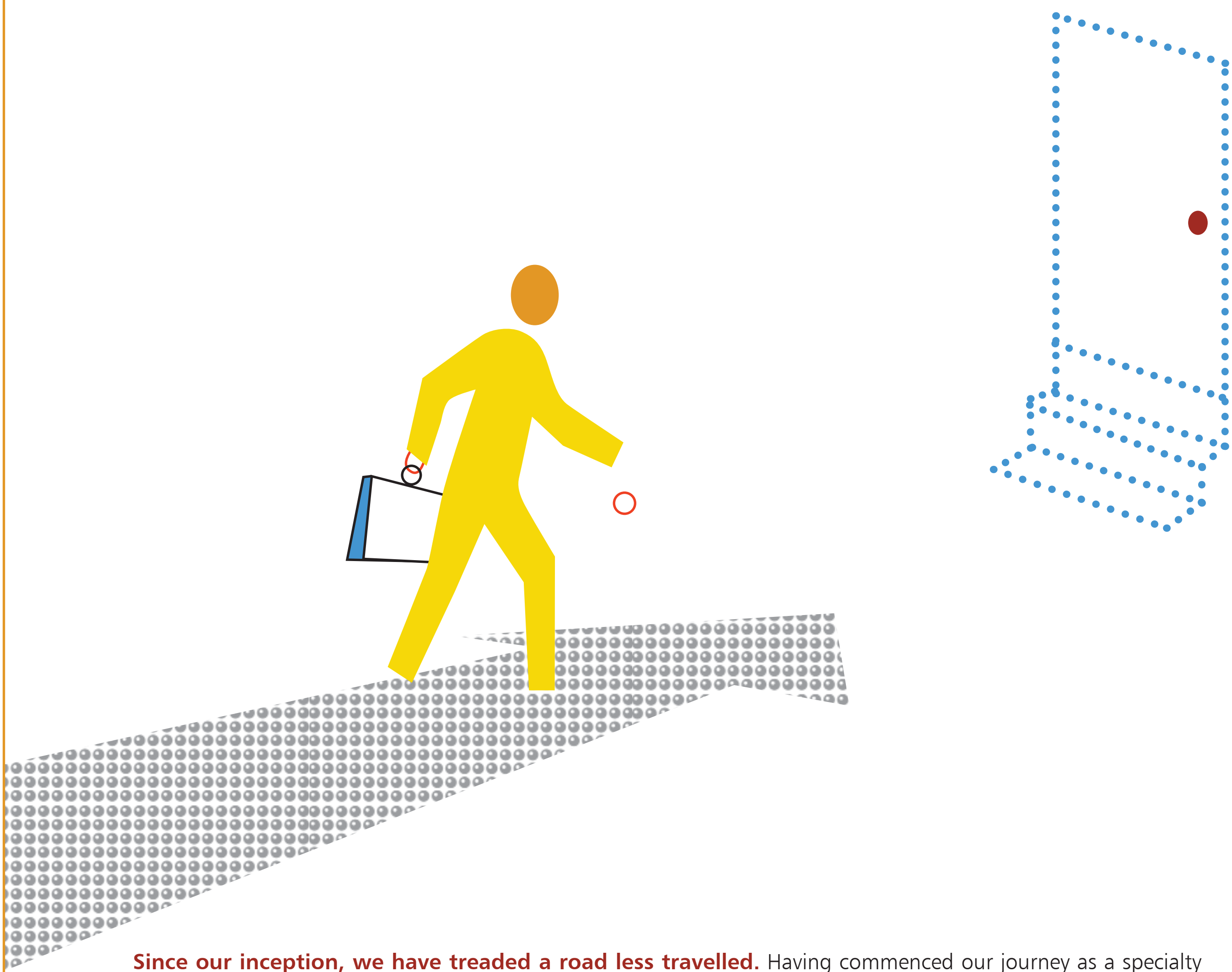
HAVING CREATED A STEADY FOUNDATION, 2013-14 WILL BE A CRUCIAL YEAR FOR US

The foundation that we strived to build over the pastseven years is now almost ready. Our deep-rooted customer relationships, coupled with our marketing initiatives and best-in-class product quality across our segments of presence makes us confident of shaping sustainable growth going forward. Our confidence also emanates from the ability of our employees and is further fortified by the trust of our stakeholders – investors, bankers, clients, employees, vendors and communities in and around our locations of presence. We would like to extend a heartfelt appreciation of your support.

Dr. Gautam Kumar Das
Joint Managing Director

Connecting the dots

FROM LOOKING AHEAD TO THINKING BEYOND

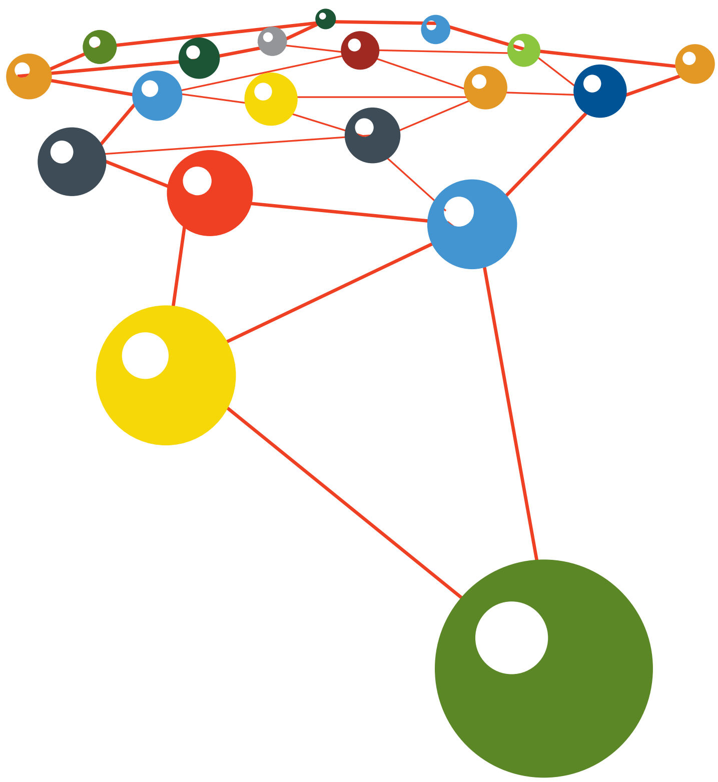


Since our inception, we have treaded a road less travelled. Having commenced our journey as a specialty chemicals player, we identified a huge untapped opportunity in animal health, leading to our foray into veterinary APIs. In the past seven years, we expanded our capabilities to emerge as a diverse-yet integrated player in the pharmaceuticals value chain – from animal health to human and from APIs to formulations and contract research. We continued to expand our product profile to cater to extreme ends – from delivering complex molecules to manufacturing bulk drugs.

Having developed a broad base not only enabled us to withstand cyclicality in one business but more importantly have helped us evolve into a preferred supplier to global companies. Today, each of our business has achieved a respected size and are attractively poised across key stages in the business cycle – from early stage (Contract research) to growth-ready (veterinary formulations, Human APIs) to fast growing (veterinary APIs) and maturity (specialty chemicals). This mix of businesses has enabled us to rise above short-term obstacles and stay focused on unlocking long-term value.

Connecting the dots

FROM SCALING UP TO SLIMMING DOWN

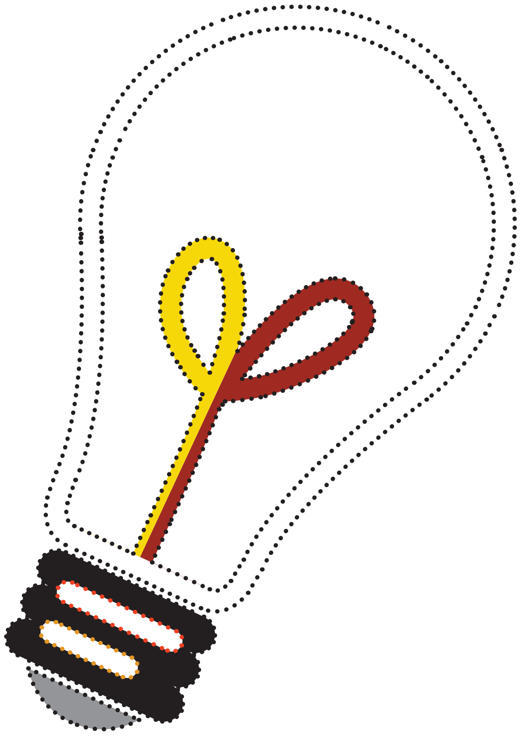


At SeQuent, we have continued to invest into capacity expansion across our major businesses. In the past five years, our gross block has increased by five times, reflecting our initiatives to this end. We have continued to improve capacity utilization through cost efficient measures including de-bottlenecking and modernizing existing capacities at incremental costs. We continued to identify non-core processes and opt for outsourcing without compromising on the end-quality. At the same time, having instilled a strong culture of fiduciary discipline, we have continuously focused on improving our cost structures by identifying and eliminating wastages across processes.

With the past three years being highly demanding in terms of rising input costs and high competition driving realisations to lower levels, we resorted to more intensive cost control measures across our units. We also consolidated our product portfolio to exit or discontinue low margin products. We focused on research and development extensively, thereby redesigning our processes to be more efficient and economical. All this, without impairing the quality in any way. With the input costs peaking, we expect our margins to improve in the coming years.

Connecting the dots

FROM NARROWING FOCUS TO WIDENING PRESENCE

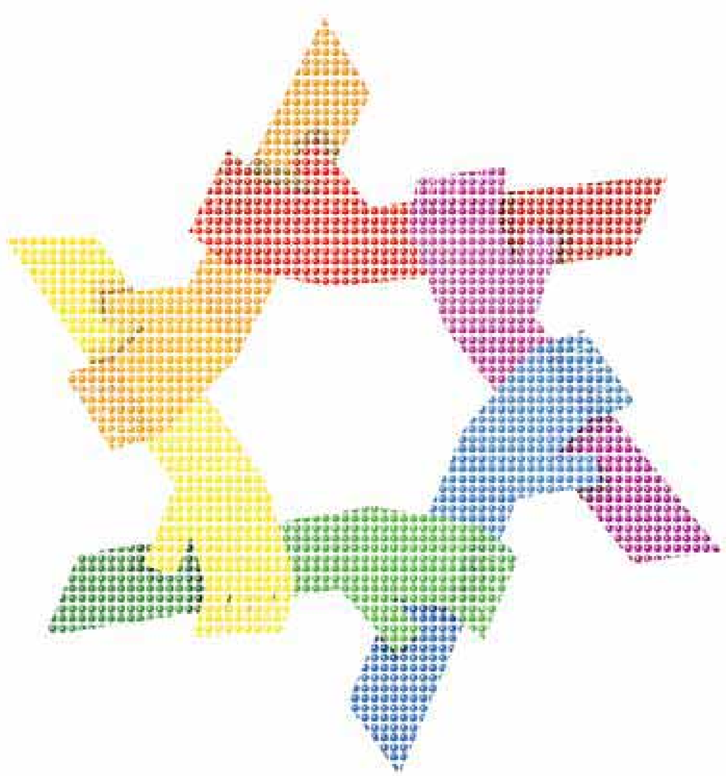


At SeQuent we believe that the pharmerging markets, led by India and China will drive the growth of global pharmaceuticals industry in the coming years. Being an Indian company and having a manufacturing base in India therefore have multiple implications: one, with a huge untapped consumption potential, India is the key market for our products. And two, with the global pharmaceuticals coming to India, our capabilities relating to products, efficiency and delivery will offer a win-win proposition in terms of partnerships. In 2012-13 we strengthened our market share in domestic animal health formulations space.

In 2013-14, our Mangalore facility was approved by USFDA. This will enable us to market our Human APIs in highly profitable regulated markets. At the same time, we have also started our foray into USA, a large market for our veterinary APIs too. We would supply a few niche products to this market besides tapping Europe, another key market for this product segment. During 2012-13, our specialty chemicals division also commenced exports to several countries.

Connecting the dots

FROM CREATING POSSIBILITIES TO DELIVERING VALUE



At SeQuent, we have always sustained our passion for innovation and value addition. Owing to our investments in state-of-the-art R&D facilities across two locations – Mangalore and Bengaluru we have evolved from offering commodity to producing high value niche molecules and specialised products across our business segments. In the process, we have also refined our chemistry skills to niche products within carbohydrate chemistry and heterocyclic chemistry (Pyridines, Pyrimidines, Pyrroles, Pyrrolidine and Indoles). In addition to our traditional products in the anthelmetic category, we have now introduced APIs in various other therapeutic categories.

On the other hand, we have retained our flexibility to offer varied volumes and quality of products to our clients. Our in-house team comprising of more than 50 scientists have been instrumental creating a large pipeline of niche products. We are among the few Indian players in animal health space to utilize captive research to develop non-infringing processes. This has not only enabled us to evolve into a preferred partner to our clients but also establish our brand in unregulated and semi-regulated markets.

Board of DIRECTORS' PROFILES

K R Ravishankar

Chairman & Managing Director

Mr. K R Ravishankar has been in the pharmaceutical business for over 20 years. He started as an entrepreneur, and then joined Strides Arcolab Ltd as co-promoter in 1991. He was Executive Director of Strides Arcolab Limited till he resigned from the executive post in Dec 2007 (he continues on the Board of Strides Arcolab Ltd). He took over as CMD of SeQuent Scientific Limited in January 2008.

Kannan Ramanujam

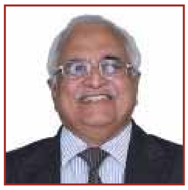
Independent Director

Mr. Kannan Ramanujam, a Chartered Accountant by qualification has over 24 years of business and professional experience. He is the Promoter, CEO and Managing Director of Emerge Learning Services Ltd, a company in learning space. The company offers complete solutions in Education, Training, e-governance and Information management areas. He is an Independent Director on the Board.

Dr. Gautam Kumar Das

Joint Managing Director

Dr. Gautam Kumar Das is a Joint Managing Director on the Board and has over thirty years of in depth experience in the pharmaceutical industry. Dr. Das has extensive experience in R&D, Plant Operations, Project Management, Material Management, Resource Management and Man Management. He has a proven track record in developing several cost effective processes, driving these processes from the laboratory to the plant and increasing productivity of plants. Dr. Das, a Doctorate in Synthetic Organic Chemistry from IIT Kharagpur, has authored several publications on chemical processes. In his immediate previous assignment, Dr. Das was with Orchid Chemicals & Pharmaceuticals Ltd., Chennai as President – API.



Dr. Gopakumar G Nair

Independent Director

Dr. Gopakumar Nair is an Independent Director on the Board. With his 40 years experience and knowledge in pharmaceutical and chemical industry at different levels and positions like Director, Chairman & Managing Director, as well as Past-President of Indian Drug Manufacturers' Association, Dr. Gopakumar Nair had the opportunity to familiarise himself with GATT, WTO, TRIPs and other IP laws over the years. It is with this wealth of experience that Dr. Nair became an IP/ Patent practitioner under the name Gopakumar Nair Associates.

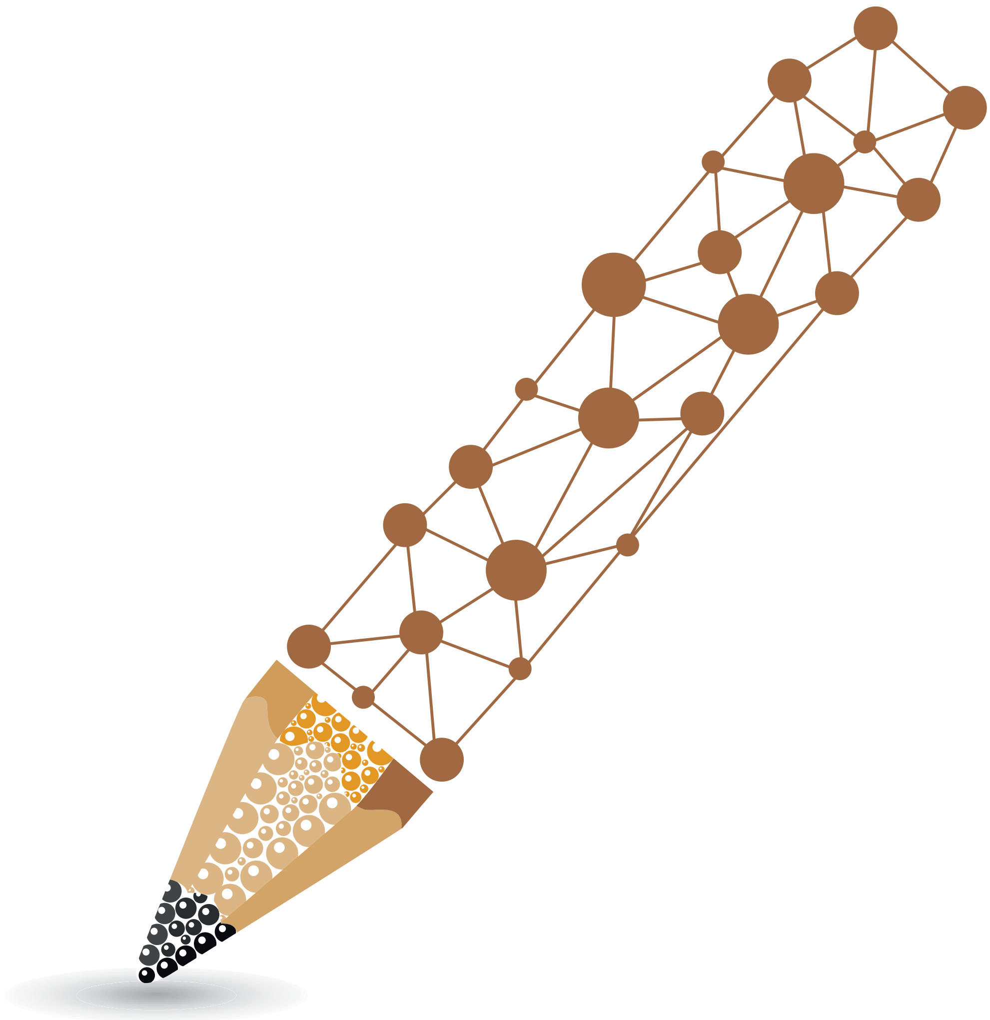
Our PRODUCTS

Acitretin
Albendazole
Artemether
Artesunate
Bupravaquone
Butaphosphan
Citicoline Sodium
Clorsulon
Diminazine Diaceturate
Fenbendazole
Flunixin Meglumine
Hydralazine HCl
Imiquimod
Isometamedium Chloride/HCl
Labetalol HCL
Lumefantrine
Nitroscanate
Nitroxynil
Oseltamivir Phosphate
Oxfendazole
Oxyclozanide
Praziquantel
Quent-19
Quent-30
Quent-68
Ractopamine HCl
Ricobendazole
S-Methoprene
Succinyl Choline Chloride
Toldimphos Sodium
Triclabendazole

Our PRODUCTS PIPELINE

Carprofen
Closantel Base/Sodium
Doramectin
Etomidate
Febantel
Fipronil
Florfenicol
Imidacloprid
Imidocarb Dipropionate
Ivermectin
Lufenuron
Mivacurium chloride
Monensin
Phloroglucinol
Propofol
Selamectin
Tiamulin
Toltrazuril
Tulathromycin
Zilpaterol

DIRECTORS' REPORT



Dear Members,

We take pleasure in presenting the 28th Annual Report of your Company along with the Audited Financial Statements for the financial year ended March 31, 2013.

1. FINANCIAL RESULTS

The Financial Performance of the Company (Standalone) for the Financial Year ended March 31, 2013 is given below:

(₹ In Million)

Particulars	2012-13	2011-12
Total revenues	3,140.50	3,324.30
Other Income	24.90	113.27
Earnings before Interest, Depreciation & Tax	(40.23)	467.97
Less : Interest	(320.45)	282.65
: Depreciation and amortisation expenses	(267.43)	210.28
Profit/(Loss) Before Tax & Exceptional Items	(628.11)	(24.96)
Profit/(Loss) Before Tax	(628.11)	(24.96)
Provision for - Current Tax	-	0.86
- Deferred Tax [Net]	(83.10)	(40.50)
Profit after Tax	(545.01)	14.68
Add: - Balance brought forward from Previous Year	385.24	370.56
Profit/(Loss) available for appropriation	(159.77)	385.24
Surplus/(Deficit) carried to Balance Sheet	(159.77)	385.24

2. BUSINESS PERFORMANCE REVIEW

During the financial year 2012-13, on a standalone basis, your Company's revenues stood at Rs. 3,165.40 Million as against Rs. 3,437.57 in 2011-12. The Company posted an EBITDA of Rs. (40.23) Million in the year as against Rs. 467.97 Million in 2011-2012. The Company registered a net loss of Rs. 545.01 Million.

On a consolidated basis, your Company's revenues for the year 2012-13 stood at Rs. 3,294.26 Million as against Rs. 3,562.93 Million in 2011-12. The Company posted an EBITDA of Rs. (106.97) Million as against Rs. 475.58 Million in 2011-2012. The Company made a loss of Rs.646.94 Million.

A detailed analysis on the Company's operational and financial performance for the year is covered under 'Management's Discussion and Analysis Report' which forms part of the Annual Report.

3. DIVIDEND

The Board of Directors of the Company has not recommended any Dividend for the financial year ended March 31, 2013.

4. SHARE CAPITAL

As at March 31, 2013, the authorized capital of the Company stood at Rs.320,000,000.00 divided in to 32,000,000 equity shares of Rs. 10/- each.

The issued, subscribed and paid up equity capital of the Company as at March 31, 2013 is Rs. 240,351,910.00 divided into 24,035,191 equity shares of Rs. 10/- each.

During the year, the Company has allotted 2,100,000 equity shares of Rs. 10 each at a premium of Rs. 110.75 per equity share upon conversion of equal number of warrants which were allotted to Promoter Group entilies on preferential basis.

Pursuant to this, the issued, subscribed and paid up equity capital of the Company increased from Rs. 219. 35 Million to Rs. 240.35 Mio

Issue of Warrants on preferential basis

On September 28, 2012, the Company issued 2,100,000 warrants convertible into equivalent number of equity shares at a price of Rs. 120.75 per warrant (including a premium of Rs. 110.75 per warrant) to promoter group entities. These warrants have already been converted into equity shares in 3 tranches during the year.

On March 30, 2013, the Company issued 2,750,000 warrants convertible into equivalent number of equity shares at a price of Rs. 172.00 per warrant (including a premium of Rs. 162.00 per warrant) to promoter group entities. As at March 31, 2013 these warrants are outstanding.

5. SUBSIDIARIES

During the year ended March 31, 2013 Elysian Life Sciences Private Limited became wholly owned subsidiary of the Company and Elysian Healthcare Private Limited, a step-down subsidiary of the Company, ceased to be a subsidiary of the Company.

6. CONSOLIDATED ACCOUNTS

In accordance with Accounting Standard 21 on consolidated financial statements read with Accounting Standard 27 on Accounting for Joint Ventures, the audited consolidated financial statements are provided in this Annual report.

In terms of the General Circular 2 of 2011 dated February 8, 2011 issued by the Ministry of Corporate affairs, the audited Financial Statements of the Company's subsidiaries have not been attached to this Report. The Financial Statements of the said subsidiaries will be kept for inspection by any investor at the registered office of the Company during business hours.

7. PUBLIC DEPOSIT

The Company has not accepted or renewed any public deposits under section 58A of the Companies Act, 1956.

8. DIRECTORS

Dr. Gopakumar G Nair retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

A brief profile of Dr. Gopakumar G Nair is given in the corporate governance report which forms part of this report.

Dr. Gautam Kumar Das was re-appointed as an Executive Director w.e.f. January 7, 2013 for a further period of 3 years. Further on May 30, 2013, Dr. Das was re-designated as Joint Managing Director.

9. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the act, as amended by the companies (amendment) Act, 2000, the director confirms that:

1. In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation related to the material departures.
2. Appropriate Accounting Policies have been selected and applied consistently and have made adjustments 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 March 31, 2013 and of the loss of the Company for the year ended March 31, 2013.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

4. The Annual Accounts have been prepared on a going concern basis.

10. AUDITORS

The Statutory Auditors viz., M/s. Deloitte Haskins & Sells, Chartered Accountants, Bangalore (Registration No. 008072S) retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your directors recommend their re-appointment.

Pursuant to the directives of the Central Government under the provisions of Section 233B of the Companies Act, 1956, in respect of the audit of Cost Records of the Company, Girish Kambadaraya, Cost Accountant, has been appointed as the Cost Auditor for the financial year 2013-14. The due date for filing the Cost Audit Reports in XBRL mode for the financial year ended March 31, 2012 was February 28, 2013 and the Cost Audit Reports were filed by the Cost Auditor on January, 31, 2013. The due date for filing the Cost Audit Reports for the financial year ended March 31, 2013 is September 30, 2013.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING / OUTGO

The particulars as prescribed under Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given as Annexure to the Directors' Report.

12. CORPORATE GOVERNANCE

The Company has complied with all the mandatory requirements of Corporate Governance specified by the Securities and Exchange Board of India through clause 49 of the Listing Agreement. As required by the said clause, a separate Report on Corporate Governance forms part of this report. A certificate from the Statutory Auditors of the Company regarding compliance with Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement entered with Stock Exchange also forms part of the Annual Report.

Board also confirms that the Company has devised proper systems to ensure compliance of all laws applicable to the Company.

13. MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to clause 49 of the Listing Agreement entered into with the Stock Exchanges, Management Discussion and Analysis Report forms part of this Report.

14. RESEARCH AND DEVELOPMENT

Detailed write-up on Research and Development activity is given as an annexure to the Directors' Report.

15. EMPLOYEE STOCK OPTION SCHEME

The Company has formulated an Employee Stock Option Plan titled 'SSL ESOP Scheme 2010' and the scheme is administered through a trust. As on date 700,000 shares have been issued to the trust. However no ESOPs are outstanding as on March 31, 2013.

Further, Statement giving additional information in terms of Regulation 12 of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is annexed to this report.

16. PARTICULARS OF EMPLOYEES U/S 217 OF THE COMPANIES ACT, 1956

Any shareholder interested in obtaining a copy of the statement of particulars of employees referred to in section 217 (2A) of the Companies Act, 1956, may write to the Company Secretary at the Registered Office of the Company.

17. APPRECIATION

Your Directors would like to express their grateful appreciation for the excellent support and cooperation received from the Shareholders, Customers, Financial Institutions, Banks, Government Authorities, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, Manufacturers and Suppliers to the Company.

At this point, we would like to place on record our sincere appreciation for the total commitment, dedication, untiring efforts and hard work put in by the employee members at all levels of the Company in realisation of the corporate goals in the years ahead.

For and on behalf of the Board of Directors

Dr. Gautam Kumar Das	Dr. Gopakumar Nair
Joint Managing Director	*Director*

Place: Bangalore
Date: August 14, 2013

ANNEXURE

to the Directors' Report

Particulars required by the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 forming part of the Directors report for the year ended March 31, 2013

RESEARCH AND DEVELOPMENT (R&D):

Core areas of R&D

Process chemistry aspects of Active Pharmaceutical Ingredients (APIs) which comprises

a. Developing alternate synthetic routes for the existing routes to achieve improvement in quality, cost and productivity.

b. Development of new and cost effective reagents for eliminating hazardous and expensive reagents in the processes.

c. Identification and characterization of impurities and improve the quality of APIs and their intermediates.

d. Continuous improvement on critical process parameters in the processes to improve yields and achieve high throughput.

e. Developing processes by backward integration to have effective control over quality and supply of intermediates and their cost.

Benefits derived as a result of R&D

a. Ensuring regulated market through new Drug Master Files (DMF's) using non-infringing processes.

b. Niche products for early filing and to have market advantages.

c. Generation of intellectual wealth for the company.

d. Interaction with high end customers with effective R&D services.

Future plan of Action

a. In the animal health segment, the company will continue to focus on therapeutic segments of anthelmintic and anti -parasiticide.

b. New Research activity on plant based Pharmaceuticals.

c. Focus on new projects for contract research and specialty chemicals.

d. Continued focus on alternate cost effective processes for existing products.

Foreign exchange earnings and outgo:

(₹ In Million)

	2012-13	2011-12
Earnings	1,345.01	1,381.65
Outgo	923.20	1,042.96

Expenditure on R&D:

(₹ In Million)

	2012-13	2011-12
Capital	10.03	19.57
Recurring	65.83	56.76
Total	**75.86**	**76.32**

FORM - A

Form for Disclosure of Particulars with respect to Conservation of Energy.

				2012-13	2011-12
A.	POWER AND FUEL CONSUMPTION :				
	1	ELECTRICITY			
		(a)	Purchased (Units)	20,142,135	19,318,280
			Total amount (Rs. in Millions)	131.89	115.57
			Rate / Unit (Rs.)	6.55	5.98
		(b)	Own Generation - through Diesel		
			Generator Set :		
			Unit	489,339	823,553
			Units per-litre of diesel oil	2.95	3.20
			Cost / Unit (Rs.)	15.07	12.87
	2	COAL			
		Quantity (tonnes)		NIL	NIL
		Total Cost (Rs. in Millions)		NIL	NIL
		Average rate (Rs.)		NIL	NIL
	3	FURNACE OIL / LIGHT DIESEL OIL			
		(a)	Light Diesel Oil:		
			Quantity (Litres)	114,062	135,356
			Total amount (Rs. in Millions)	7.14	7.29
			Rate / Litre (Rs.)	62.58	53.83
		(b)	Furnace Oil :		
			Quantity (Litres)	1,278,058	1,053,327
			Total amount (Rs. in Millions)	51.37	38.84
			Rate / Litre (Rs.)	40.19	36.87
	4	OTHERS / INTERNAL GENERATION			
		(a)	Natural Gas		
			Quantity (Scm)	713,176	828,508
			Total Cost (Rs. in Millions)	21.78	17.71
			Rate / Unit (Rs.)	30.54	21.37
		(b)	Briquettes		
			Quantity (Kg)	2,451,958	2,157,577
			Total Cost (Rs. in Millions)	12.70	10.50
			Rate / Unit (Rs.)	5.18	4.87

FORM-B

Form for Disclosure of Particulars with respect to Absorption.

MEASURES TAKEN DURING THE PERIOD 2012-13 FOR CONSERVATION OF ENERGY

- Street lights with LED Operating Principal installed at Mahad unit, saves almost 50 % power compared to conventional Light system.
- Purified water reject stream water used for domestic use at Mahad, Tarapur saves total water requirement.
- Vent condensers installed for all major distillation operation thus reducing venting in atmosphere and further cost reduction for solvent requirement.
- Screw/ Rotary Compressor for air and brine plant installed for Micronization operation/ Utility operation which are energy efficient in terms of operating cost.
- RO system installed at Mahad unit for effluent treatment, treated permeate water used for various utilities thus reducing total water requirement by 20 KL/DAY.
- Steam condensate recovery and reuse for utilities implemented at Mahad.
- A Project is already under execution at Mangalore to significantly reduce Energy consumption at our R & D centre by completely revamping the existing Air conditioning system and by selectively providing split ACs or fans wherever required. This step alone is estimated to save substantial electrical energy now being consumed at R & D centre.
- Replacement of Starters of Air Handling Units (AHUs) Ventilation systems at Mangalore by suitable Variable Frequency Drives (VFDs). This may lead to an estimated saving of 120 units of energy per day.
- By providing additional Capacitor Banks wherever required efforts are being made to improve Power Factor to a level of < 0.995 at all our sites.
- Nearly 40% of Power requirement for Mangalore unit is purchased directly from eco-friendly, non-fossil fuel, private power generating units.

PLANS FOR FUTURE- ONGOING (2013-14) CONSERVATION OF ENERGY

- Briquette fired Thermo pack planned at Mahad location will reduce operating cost and eliminate usage of fossil fuel (F.O.).
- Solvent transfer and handling system.
- Energy conservation audit.
- Energy efficient new Process and Utility equipment's.
- Planning for a full-fledged compact Effluent Treatment Plant (ETP) including Multiple Effect Evaporator to increase the capacity within the existing area and operation cost.
- A project has been initiated at Mangalore to reuse the product permeate water to reduce consumption of fresh water.
- Planning to purchase 60% to 80% of power requirement for Mangalore unit directly from eco-friendly, non-fossil fuel, private power generating units.

ENVIRONMENT HEALTH & SAFETY

- Plantation in the factory premises.
- Sprucing up of facilities including upgrading toilets and drinking water facilities at Mahad, Unit Training & Awareness program on Fire safety, recycling of waste and water conservation.
- Full fledge fire hydrant system and smoke detection system installed at Mahad unit to tackle any fire emergency.
- Full fledge Occupational Health Centre (OHC) Occupatstarted facility at Mahad unit.
- On line Total Organic Carbon (TOC) analyser to monitor discharge effluent characteristics installed at Mahad.
- As a part of Corporate Social responsibility & green nurturing program five public schools have been identified and following facilities have been upgraded.
    1. Plantation in the school premises.
    2. Sprucing up of facilities including upgrading toilets and drinking water facilities.
    3. Energy conservation programs including changing the lighting with CFL lamps.
    4. Training & Awareness program on fire safety, recycling of waste and water conservation.
- No reportable accidents during the year.

Details as per SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 forming part of the Directors' Report for the year ended March 31, 2013.

SL. NO	DESCRIPTION		SSL ESOP SCHEME 2010
A	Options granted as on March 31, 2013		None
B	The pricing formula		Decided by the Compensation Committee from time to time
C	Options vested		None
D	Options exercised		None
E	The total number of shares arising as a result of exercise of options		None
F	Options lapsed / surrendered		None
G	Variation of terms of options		None
H	Money realised by exercise of options (Rs.)		None
I	Total number of options in force at the end of the year		None
J	Employee-wise details of options granted during the year		
	i)	Senior managerial personnel	None
	ii)	Other identified employees	None
	iii)	Any other employees who received a grant in any one year of option amount to 5% or more of options granted during that year	None
	iv)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None
K	Diluted Earnings Per Share (DEPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard 20 'Earnings Per Share'		Not Applicable
L	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed. The impact of the difference on profits and EPS of the Company shall be disclosed		Not Applicable
M	Weighted average exercise prices of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock		Not Applicable

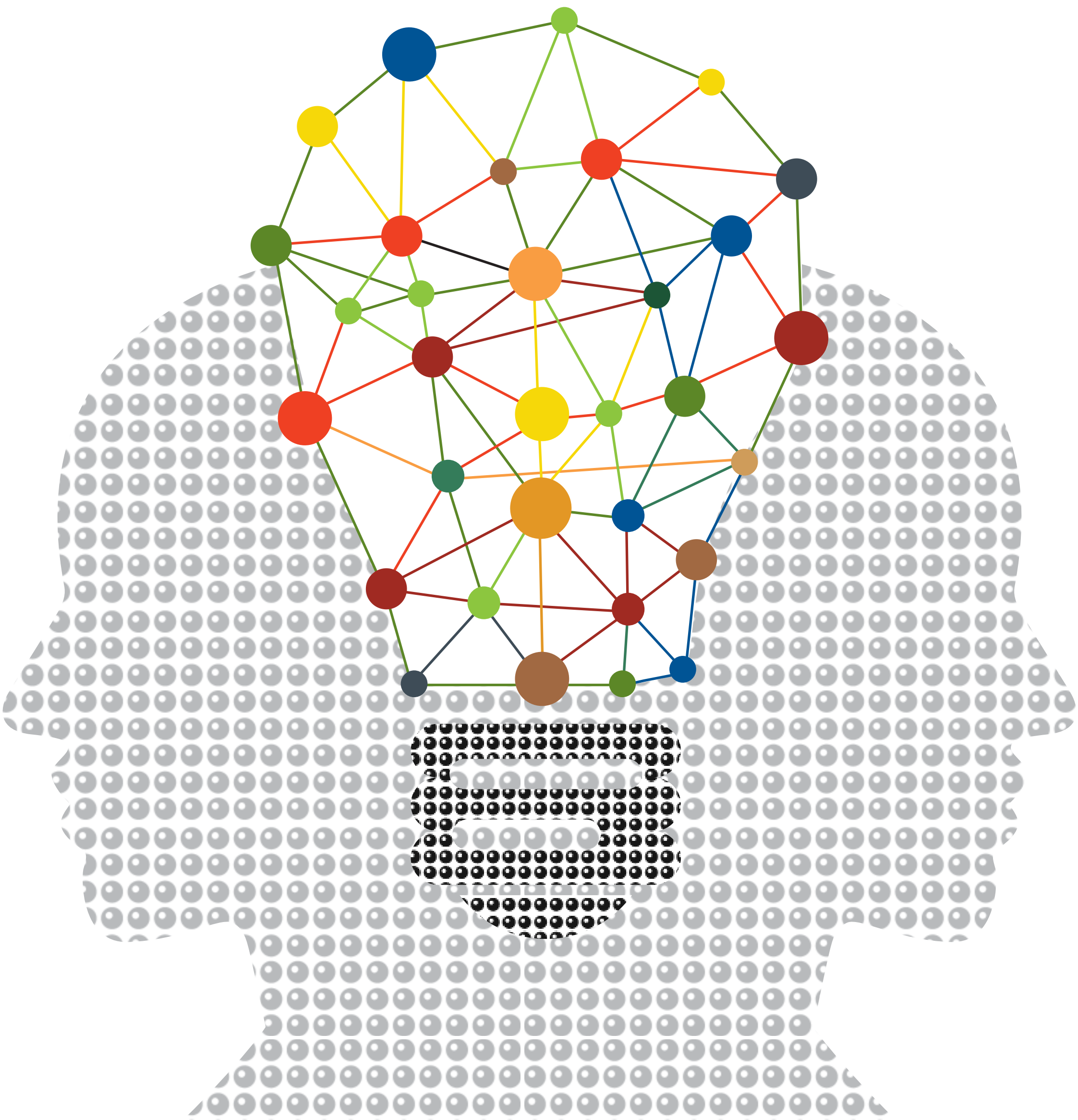
Details as per SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 forming part of the Directors' Report for the year ended March 31, 2013 (Contd.)

SL. NO	DESCRIPTION		SSL ESOP SCHEME 2010
N	Weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock		Not Applicable
O	A description of the method and significant assumptions used during the year to estimate the fair value of options, including the following weighted average information:		
	i)	risk free interest rate	Not Applicable
	ii)	expected life	
	iii)	expected annual volatility of shares	
	iv)	expected dividend / yield	
	v)	the price of the underlying share in market at the time of option grant	

EQUITY HISTORY

Date	Particulars	Number of Shares Issued	Cumulative Number of Shares	Issue Price Per Share
28.06.1985	Subscribers to the Memorandum	70	70	10.00
10.12.1985	Public Issue	239,930	240,000	10.00
14.01.2000	Preferential Issue	3,760,000	4,000,000	13.50
31.03.2004	Pursuant to a scheme of amalgamation	2,500,003	6,500,003	NA
31.01.2007	Conversion of warrants issued on preferential basis	1,000,000	7,500,003	47.00
09.07.2007	Preferential Issue	2,785,188	10,285,191	65.00
27.11.2007	Conversion of warrants issued on preferential basis	800,000	11,085,191	47.00
22.09.2009	Pursuant to a scheme of amalgamation	10,150,000	21,235,191	NA
29.03.2010	Issued to ESOP TRUST	700,000	21,935,191	113.00
21.11.2011	Cancelled (1,48,65,000 Equity Shares of Rs.10 in the paid up share capital of the Company pursuant to the sanction of scheme of amalgamation of Fraxis Life Sciences Limited with the Company)	(14,865,000)	7,070,191	NA
21.11.2011	Allotted (14,865,000 Equity Shares of Rs.10 each of the Company pursuant to the sanction of scheme of amalgamation of Fraxis Life Sciences Limited with the Company)	14,865,000	21,935,191	NA
10.10.2012	Conversion of warrants issued on preferential basis	1,000,000	22,935,191	120.75
16.11.2012	Conversion of warrants issued on preferential basis	700,000	23,635,191	120.75
08.03.2013	Conversion of warrants issued on preferential basis	400,000	24,035,191	120.75

MANAGEMENT DISCUSSION & ANALYSIS



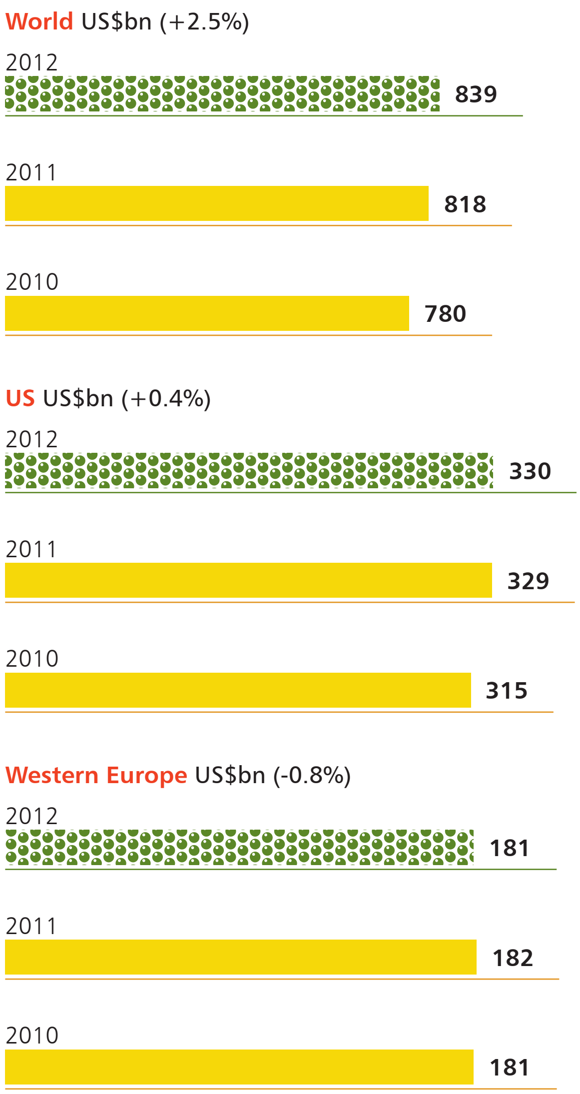
INDUSTRY OVERVIEW

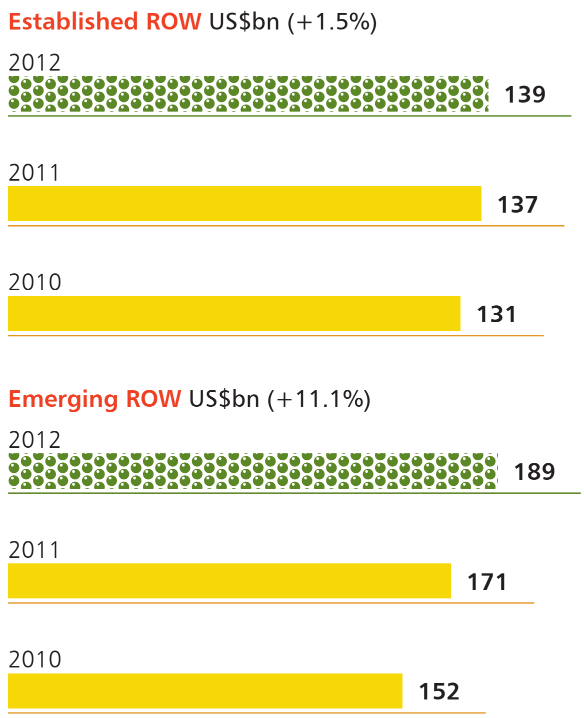
Global overview

During 2012, the global pharmaceutical marketgrew by 2.5 per cent to US$839 billion (bn),on account of double-digit growth registered in emerging markets.Average revenue growth in Established Markets was 1.5% while that in Emerging Markets was over seven times higher at 11.1%. The top five pharmaceutical markets in the world remained the US, Japan, Germany, France and China, with the US representing 39.3% of global pharmaceutical sales (2011: 38.1 %).

(Source: AstraZeneca & Company)

WORLD PHARMACEUTICAL MARKET SALES



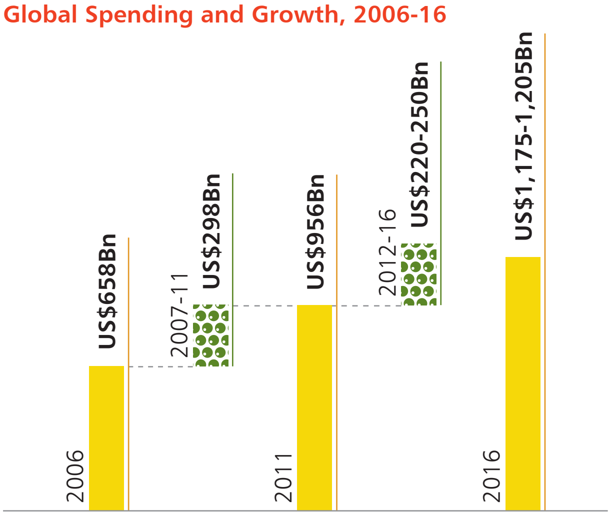


The world population is expected to rise from its current level of some seven billion and reach nine billion by 2050. In addition, the number of people who can access healthcare continues to increase, particularly among the elderly. Globally, it is estimated that between 2000 and 2050, the number of people aged 60 years and over will increase from 605 million (mn) to two billion.Faster-developing economies, such as China, India and Brazil, offer new opportunities for the pharmaceutical industry to help an expanding number of patients who can benefit from innovative medicines. Developing markets now represent approximately 85% of the world population and over 22% of the world's pharmaceutical revenues. Pharmaceutical revenues in those markets therefore continued to grow faster than those in Established Markets in 2012.

Global spending on medicines annually will grow to nearly US$1.2 trillion by 2016, as the pharmerging markets, biologics and generics contribute a greater share of spending.

- By 2016, developed markets will decline to 57% of global spending due to patent expiries, slower brand spending growth and increased cost containment actions by payers.
- Pharmerging markets share of spending will increase by 10 % points to 30% of global spending over the next five years, as population and economic growth will drive a dramatically higher use of medicines in these markets.
- There will be an accelerated shift in spending to generics; biologic medicines are expected to account for $200-210Bn of global spending, while biosimilars will be between $4-6Bn, or 2% of biologics spending.

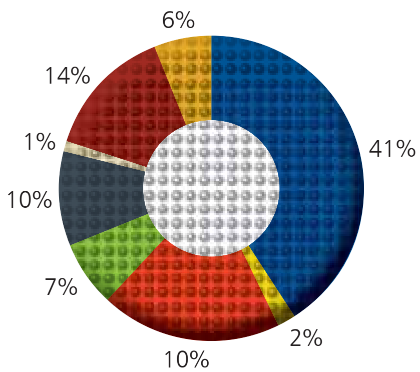
Global Spending and Growth, 2006-16



Source: IMS Market Prognosis, May 2012

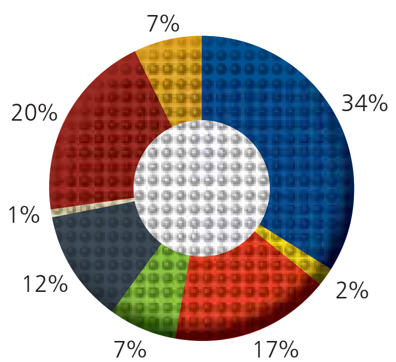
SPENDING BY GEOGRAPHY

US$658Bn



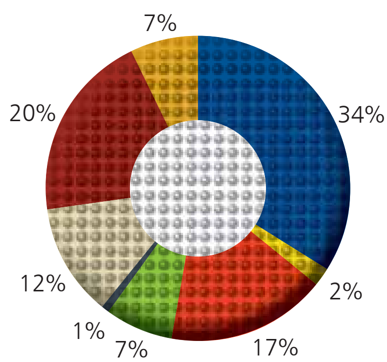
2006

US$956Bn



2011

US$1,175-1,205Bn



2016

United States · Japan · Canada · South Korea
EUS · Pharmerging · Rest of Europe · Rest of World

KEY 2016 NUMBERS

- Spending - US$1.2 Trillion
- Spending on Brands US$615-645Bn
- Spending on Generics US$400-430Bn
- Developed Country Spending Per Person US$609
- Pharmerging Country Spending Per Person US$91

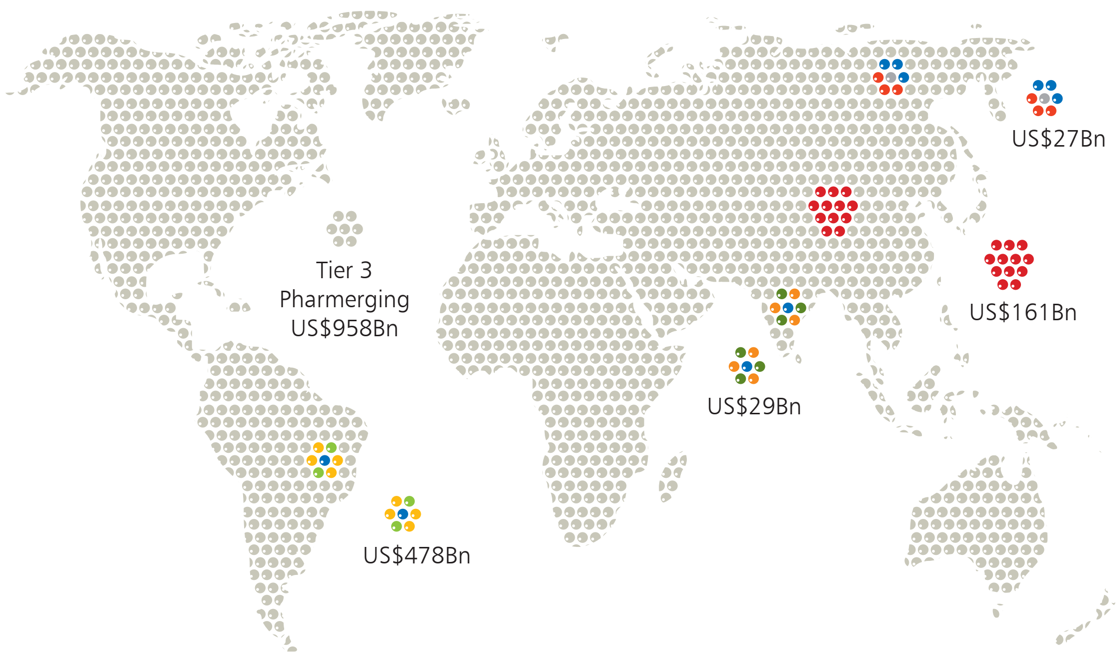
KEY 2012-2016 NUMBERS

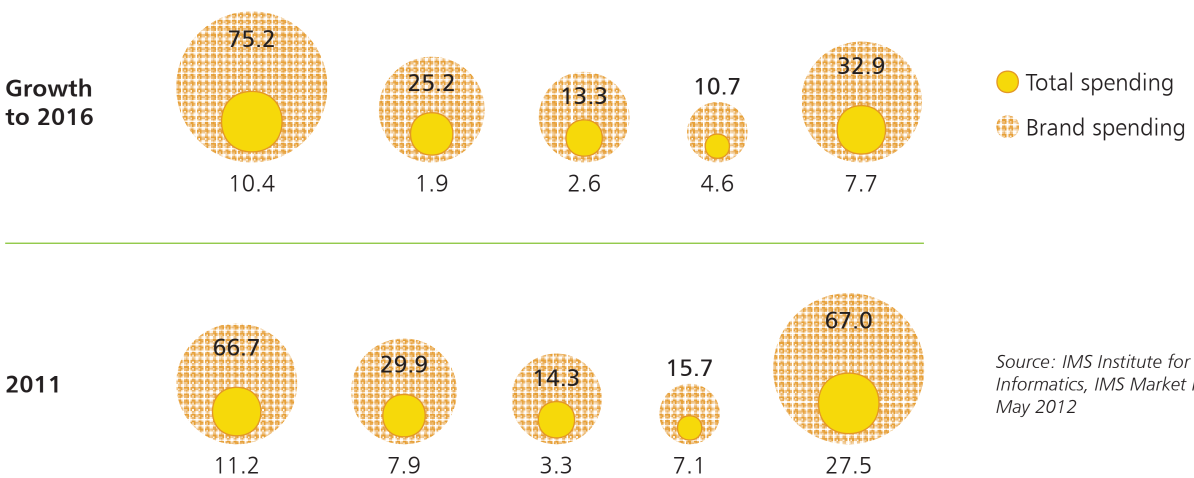
- New Molecular Entity Launches 160-185
- Global Spending Growth Compound Annual Growth Rate (CAGR) 3-6%
- U.S. Spending Growth CAGR 1-4%
- Pharmerging Spending Growth CAGR 12-15%
- “Patent Dividend” US$106Bn

(Source: IMS Health)

PHARMERGING SPENDING AND GROWTH

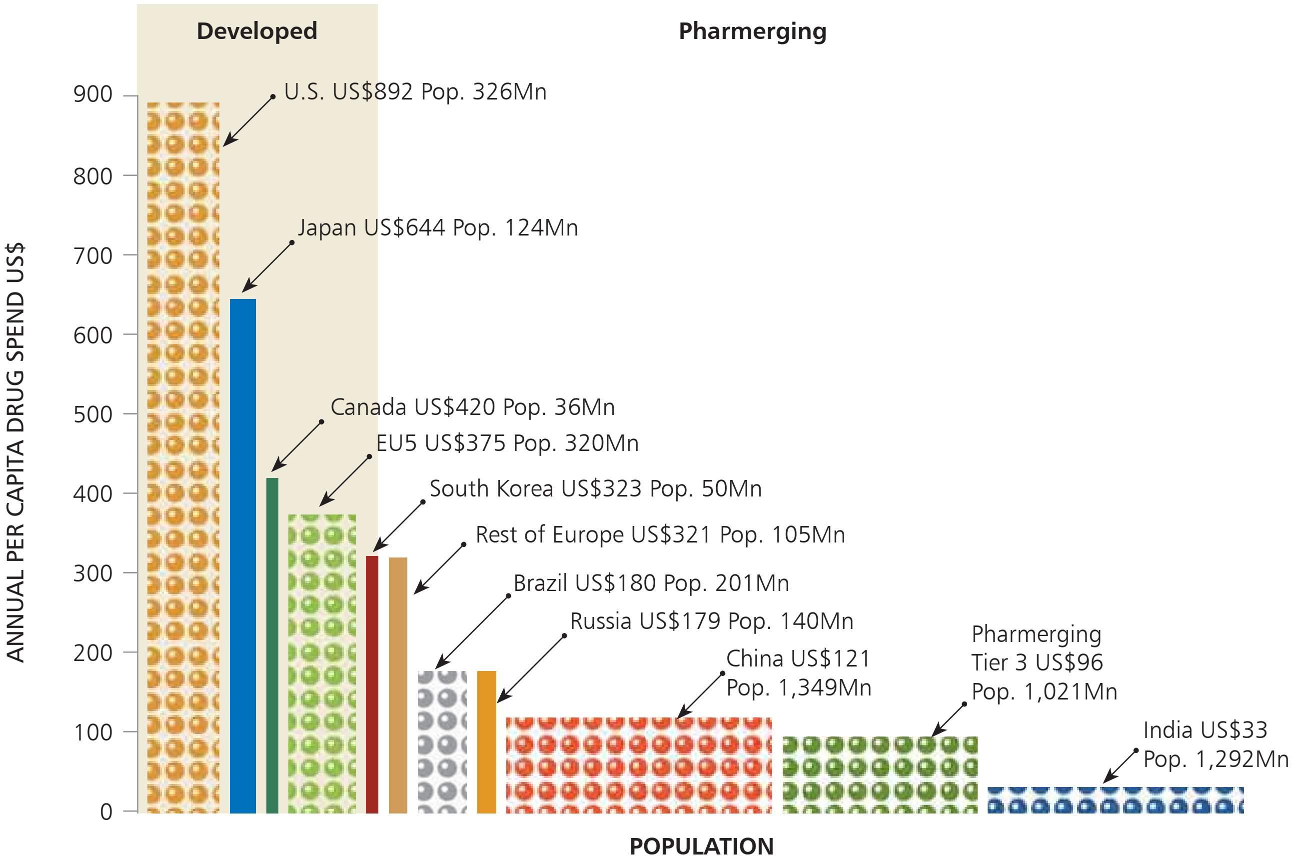
Spending in 2016





Source: IMS Institute for Healthcare Informatics, IMS Market Prognosis, May 2012

2016 PHARMACEUTICAL SPEND PER CAPITA 2005US$ AND POPULATION

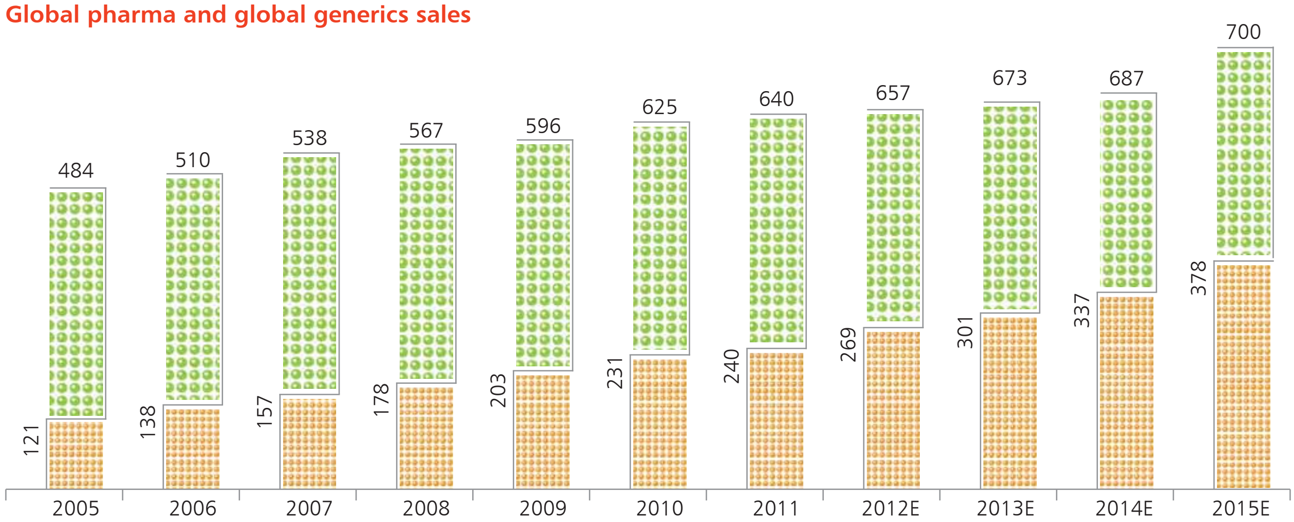


Source : IMS Market Prognosis, May 2012; Economist Intelligence Unit, Jan 2012

Generics

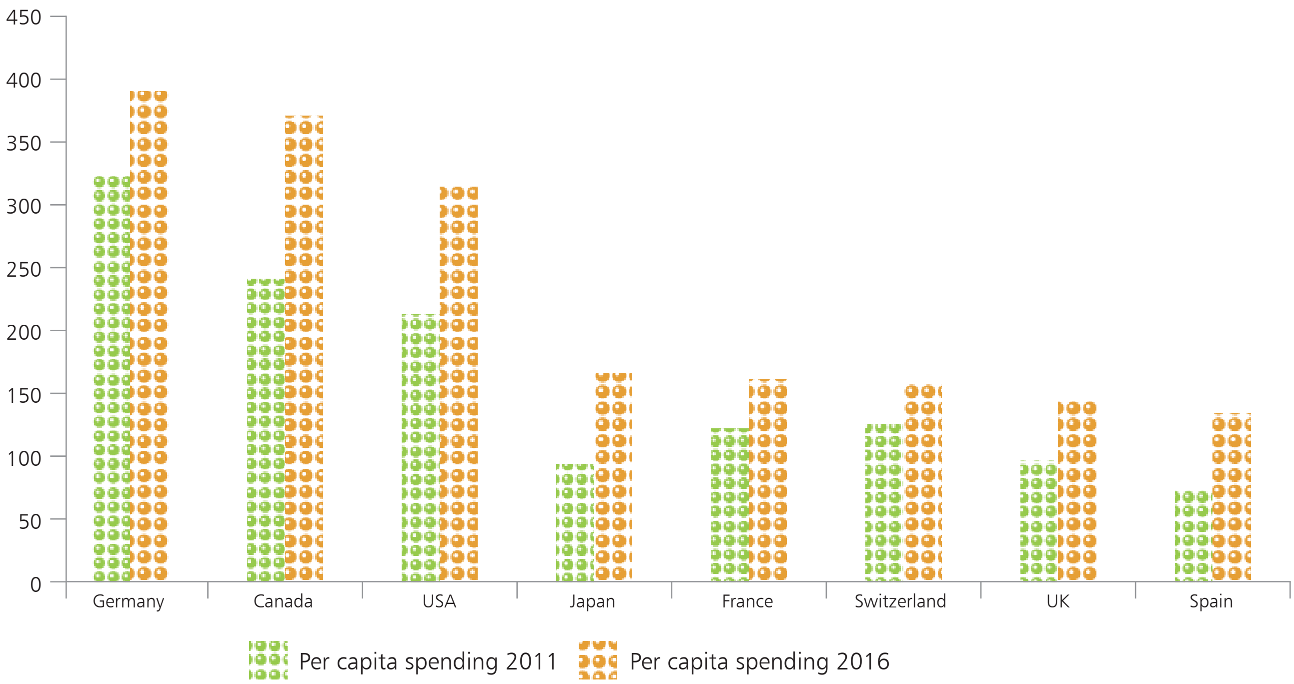
The generics market is expected to reach US$231 bn by 2017 compared to US$124 bn in 2010, with a compound annual growth rate of 9.3%. The increase is mainly attributed to patent expiries, but the effect of increasingly ageing populations and chronic diseases are also expected to contribute to growth in generics.

Global pharma and global generics sales



Source: IMS Health, Barclays Research

Spending on generics per capita (US$) in 2011 and 2016



The global markets for generic drugs will continue to grow despite cost reduction measures from governments and healthcare payers in many markets.As per the The World Generic Market Report, despite pressure on prices in many markets, the generics sector continues to thrive with increased sales across the globe in 2011.

INDIAN OVERVIEW

Estimated phrmaceutical sales - 2016*

North America US$371.8bn	Latin America US$117bn	Europe (Non EU countries) US$371.8bn
Europe (EU countries) US$211.5bn	CIS US$35.5bn	Middle East US$18bn
South East & East Asia US$194.1bn	Africa US$30.6bn	Oceania US$16.9bn
Japan US$127.4bn	Indian Subcontinent US$29.7bn	*Ex-manufacturer prices at CER.

Estimated phrmaceutical market growth 2011 - 2016*

South East & East Asia 13.9%	Africa 10.5%	Europe (Non EU countries) 2%
Indian Subcontinent 13.3%	Middle East 7.5%	North America 1.6%
Latin America 13.2%	Japan 2.6%	Europe (EU countries) 0.6%
CIS 10.5%	Oceania 2.5%	Compound annual growth rate.

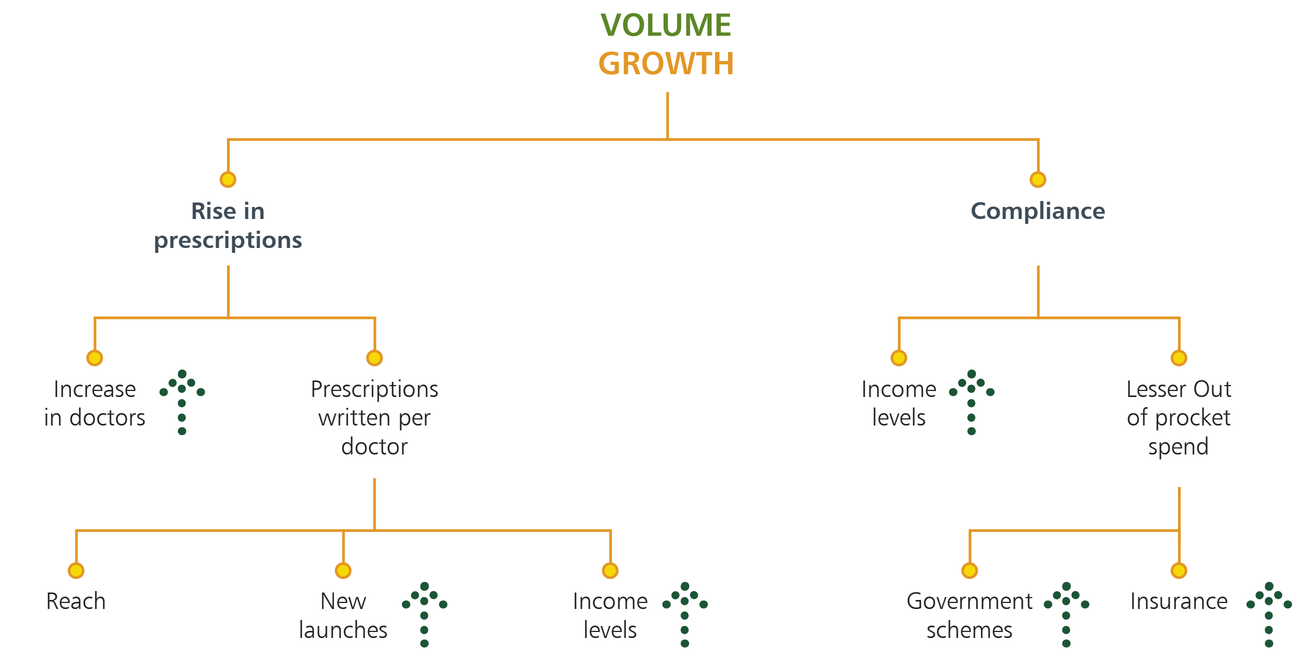
Source: IMS Health

India's pharmaceutical sector can be classified into three broad market segments namely Contract Research And Manufacturing Services (CRAMS), Formulations, and Active Pharmaceutical Ingredients (APIs).

The Indian Pharmaceutical industry is highly fragmented with about 24,000 players (around 330 in the organised sector). The top ten companies make up for more than a third of the market. The Indian pharma industry (IPM) grew by 16% YoY in 2012 to Rs. 629 bn. It accounts for about 1.4% of the world's pharma industry in value terms and 10% in volume terms. (Source: equitymaster.com)

Fiscal 2012-13 was a year of strong operating performance for the Indian pharmaceutical industry as it benefitted from patent expiration wave in the US, strong growth from the emerging markets and favourable foreign exchange scenario. During the year, Indian pharma companies also managed to gain traction in their European businesses despite the challenging environment. However, back home in India, the growth momentum showed signs of moderation owing to relatively weak seasonal demand, adverse impact of inflationary pressures on disposable incomes coupled with uncertainties surrounding the implementation of the new pricing policy in the second half the financial year.

Multiple drivers for volume growth in Indian pharma industry



Source: Jefferies

Advantage India

- Between 2010 and 2015 patent drugs worth US$171 bn are estimated to go off-patent leading to a huge surge in generic products.
- High margin pharma export business is expected to grow at a higher rate than domestic market given increased in outsourcing activities.
- Increased M&A activities are set to consolidate the market, which widens geographic reach, strengthens distribution network and venture into new therapeutic segments.
- Indian companies files the highest number of ANDA's with USFDA leading to greater chances of approvals and thereby increasing export to regulated markets especially the US.
- There are currently approximately 175 USFDA and nearly 90 UK-MHRA approved pharma-manufacturing plants in India, which can supply high quality pharma products globally.
- Growth from rural markets will outstrip overall pharma market growth, albeit at lower margins, given lower penetration of 18-19% coupled with rising income level and awareness.
- Biopharmaceuticals is another potential high growth segment for Indian pharma growing at double digit driven by the vaccines market.

INDIAN GENERICS MARKET

India tops the world in exporting generic medicines worth US$ 11 bn. The Indian generic drug market is to grow at a CAGR of around 17 per cent between 2010-11 and 2012-13.Over the next few years, it is expected that the patent laws will provide impetus to the launch of patent-protected products. Such products have the potential to capture upto a 10% share of the market by 2015, implying the market size of US$ 2bn.

APIs

In terms of global ranking, India is now the third largest API producers of the world just after China and Italy. However, in Drug Master File (DMF) filings India is currently ahead of China.In addition, India scores over China in 'documentation' and 'Environment, Health and Safety (EHS) compliance. All these have contributed to India having around 161 US-FDA approved world class manufacturing facilities all together, which is considered the largest outside the US. India is likely to be the fastest growing API supplier during the next five years.

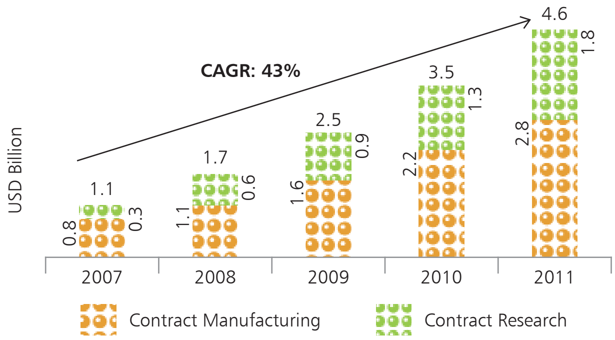
DIFFERENT GROWTH ENGINES

	Acute	Chronic
Industry growth driver	Rising Income and reach	Rising middle class
Company growth driver	Increasing sales force	Product launches, brand
Critical factor	Increasing reach	Quality, supply and new launches
Margins	High teens	30%+
Working capital requirement	Low	High
Industry growth	12-14%	18-20%
Cost factors	Manpower cost	R&D spend
Geography	Tier III, IV and Rural	Metros, Tier I & II

CONTRACT RESEARCH AND MANUFACTURING SERVICES (CRAMS)

According to industry estimates, India's CRAMS sector is likely to touch US$ 7.6 bn by 2012 end from US$3.5 bn in 2010.According to industry sources, outsourcing market is of ~$80 bn in 2011 and increasing at 15% CAGR. Of this, 35% is R&D out sourcing and remaining is for manufacturing. Considering cheap labor cost (skilled labor in emerging countries cost is as low as 20% of manufacturing cost in US market), many MNCs are shifting their manufacturing and R&D work to emerging countries including India.

Growth of Indian CRAMS Sector



Approximately 64 per cent of the estimated US$ 67 bn global CRAMS market in 2010 is dominated by contract manufacturing, which includes manufacturing of intermediates for new chemical entities (NCEs) or manufacturing of APIs.Contract Research predominantly consists of drug discovery, preclinical and clinical research and represent US$ 25 bn opportunity globally It is estimated that currently only ~20 per cent of global Pharma R&D spend is being outsourced. This represents a huge opportunity for the Indian Companies.

ADVANTAGE INDIA

- High Number of USFDA and UK MHRA approved plants (200+)
- Well-developed chemistry skills
- Robust talent pool
- Low production & R&D cost
- Quality Infrastructure & established track record of IPR compliance
- Sufficient product filing track record: Indian companies have been on the fore-front, both in terms of filing DMFs and ANDA

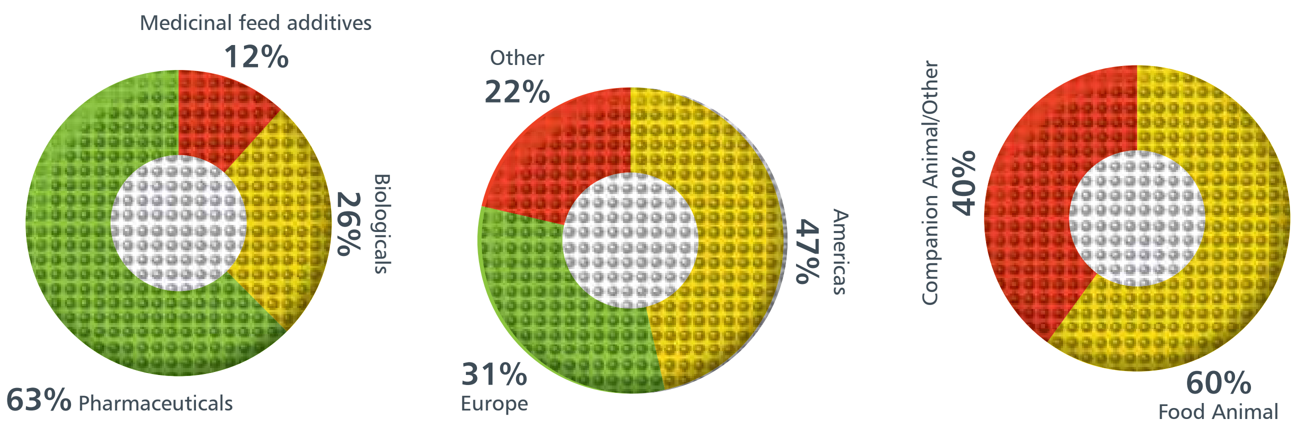
VETERINARY OR ANIMAL HEALTH INDUSTRY

Animal Health Industry in 2012 was valued US$ 22.5 bn

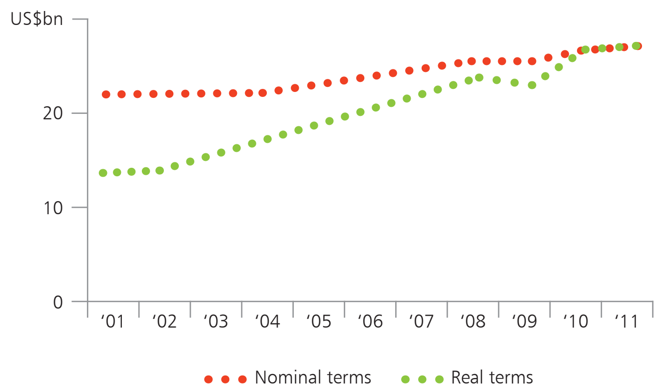
Nominal growth = +2 per cent

Real growth = +3 per cent

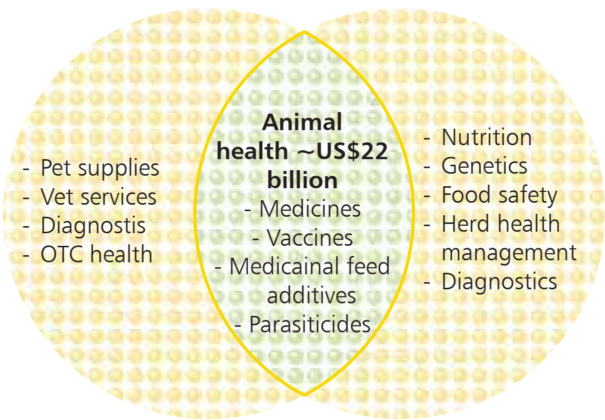
Animal Health Market by Product Group, Region & Species



Global Animal Health Market Evolution



Source: Vetnosis



The animal medicines and vaccines sector is estimated to represent a global market of $22 bn within the approximately $92 - 102 bn animal health industry. Between 2011 and 2016, the animal medicines and vaccines sector is projected to grow at a compound annual growth rate of 5.7 percent per year, according to Vetnosis, a research and consulting firm specializing in global animal health and veterinary medicine.As livestock production and the rate of pet ownership both continue to increase in response to rising demand and increased standard of living, animal health medicines and vaccines will also be needed in greater volumes.

The 10 largest animal health companies invest an average of 12% of their sales into research and innovation activities, a total amount of about $16 bn every year. Experts estimate 60% of all human diseases can move from human to animal and vice-versa (i.e. zoonotic). In fact, over the past three decades, approximately 75% of new emerging human infectious diseases have been zoonotic.

By the year 2050, the world will need to double food production to feed a global population estimated to be 9.1 bn. Meeting this need involves the cost-effective production of safe, high-quality animal protein.

There are several factors influencing the growing importance of livestock medicines and vaccines as a component of global food supply:

- Growth in the global population and increasing standards of living are increasing demand for improved nutrition, particularly animal protein
- Natural resource constraints, such as scarcity of arable land and fresh water and increased competition for cultivated land will restrict the resources available to meet this increased demand
- Heightened focus on food safety

The Indian market for animal nutrition and health product is highly fragmented, and with a very large number of relatively small players. The top 10 players are estimated to control around 25% of the market, and more than 350 others companies making up the balance.

CATTLE (DAIRY) AND POULTRY – THE KEY PROMISING INDIAN SEGMENTS

Dairy Segment

- No.1 milk producer in the world (106 mntonnes per year)
- Meat products (Pork/Beef/Mutton) have a growth rate of 10 per cent (CII &Mckinsey)
- Increasing urbanisation leading to greater consumerism (Packed milk & meat products)
- All Poultry & Livestock related industries establishing base to encash from one of world largest growing economy

Poultry Segment

- 5th largest Egg Producer Growth rate of eggs & broilers are 16 per cent and 20 per cent respectively (CII &Mckinsey)
- Productivity of hens equivalent to USA (300 - 305 eggs/year/hen)
- Indian eggs cheapest in the world (75 cents/kg)
- Production of egg powder for export greater than China

Union Budget 2012-13

- It is proposed to extend concessional basic customs duty of 5 per cent with full exemption from excise duty/CVD to six specified life-saving drugs/ vaccines. These are used for the treatment or prevention of ailments such as HIV-AIDS, renal cancer, etc
- Probiotics are a cost-effective means of combating bacterial infections. It is proposed to reduce the basic customs duty on this item from 10 per cent to 5 per cent
- Basic customs duty and excise duty reduced on Soya products to address protein deficiency among women and children. Basic customs duty and excise duty reduced on Iodine Furthermore, a ‘Pharma Vision 2020’ has been prepared by the Department of Pharmaceuticals, for making India one of the leading destinations for end-to-end drug discovery and innovation and for that purpose, the department will provide requisite support by way of world class infrastructure, internationally competitive scientific manpower for pharma research and development (R&D), venture fund for research in the public and private domain and such other measures.

CORPORATE PERFORMANCE REVIEW

Background

About the Company

SeQuent Scientific Limited (hereinafter referred to as ‘SeQuent’) is a fast growing pharmaceuticals company having presence in Human and Veterinary segments. In 2007, first generation entrepreneurs, each having more than a decade’s experience, acquired SeQuent Scientific Limited. The Company has evolved into an integrated player in the pharmaceuticals segment, with footprints in API (Human and Veterinary), Formulations (Veterinary) and CRAMS. Besides, the Company is also a leading producer of specialty chemicals. The Company has seven units across the country, including two state-of-the-art R&D centres – in Mangalore and Bengaluru. SeQuent is also the leading producer of Anthelmentic APIs in the world.

The year 2012-13

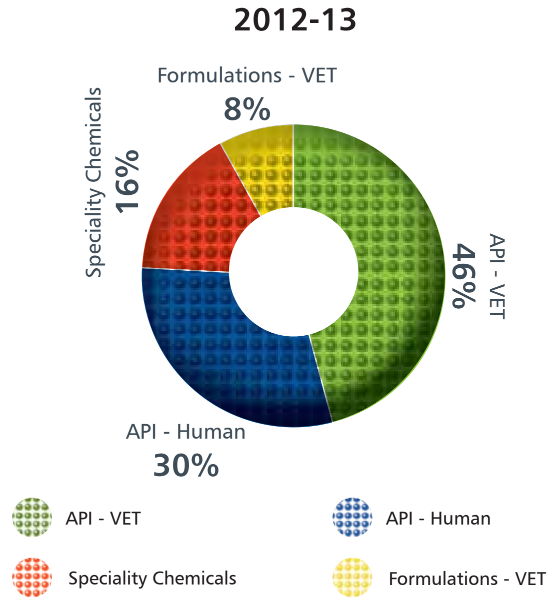
2012-13 was a mixed year for SeQuent. While we continued to face external challenges including rising input costs, higher competition in key markets and rising finance costs, we continued to strengthen our product profile, made inroads into newer markets and improved capacity utilization through debottlenecking initiatives. In wake of the cost pressures, coupled with capacity constraints, we registered a mute financial performance for the year. We continued to utilize this phase to invest in key strengths like people, processes, products and markets. However, there were certain achievements during this year, which make us confident of posting a better performance in the coming years.

- We received an US FDA approval for our API Drug Manufacturing facility at Mangalore, Karnataka (SeQuent Mangalore). This facility has earlier received quality approval from TGA, Australia and certified by World Health Organisation, Geneva under its Prequalification's of Medicines Programme.The SeQuent Mangalore facility is ISO 9001 certified for Quality Management systems and ISO 14000 certified for Environment Management systems. This state-of-the-art facility engaged in the development and manufacture of APIs and API Intermediaries.
- We entered into a business relationship with Shasun Pharmaceuticals Limited (Shasun) to form a Joint Venture Company (JVC) to develop, manufacture and sell veterinary products inclusive of both API (Active Pharmaceutical Ingredients) and formulations in the global market. Together, with Shasun we aim to quickly and effectively offer a range of veterinary products globally through the JVC. This joint venture brings both the companies one step closer to providing highest quality veterinary products and supports their strategy to enter key, fast- growing markets. SeQuent will own 73% of the JVC and Shasun will own the remaining 27% ownership in the JVC. The creation of the JVC is subject to the requisite corporate and statutory approvals, as may be applicable and is expected to operate from Q1 2014.
- The Company filed 4 new drug master files, taking the total DMFs filed as on March 31, 2013 to 37.
- Launched six new products during the year
- Commenced revenues from Vet Formulations division

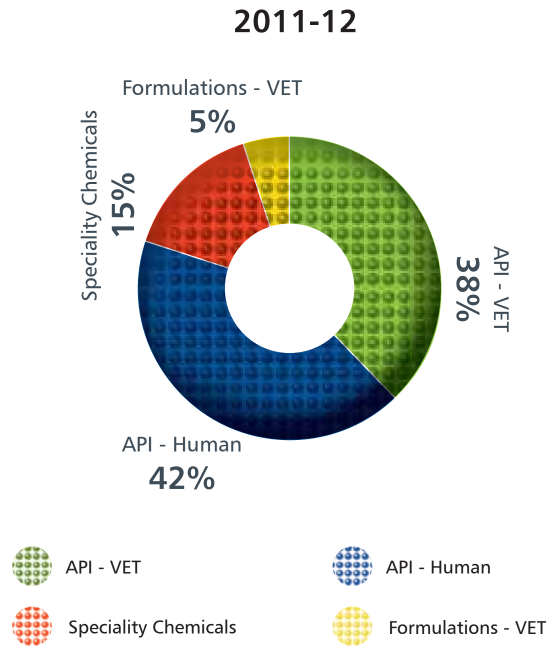
Financial performance

The Company's total revenues (on a consolidated basis) decreased by 5.5% to Rs. 3.27 bn during 2012-13 as against Rs. 3.46 bn during 2011-12. The company's pharmaceuticals segment registered a fall of 7.0% to Rs. 2.67 bn and the specialty chemicals registered a 2.6% growth to Rs. 0.52 bn. Revenues from Analytical services segment stood at Rs. 81.10 mn in 2012-13 against Rs. 82.87 mn in 2011-12.

Segmental performance



Segmental performance



KEY MANUFACTURING LOCATIONS

Facilities	Mangalore	Panoli	Ambernath	Tarapur	Mahad
Products	Niche APIs	Drug intermediate	APIs	APIs	Large volume APIs
Products	Large volume APIs	Specialty chemicals	Animal Health Formulations		
Products	Advanced Drug Intermediates				
Regulatory status	cGMP facility	ISO 9001:2000 certified	cGMP facility	cGMP facility	cGMP facility
Regulatory status	US FDA Inspected				
Regulatory status	ISO 9001:2000				
Regulatory status	ISO 14001 certified				
Regulatory status	WHO pre-qualified		Certificate of Suitability from EU		Certificate of Suitability from EU
Salient features	Hydrogenation facility			Large volume catalytic hydrogenation facility	

SWOT ANALYSIS

Strengths

- Presence in growth driven verticals – APIs, Formulations and CRAMS
- Each vertical has attained a respectable size
- Presence in human as well as veterinary pharmaceuticals segment
- 37 DMFs filed and more than 21 APIs under development
- Strong research, development and chemistry skills
- Qualified and experienced team of professionals and management
- State-of-the-art units having flexible production capacity
- World-class R&D centres at Mangalore and Bengaluru
- Continuous innovation and quality control
- Financially stable
- Preferred supplier to a world-class clientele

Weakness

- Multiple non-global scale plants

Opportunities

- Huge outsourcing opportunity in Indian APIs industry
- One of the few Indian players in a fast growing Veterinary segment
- Increased thrust on product partnerships by global pharma companies
- In the next two years, patent worth US$ 68 bn are expiring, resulting in a huge potential opportunity

Threats

- Higher competition from Chinese players in the less-regulated markets
- Dependence on China for raw material procurement

HUMAN RESOURCES

The Company employed 900+people as on 31stMarch, 2013. The Company believes in highest standards of people management and personal growth. It instills in each of the members of the SeQuent family, a feeling of ownership, responsibility and performance across our business divisions. The Company aspires to set the highest standards of internationally bench marked human resource practices, which would be exemplary for other manufacturers. The industrial relations were cordial and the management thoroughly acknowledges the support from the employees at all levels.

INTERNAL CONTROL SYSTEM

The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorised use or disposition of its assets. All transactions are properly authorised, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has also appointed independent Internal Auditors to review various areas of the operations of the Company. The management and the Audit Committee of the Board review the audit reports periodically.

RISK MANAGEMENT

1

INVESTOR PERCEPTION RISK

Being an integrated pharmaceutical player with presence in diversified segments can lead to negative investor perception relating to core business focus of the company.

Mitigation measures

- The company's core business is Pharmaceuticals (comprising of growth ready verticals in Human and Veterinary segments), while the specialty chemicals business remains non-core and generates liquidity for the Company on account of its novel products.
- Each business vertical is headed by core sector specialists and dedicated professionals, bringing the requisite expertise and focus.
- Over the years, the Company has invested in each of its core verticals and has attained a critical mass in each of them.
- A diverse business mix has enabled the company to insulate itself from cyclicality or lower demand in a particular segment.

2

REGULATORY RISK

Getting approval for facilities and products from various authorities is a time-taking exercise. The delay caused can lead to loss of potential revenues in wake of opportunity.

Mitigation measures

- This is an industry-wide risk owing to the highly regulated nature of the sector in high-consumption markets
- The risk of delay in regulatory inspection is non-controllable; however, the Company has invested in highest standards of quality practices and control and if confident of clearing inspections.

3

COMPETITION RISK

Competition from global as well as local players can have an adverse impact on the Company's margins.

Mitigation measures

- The global pharmaceuticals industry seeks not only cost arbitrage but also a proven expertise in creating quality products.
- However, being cost efficient is the key towards sustained growth, given the falling margins and lower R&D spends of the global innovator companies.
- Having proven our ability as an agile and efficient player, we have focused on offering niche products across our business verticals.
- These products require dedicated expertise and specialisation that the global players are not willing to impart on account of their scale and cost-benefit parameters.
- The Company's ability to offer products has elevated it among the favoured producers of niche molecules and APIs in Human and Veterinary segments.
- An inherent trait, we have remained focused on cost reduction on a continuous basis across our units.

4

QUALITY RISK

Any quality defect in the Company's products can lead to huge losses at client's end as well as its own loss of reputation.

Mitigation measures

- The Company has a 'zero tolerance' policy on quality.
- Each of its units is certified by credible authorities and has successfully passed key client audits.
- A dedicated department in each unit takes care of stringent quality control and quality assurance practices at every product/process level.

5

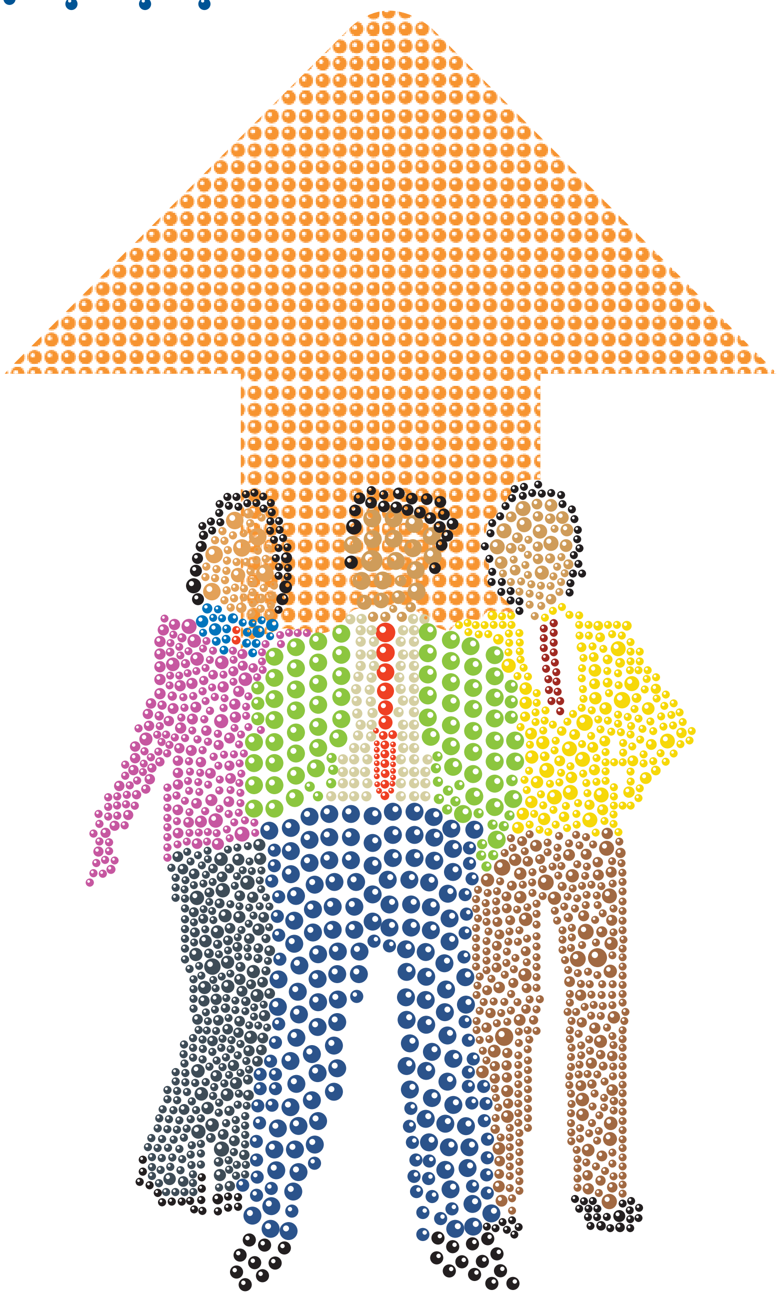
ENVIRONMENT AND SAFETY RISK

Non-compliance with environment protection policies or safety related issues could dent operation and can also impair quality standards.

Mitigation measures

- The Company lays a great emphasis on the proactive environment and health safety compliance.
- A dedicated EHS Policy is formulated and strictly adhered to protect its employees, the environment and the public at every stage of its business activity.
- During 2012-13, the company has critically examined and further strengthened its environment and safety practices/equipment/audits across all its units
- Environment Management Systems are in place at each site to continuously monitor progress in this area.

CORPORATE GOVERNANCE REPORT



The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes in creating wealth for all its shareholders. In pursuit of this objective, the Policies of the Company are designed to strengthen the ability of the Board of Directors to supervise the management and to enhance long-term shareholder value.

All decisions are taken in the interest of the shareholders. The Board and the management are aware and conscious of minority shareholder's interest, and everything is done to enhance shareholders value in totality. Hence, considerable emphasis is placed on accountability in decision-making and ethics in implementing them.

Adequate and timely information is critical to accountability. SeQuent Scientific Limited believes to act in the spirit of law and not just the letter of law. We aim at providing complete transparency in our operations.

2. BOARD OF DIRECTORS:

Composition of Board

The composition of Board of directors of the Company is an appropriate combination of Executive and Non executive Directors with right element of independence. As on date the Board consists of four Directors. Fifty percent of the Board consists of Non-Executive Independent Directors.

Meetings held during the year

During the financial year ended March 31, 2013, 4 (Four) board meetings were held. These meetings were held on May 24, 2012, August 14, 2012, November 7, 2012 and February 14, 2013.

Composition of the board and directorships held as at March 31, 2013

Sl. No	Name of the Director	Category of Directorship	Number of other Directorships	Number of memberships in other Board committees	Chairmanships in other Board Committees
1	Mr. K R Ravishankar	Promoter & Executive Director	4	1	-
2	Dr. Gopakumar G Nair	Independent Director	3	-	2
3	Mr. Kannan Ramanujam	Independent Director	1	-	-
4	Dr. Gautam Kumar Das	Executive Director	2	-	-

Notes:

1. No. of other directorships include directorships in Public Limited Companies and Private Limited Companies which are subsidiaries of Public Limited Companies and exclude directorships in Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorships, if any.
2. The Disclosure excludes directorship and the committee chairmanships and memberships in the Company.
3. The disclosure includes memberships and chairmanships of Audit Committees and Shareholders/ Investors Grievance Committees and excludes all other memberships and chairmanships in other committees.
4. No. of committee memberships and chairmanships in all Public Limited Companies considered for the purpose of disclosure and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act have been excluded.
5. None of the directors holds directorships in more than fifteen companies, memberships in more than ten Committees and chairmanships in more than five Committees across all companies in which he is a director.
6. None of the directors is related to any other Director in the Company.

Attendance at Board meetings and last Annual General Meeting

The attendance of each Director at Board Meeting held during the year and the last Annual General Meeting (AGM) is as under:

Sl. No	Name of the Director	No. of Meetings Held	Attendance at the Board Meetings	Attendance at the Last AGM
1	Mr. K R Ravishankar	4	2	--
2	Dr. Gopakumar G Nair	4	4	Present
3	Mr. Kannan Ramanujam	4	4	Present
4	Dr. Gautam Kumar Das	4	4	Present

3. AUDIT COMMITTEE:

Terms of Reference

The Company has an independent Audit Committee. The composition, procedures, powers and role/ functions of the Audit Committee, constituted by the Company, comply with requirements of the Companies Act, 1956 and those of the Listing Agreement.

The Audit Committee has the following responsibilities/ powers:

- Overseeing the Company's overall financial reporting process and to ensure that financial statements are correct, sufficient and credible.
- Reviewing with management on the quarterly and annual financial statements, before submitting to the Board, with primary focus on accounting policies and practices and compliance therewith, stock exchange requirements and other legal requirements concerning financial statements.
- Reviewing the adequacy of the internal control system, internal audit and their reports.

Role of Audit Committee

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment of statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
   b. Changes, if any, in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on the exercise of judgment by management.
   d. Significant adjustments made in the financial statements arising out of audit findings.
   e. Compliance with listing and other legal requirements relating to financial statements.
   f. Disclosure of any related party transactions.
   g. Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into 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.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors, if any.
13. To seek information from any employee;
14. To obtain outside legal or other professional advice;
15. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition of Audit Committee, Meetings held and attendance during the year

During the financial year ended March 31, 2013, 4 (Four) Audit Committee Meetings were held. These meetings were held on May 24, 2012, August 14, 2012, November 7, 2012 and February 14, 2013.

As on date the Committee has three members consisting of two non-executive Independent Directors and the Managing Director of the Company.

Details of Members and meetings attended by them during the year are as under:

Sl. No.	Member	Chairman/ Member	No. of Meetings Held	No. of meetings attended
1	Mr. Kannan Ramanujam	Chairman	4	4
2	Dr. Gopakumar G Nair	Member	4	4
3	Mr. K R Ravishankar	Member	4	2

The Company Secretary of the Company also acts as the secretary to the Committee.

4. REMUNERATION COMMITTEE:

Terms of Reference

The Company has constituted a committee called Remuneration Committee to determine on the behalf of the Board and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

The Committee also functions as the Compensation Committee as prescribed under the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999.

Composition of Remuneration Committee

As on date, members of the Remuneration Committee are Mr. Kannan Ramanujam and Dr. Gopakumar G Nair, who are non-executive independent directors of the Company. During the financial year ended March 31, 2013 the committee met on August 14, 2012.

Details of Members and meetings attended by them during the year are as under:

Sl. No.	Member	Chairman/ Member	No. of Meetings Held	No. of meetings attended
1	Mr. Kannan Ramanujam	Chairman	1	1
2	Dr. Gopakumar G Nair	Member	1	1

Remuneration Policy

The Remuneration Committee recommends the compensation package to the executive directors of the Company. The remuneration will include salary, perquisite, allowances and commission. The remuneration policy is directed towards rewarding performance based on review of achievements. It is aimed at attracting and retaining high caliber talent.

Remuneration paid to Directors

(₹ In Milion)

Name of the Director	Salary	Benefits	Bonus	Sitting Fees	Total
Mr. K R Ravishankar (Managing Director) (refer note 1)	47.86	-	-	-	47.86
Dr. Gautam Kumar Das (Joint Managing Director) (refer note 2)	14.95	-	-	-	14.95
Dr. Gopakumar G Nair (Independent Director)	-	-	-	0.08	0.08
Mr. Kannan Ramanujam (Independent Director)	-	-	-	0.08	0.08

Note 1 – Includes Rs. 23.80 Million of earlier years which is accounted in the current year pursuant to the central government approval.

Note 2 – Includes Rs. 4.32 Million of earlier years which is accounted in the current year pursuant to the central government approval.

As at March 31, 2013 none of the directors holds stock options of the Company.

5. THE SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

The Shareholders/ Investors grievance committee has been constituted in terms of the provisions related thereto in the Listing agreement entered with the Stock Exchanges under the chairmanship of a non-executive independent director to specifically look into the redressal of shareholder and investors complaints like transfer of shares, non-receipt of annual reports, non-receipt of declared dividends etc.

As on the date Committee comprises of two independent directors and the Managing Director of the Company. Members of the Committee are Dr. Gopakumar G Nair, Mr. Kannan Ramanujam and Mr. K R Ravishankar. The Committee is headed by Mr. Kannan Ramanujam, a non-executive independent director of the Company.

During the financial year ended March 31, 2013, 4 (Four) Meetings were held. These meetings were held on May 24, 2012, August 14, 2012, November 7, 2012 and February 14, 2013.

Sl. No.	Member	Chairman/ Member	No. of Meetings Held	No. of meetings attended
1	Mr. Kannan Ramanujam	Chairman	4	4
2	Dr. Gopakumar G Nair	Member	4	4
3	Mr. K R Ravishankar	Member	4	2

Mr. Preetham Hebbar, Company Secretary also acts as the Compliance Officer of the Company.

The Committee has delegated the power of share transfer to the Compliance Officer of the Company. The delegated authority will attend for the matter of share transfer formalities on a regular basis.

Shareholders Complaint details

Type of Complaint	No. of shareholders' complaints received during the year	No. of Complaints not solved to the satisfaction of shareholders	No. of pending complaints
Non receipt of Dividend Warrants	5	-	-
Non receipt of Share Certificates	-	-	-
Non receipt of Annual Reports	-	-	-
Others	-	-	-
Total	**5**	**-**	**-**

All the complaints were solved to the satisfaction of the Shareholders.

The designated email address for shareholders complaints is investors@sequent.in

6. GENERAL BODY MEETINGS

The location and time of the last three Annual General Meetings of the Company are as below:

Financial Year	Date	Location of Meeting	Time
2009-10	27.09.2010	Hotel Satkar Residency, Thane (W)	11.00 a.m.
2010-11	29.11.2011	Hotel Fortune Park Lake city, Thane (W)	11.30 a.m.
2011-12	26.09.2012	Hotel Fortune Park Lake city, Thane (W)	11.30 a.m.

Details of Special resolutions passed in Annual General Meetings held during the last three years:

Date of AGM	Whether any special resolution passed	Special Resolutions passed
27.09.2010	Yes	1. Authorization to make loan, give guarantee or provide security exceeding the limits as prescribed under 372A of Companies Act, 1956.
29.11.2011	Yes	1. Confirmation of appointment of Mr. K.R.N. Moorthy as Whole Time Director
26.09.2012	Yes	1. Allotment of 2,100,000 warrants to promoter group entities
		2. Increase in managerial remuneration of Dr. Guatam Kumar Das

Details of resolution passed through Postal Ballot:

During the year ended March 31, 2013, the Company sought the approval of its members, through a postal ballot, to provide a corporate guarantee of Rs. 900,000,000 (Rupees Nine Hundred Million) in favor of State Bank of Hyderabad and State Bank of Travancore in respect of credit facilities sanctioned by them to Sequent Penems Private Limited, a subsidiary of the Company under Sec 372A of the Companies Act, 1956.

Sl. No	Item	No. of Valid Votes Polled	Votes Cast	
			For	Against
1.	Approval under Sec 372A of the Companies Act, 1956	11,732,647	11,731,128 (representing 99.99% of the total valid votes polled)	1,519 (representing 0.1% of the total valid votes polled)

The resolution was passed on September 25, 2012. Mr. Binoy Chacko, Practicing Company Secretary was appointed as Scrutinizer to conduct the postal ballot exercise.

The Company follows the procedure as provided in Companies (Passing of Resolution by Postal Ballot) Rules, 2001 and any amendments thereto to conduct postal ballots.

7. DISCLOSURES:

i. The Company has not entered into any transaction of a material nature with the promoters, Directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in Note 28.3 (Standalone) and Note 29.4 (Consolidated) to the financial statements in the Annual Report.

ii. The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on matters relating to capital markets during the last 3 years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authorities relating to the above.

iii. Company is in compliance with all mandatory requirements of clause 49 of the listing agreement.

iv. As regards adoption of non-mandatory requirements as contained in Annexure 1-D to clause 49 of the listing agreement, the Company has implemented the requirements with relation to constitution of remuneration committee and matters related therewith.

v. The reports of internal auditors are regularly being placed before the Audit Committee on a quarterly basis and the risk assessment and mitigation recommendations forms part of their presentation to the Audit Committee. M/s. Mahajan & Aibara, Chartered Accountants were the internal auditors of the Company for the financial year 2012-13. For the financial year 2013-14 the Company has appointed Grant Thornton International as internal auditors of the Company.

8. RE-APPOINTMENT OF DIRECTOR

Dr. Gopakumar G Nair, an Independent Director of the Company retires by rotation at this ensuing Annual General Meeting and being eligible offered himself for re-appointment at the Annual General Meeting.

Dr. Nair is a non-executive Independent Director on the Board. With his 40 years' experience and knowledge in pharmaceutical and chemical industry at different levels and positions like Director, Chairman & Managing Director, as well as Past-President of Indian Drug Manufacturers' Association. Dr. Gopakumar Nair had the opportunity to familiarize himself with GATT, WTO, TRIPs and other IP laws over the years. It is with this wealth of experience that Dr. Nair became an IP/ Patent practitioner under the name Gopakumar Nair Associates. He is also Editor of various Scientific Research and Industry Publications.

As on March 31, 2013 Dr. Nair holds 23,348 shares of the Company.

Details of other directorship/ committee memberships of Dr. Nair

Sl. No.	Name of Company	Committee Membership
1.	Ultramarine & Pigments Limited	Audit Committee (Chairman) Shareholders Grievance Committee (Chairman)
2.	Glochem Industries Limited	Nil
3	Gnanlex Hermeneutics Private Limited	Nil

Details of Shareholding of Non-Executive Directors

In terms of Clause 49(IV)(E)(iv) of the Listing Agreement, the details of shares held by Non-Executive Directors are as under:

Name	No. of shares held as at March 31, 2013
Dr. Gopakumar G Nair	23,348
Mr. Kannan Ramanujam	Nil

9. MEANS OF COMMUNICATION:

(a) The quarterly results are forthwith communicated to the Bombay Stock Exchange as soon as they are approved and taken on record by the Board of Directors of the Company.

(b) The results are published in the newspapers namely The Free Press Journal, The Business Standard (English) and Nav-Shakti (Marathi).

(c) The results and Share Holding Pattern of the Company are displayed on the website of the Company i.e. www.sequent.in.

(d) The official news releases, if released will be intimated to stock exchange and also displayed on the website of the Company.

10. GENERAL SHAREHOLDER INFORMATION:

AGM Day, Date and Time	Friday, September 27, 2013, 11.30 a.m.
Venue	Hotel Satkar Residency, Pokhran Road No. 01 Next to Cadbury, Opp. Singhania High School, Thane (W), Maharashtra - 400 606
Financial Year	April 1, 2012 to March 31, 2013
Date of Book Closure	September 25, 2013 to September 27, 2013
Dividend payment date	NA
Listing on Stock Exchanges	The equity shares of the Company are listed on the Bombay Stock Exchange Limited Stock Code : 512529 ISIN : INE807F01019
	The Company has paid listing fee for the year 2013 -2014 to the Stock Exchange and there are no outstanding payments from the Company.
Registrar & Transfer Agents	M/s. Adroit Corporate Services Private Limited 19, Jaferbhoy Industrial Estate, 1st Floor, Makhwana Road, Marol Naka, Andheri (E), Mumbai – 400 059. Contact Person: Mr. Pratap Pujare Phone No. +91 22 42270423 Email Address: pratapp@adroitcorporate.com
Share transfer system	The shares of the Company tradable compulsorily in demat mode. Physical share transfers are attended on a regular basis and the Company Secretary is authorized to approve such transfers.
Address for correspondence	Mr. Preetham Hebbar Company Secretary SeQuent Scientific Limited Corporate Office, Star -2 , Opp: IIM – B, Bannerghatta Road, Bilekahalli, Bangalore – 560 076 Phone No. +91 80 67840338 Email Address: Preetham.Hebbar@sequent.in

Market Price Data (High, Low during each month in financial year 2012-13)

Month	High	Low
Apr 12	95.00	68.50
May 12	93.95	75.00
Jun 12	107.50	74.05
Jul 12	129.90	101.00
Aug 12	133.70	104.00
Sep 12	149.80	105.40
Oct 12	191.60	142.00
Nov 12	199.00	141.00
Dec 12	257.00	171.10
Jan 13	239.00	163.00
Feb 13	187.75	145.00
Mar 13	168.00	105.00

Performance in comparison to SENSEX: Monthly closing price analysis

Month	Sensex	SeQuent
Apr 12	17,318.81	91.15
May 12	16,218.53	78.15
Jun 12	17,429.98	107.50
Jul 12	17,236.18	105.00
Aug 12	17,429.56	109.05
Sep 12	18,762.74	144.10
Oct 12	18,505.38	161.35
Nov 12	19,339.90	184.70
Dec 12	19,426.71	228.20
Jan 13	19,894.98	179.65
Feb 13	18,861.54	154.55
Mar 13	18,835.77	129.85

Distribution Schedule as at March 31, 2013:

Slab of Shareholding	No. of Shareholders	% to total number of Shareholders	Total No. of Shares	Amount (in Rs.)	% to total paid up capital
Upto 5,000	2,022	79.88	285,273	2,852,730.00	1.19
5,001 – 10,000	202	8.07	159,143	1,591,430.00	0.71
10,001 – 20,000	132	5.26	191,925	1,919,250.00	0.86
20,001 – 30,000	42	1.66	104,500	1045,000.00	0.43
30,001 – 40,000	23	0.95	48,959	489,590.00	0.35
40,001 – 50,000	19	0.75	92,133	921,330.00	0.38
50,001-100,000	30	1.19	210,478	2,104,780.00	0.88
100,001 & above	51	2.14	22,942,780	229,427,800.00	95.20
Total	**2,521**	**100.00**	**24,035,191**	**240,351,910.00**	**100.00**

Particulars	No. of Shareholders	% to total number of Shareholders	Total No. of Shares	Amount (in Rs.)	% to total paid up capital
Shares held in Electronic Mode	2,515	99.76	23,324,936	233,249,360.00	97.04
Shares held in physical mode	6	0.24	710,255	7,102,550.00	2.96
Total	**2,521**	**100.00**	**24,035,191**	**240,351,910.00**	**100.00**

Shareholding pattern as at March 31, 2013:

Category	Number of shareholders	Number of shares held	% to total paid up capital
Promoters & Promoter Group Companies	7	14,534,511	60.47
Bodies Corporate	158	934,362	3.89
Banks / Mutual Funds/ Financial Institutions (FIs)	-	-	-
Foreign Institutional Investors (FIIs)	1	41,000	0.17
Non-Resident Individuals (NRIs)/ Foreign Corporate Bodies/ Overseas Corporate Bodies (OCBs)/ Foreign Banks	48	5,070,622	21.10
Resident Individuals	2,286	2,724,526	11.34
Directors (Excluding promoter directors) & their relatives	1	23,348	0.10
Trusts	2	700,050	2.91
Others	18	6,772	0.03
Total	**2,521**	**24,035,191**	**100.00**

Dematerialization of shares and liquidity:

The Company's shares are tradable compulsorily in dematerialized form. The Company has established connectivity with both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through Adroit Corporate Services Private Limited, Registrars and Share Transfer Agents.

Outstanding ADRs/GDRs/warrants/ other convertible instruments:

Warrants: The shareholders of the Company approved the allotment of 2,750,000 warrants on preferential basis to the promoter group companies in their Extra Ordinary General meeting held on March 20, 2013. Pursuant to this the Company issued 1,375,000 warrants to Chayadeep Ventures LLP and 1,375,000 warrants to Agnus Capital LLP on March 30, 2013. These warrants are convertible into equivalent number of fully paid up equity shares at a price of Rs.172.00 per warrant (including a premium of Rs. 162 per warrant) in one or more tranches, at any time within a period of 18 months from the date of issue.

ESOPs: Company has framed an Employee Stock Option plan titled 'SSL ESOP Scheme 2010' (ESOP Plan) to reward employees of the Company. The ESOP Plan of the Company was approved by the shareholders on March 28, 2008.

However Board in its meeting has modified some of the provisions of ESOP Plan. Modified ESOP Plan was approved by the shareholders on May 24, 2010 through Postal Ballot. The ESOP plan of the Company will be administered through a trust. For this purpose the Company had established a trust, having independent directors as its trustees. Under the said plan company has allotted 700,000 equity shares of Rs. 10/- each to the Trust at a price of Rs. 113/- per share. As at March 31, 2013 no stock options were outstanding.

As at March 31, 2013 the Company has no ourstanding ADRs and GDRs.

Plant Locations

1.	Plot No. 7 & 8, MIDC Engineering Zone, Kalyan Badlapur Road, Ambernath, Maharashtra
2.	B-32, G-2, G-3, MIDC, Mahad, Dist. Raigad, Maharashtra
3.	A-68 & 69, Additional Ambernath, MIDC Indl. Area, Ambernath (East), Dist. Thane, Maharashtra
4.	Plot No. 150, 151, 152, 136, 137, 138, 139, 140 &141 MIDC, Tarapur, Boisar, Thane, Maharashtra
5.	120 A & B Industrial Area, Baikampady, New Mangalore, Karnataka
6.	Plot No. 26 & 26B, GIDC Industrial Estate, Panoli, Dist. Bharuch, Guajarat
7.	A-14, MIDC, Phase I, Dombivali (E), Dist. Thane, Maharashtra

11. CODE OF CONDUCT

The Board has prescribed Code of Conduct ("Code") for all Board Members and Senior Management of the Company.

The Code of Conduct is also posted on the website of the Company.

All Board Members and Senior Management personnel have confirmed compliance with the code for the year 2012 – 2013.

A declaration to this effect signed by Dr. Gautam Kumar Das, Joint Managing Director is reproduced below:

"I confirm that the Company has in respect of the year ended March 31, 2013, received from its Board Members as well as Senior Management Personnel affirmation as to compliance with the Code of Conduct."

Dr. Gautam Kumar Das
Joint Managing Director

To the Members of SeQuent Scientific Limited

We have examined the compliance of conditions of corporate governance by SeQuent Scientific Limited ('the Company'), for the year ended on March 31 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with the said stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that 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 DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.008072S)
V. Srikumar
Partner
(Membership No.84494)

Bangalore, August 14, 2013

FINANCIAL STATEMENTS

Standalone & Consolidated

Independent AUDITORS' REPORT

To The Members of

SEQUENT SCIENTIFIC LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of SEQUENT SCIENTIFIC LIMITED("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act")and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
   (a) 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.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.

   (e) As explained in Note 31, the Company has not received a written representation from one of the director of the Company as on March 31, 2013 confirming that he is not disqualified from being appointed as a director of the Company in terms of Section 274(1)(g) of the Companies Act,1956. In the absence of such a written representation, we are unable to comment on whether he is disqualified from being appointed as director of the Company in terms of Section 274(1)(g) of the Companies Act, 1956.On the basis of the written representations received from the other directors as on March 31, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

Mumbai, May 30, 2013

ANNEXURE To The Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business/activities/results during the year, clauses iii (d), vi, xii, xiii, xiv, xix and xx of paragraph 4 of the Order are not applicable to the Company.

(i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

(ii) In respect of its inventory:

(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.

(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iii) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

(a) The Company has granted loans aggregating Rs. 182.89 Million to 3 parties during the year. At the year-end, the outstanding balances of such loans aggregated Rs.110.37 Million (number of parties 2) and the maximum amount involved during the year was Rs.351.27 Million (number of parties 3).

(b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interests of the Company.

(c) The receipts of principal amounts and interest have been regular/as per stipulations.

In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

a) The Company has taken loans aggregating Rs.379.35 Million from 2 parties during the year. At the year-end, the outstanding balances of such loans aggregated Rs.349.81 Million (number of parties 2) and the maximum amount involved during the year was Rs.367.14 Million (number of parties 2).

b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.

c) The payment of principal amounts and interest in respect of such loans are regular/as per stipulations.

(iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

(v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:

(a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.

(b) In our opinion and having regard to our comments in paragraph (iv) above, with regard to purchase of certain items for which comparative quotes are not available, transactions made in pursuance of such contracts or arrangements, in excess of Rs. 5 lakhs in respect of any party, have been made at prices which are, prima facie, reasonable having regard to the prevailing market prices at the relevant times.

(vi) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

(vii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Record) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(viii) According to the information and explanations given to us in respect of statutory dues:

Independent AUDITORS' REPORT

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on March 31, 2013 on account of disputes are given below:

(₹ In Million)

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
Income-tax Act, 1961	Income-tax	Commissioner Income Tax (Appeals), Mumbai	A.Y. 2006-2007	0.98
Income-tax Act, 1961	Income-tax	Commissioner Income Tax (Appeals), Mumbai	A.Y. 2007-2008	3.99
Income-tax Act, 1961	Income-tax	Commissioner Income Tax (Appeals), Mumbai	A.Y. 2010-2011	1.85
Maharashtra Value Added Tax Act, 2002 & Central Sales Tax Act, 1956	Value Added tax and Central Sales tax	Deputy Commissioner of Sales Tax	F.Y. 2005-2006	9.02
Karnataka Value Added Tax	Value Added Tax	Joint Commissioner of Commercial Taxes (Appeals)	F.Y. 2007-2008	3.31
Gujarat Value Added Tax	Value Added Tax	Gujarat Value Added Tax Tribunal	F.Y. 2006-2007	0.07

(ix) The accumulated losses of the Company at the end of the financial year are not more than fifty per cent of its net worth and the Company has incurred cash losses only during the current financial year but has not incurred any cash loss during the preceding financial year.

(x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and has not issued any debenture.

(xi) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not,prima facie, prejudicial to the interests of the Company.

(xii) In our opinion and according to the information and explanations given to us, the term loans have been applied by the company during the year for the purposes for which they were obtained.

(xiii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have been used during the year for long- term investment to the extent of Rs. 784.12 Million.

(xiv) According to the information and explanations given to us, the Company has made preferential allotment of shares to companies covered in the Register maintained under Section 301 of the Companies Act, 1956 at a price which, in our opinion, is prima facie not prejudicial to the interest of the Company.

(xv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

Mumbai, May 30, 2013

BALANCE SHEET as at 31 March 2013

(₹ In Million)

	Note No.	As at 31 March 2013	As at 31 March 2012
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	234.40	213.40
(b) Reserves and surplus	3	741.30	1,053.73
(c) Money received against share warrants	27.1	118.79	-
		1,094.49	**1,267.13**
2 Non-current liabilities			
(a) Long-term borrowings	4	1,082.41	622.65
(b) Deferred tax liabilities (net)	28.7	-	82.41
(c) Other long-term liabilities	5	0.50	-
(d) Long-term provisions	6	56.83	40.19
		1,139.74	**745.25**
3 Current liabilities			
(a) Short-term borrowings	7	1,394.65	980.87
(b) Trade payables	8	1,459.16	1,225.74
(c) Other current liabilities	9	277.42	716.01
(d) Short-term provisions	10	36.00	29.17
		3,167.23	**2,951.79**
TOTAL		**5,401.46**	**4,964.17**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11 A	1,940.96	1,986.09
(ii) Intangible assets	11 B	110.00	76.79
(iii) Capital work-in-progress		160.58	93.13
(iv) Intangible assets under development		54.55	82.55
(b) Non-current investments	12	545.70	388.14
(c) Deferred tax assets (net)	28.7	0.69	-
(d) Long-term loans and advances	13	341.42	162.98
(e) Other non-current assets	14	57.25	33.24
		3,211.15	**2,822.92**
2 Current assets			
(a) Current investments	15	1.77	2.77
(b) Inventories	16	826.74	631.08
(c) Trade receivables	17	701.61	824.80
(d) Cash and cash equivalents	18	310.70	157.67
(e) Short-term loans and advances	19	267.20	421.15
(f) Other current assets	20	82.29	103.78
		2,190.31	**2,141.25**
See accompanying notes forming part of the financial statements			
TOTAL		**5,401.46**	**4,964.17**

In terms of our report attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants

For and On Behalf of the Board of Directors

V. Srikumar
Partner
Mumbai, May 30, 2013

Dr. Gautam Kumar Das
Joint Managing Director

Dr. Gopakumar G Nair
Director

Preetham Hebbar
Company Secretary

Statement of PROFIT & LOSS
for the year ended 31 March 2013

(₹ In Million)

		Note No.	Year Ended 31 March 2013	Year Ended 31 March 2012
1	Revenue from operations (gross)	21	3,291.16	3,450.84
	Less: Excise duty		150.66	126.54
	Revenue from operations (net)		3,140.50	3,324.30
2	Other income	22	24.90	113.27
3	**Total revenue (1 + 2)**		**3,165.40**	**3,437.57**
4	**Expenses**			
	(a) Cost of materials consumed	23.a	1,790.60	1,807.48
	(b) Purchases of stock-in-trade	23.b	99.42	85.13
	(c) Changes in inventories of finished goods and work-in-progress & intermediates	23.c	(129.14)	6.12
	(d) Employee benefits expense	24	354.84	254.37
	(e) Finance costs	25	320.45	282.65
	(f) Depreciation and amortization expense	11 C	267.43	210.28
	(g) Other expenses	26	1,089.91	816.50
	Total expenses		**3,793.51**	**3,462.53**
5	**Profit/(Loss) before tax (3-4)**		**(628.11)**	**(24.96)**
6	**Tax expense:**			
	(a) Current tax expense		-	0.86
	(b) Deferred tax charge / (credit)		(83.10)	(40.50)
			(83.10)	**(39.64)**
7	**Profit/(Loss) for the year (5 - 6)**		**(545.01)**	**14.68**
8	**Earnings per share (of Rs.10 each):**			
	Basic and Diluted	28.6	(24.01)	0.67
	See accompanying notes forming part of the financial statements			

In terms of our report attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
V. Srikumar
Partner
Mumbai, May 30, 2013

For and On Behalf of the Board of Directors

Dr. Gautam Kumar Das
Joint Managing Director

Dr. Gopakumar G Nair
Director

Preetham Hebbar
Company Secretary

CASH FLOW STATEMENT

For the Year ended 31 March 2013

(₹ In Million)

Particulars		Year ended 31 March 2013	Year ended 31 March 2012
Cash flow from operating activities			
Net Profit before tax		**(628.11)**	**(24.96)**
Adjustments for:			
Depreciation and amortisation		267.43	210.28
Intangible/Fixed assets written off		1.79	2.04
Bad trade receivables written off		20.68	2.11
Bad loans and advances written off		4.75	1.00
Provision for doubtful trade receivables		19.30	-
Provision for doubtful loans and advances		40.61	-
Unrealised forex loss/(gain) (net)		(19.99)	61.98
Diminution in investment in subsidiaries / (written back)		9.08	-
Interest expenses		290.02	256.89
Interest income		(18.03)	(45.02)
Profit on sale of investment		(0.09)	(0.35)
Profit on sale of fixed assets (net)		(4.16)	(64.92)
Compensation under ESOP scheme		-	(0.07)
Sundry balances written back (net)		(0.99)	(0.90)
Operating profit before working capital changes		**(17.71)**	**398.08**
Changes in working capital			
(Increase)/decrease in trade and other receivables		(74.18)	(305.58)
(Increase)/decrease in inventories		(195.66)	(30.23)
Increase/(decrease) in trade and other payables		222.22	159.29
(Increase)/decrease margin money and unpaid dividend accounts		(66.47)	(84.79)
Net change in working capital		**(114.09)**	**(261.31)**
Cash generated from operations		**(131.80)**	**136.77**
Direct taxes (paid)/Refund, net		4.77	(32.78)
Net cash generated from operating activities	**A**	**(127.03)**	**103.99**
Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances		(300.31)	(257.97)
Proceeds from sale of fixed assets		21.92	119.63
Investment in subsidiaries / Joint ventures/Associates		(166.64)	(252.51)
Purchase of Current investment		-	(1.00)
Proceeds from sale of Current investments		1.09	1.84
Loan given to affiliates and others (net)		111.71	(63.31)
Interest received		19.37	42.26
Net cash generated from investing activities	**B**	**(312.86)**	**(411.06)**

CASH FLOW STATEMENT

For the Year ended 31 March 2013 (Contd.)

(₹ In Million)

Particulars		Year ended 31 March 2013	Year ended 31 March 2012
Cash flow from financing activities			
Proceeds from short term borrowings (net)		413.65	291.83
Proceeds from / (repayment of) of long term borrowings		(105.93)	329.17
Proceeds from issue of shares		253.58	1.05
Proceeds from issue of warrants		118.79	-
Interest paid on borrowings		(291.94)	(267.90)
Dividend paid		-	(32.90)
Dividend distribution tax paid		-	(5.46)
Net cash generated from financing activities	**C**	**388.15**	**315.79**
Net increase/(decrease) in cash and cash equivalents during the year	**A+B+C**	**(51.74)**	**8.72**
Cash and cash equivalents at the beginning of the year		**72.88**	**57.77**
Included on amalgamation		-	6.39
Cash and cash equivalents at the end of the year		**21.14**	**72.88**
Reconciliation of cash and cash equivalents with the Balance sheet			
Reconciliation of cash and cash equivalents as per Balance Sheet (Refer Note 18)		310.70	157.67
Less: Balances not considered as cash and cash equivalents as defined in AS 3 "Cash Flow Statements"			
- Margin money deposits		151.19	84.79
- Balance in unpaid dividend accounts		0.07	-
- Balance held in earmarked accounts(Refer Note 18(i))		138.30	-
Net Cash and cash equivalents at the end of the year		**21.14**	**72.88**
See accompanying notes forming part of the financial statements			

In terms of our report attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
V. Srikumar
Partner
Mumbai, May 30, 2013

For and On Behalf of the Board of Directors

Dr. Gautam Kumar Das
Joint Managing Director

Dr. Gopakumar G Nair
Director

Preetham Hebbar
Company Secretary

NOTES forming part of the financial statements

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of accounting and preparation of financial statements

The financial statements of SeQuent Scientific Limited ('the Company') have been prepared, in accordance with Generally Accepted Accounting principles in India (Indian GAAP), to comply with the mandatory Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 except for certain assets and liabilities which are measured on fair value basis as permitted by the Scheme of Arrangement approved by the Honorable High Court of Karnataka and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

1.3 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible assets comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible assets after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Refer Note 1.5 for accounting for research and development expenses.

1.4 Depreciation/amortisation

Depreciation is provided under the straight-line method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956, based on technical estimates that indicate the useful lives would be comparable with or higher than those arrived at using these rates,

Nature of the assets	Remaining useful life in years
Buildings	10 - 28
Plant and Machinery	5 - 12
Office equipment	5 - 7
Computers	4
Furniture and fixtures	5 - 6
Motor vehicles	3 - 5
Leasehold land	85 - 96
Leasehold property development	Over lease period

In the case of following intangible assets depreciation is provided/amortised under the straight line method over the useful life of assets as follows:

Product and process development	5 Years
Software licenses	3 Years

The estimated useful life of the intangible assets and its amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

With respect to assets carried at revalued amounts as permitted under the Scheme of amalgamation, depreciation is recorded under the straight line method over the balance remaining useful life of the assets.

Individual assets costing less than Rs.5,000 are depreciated in full in the year of purchase.

1.5 Research and development costs

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for tangible fixed assets and intangible assets.

1.6 Impairment of assets

As at each Balance Sheet date, the carrying amount of fixed assets is tested for impairment if impairment conditions exist. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(a) in the case of an individual asset, at the higher of the net selling price and value in use.

(b) in the case of cash generating units, at the higher of the unit's net selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

1.7 Investments

Current investments are carried at lower of cost and fair market value. Provision is made to recognize decline, if any, in the carrying value.

Long-term investments are carried individually at cost less provision for diminution, other than temporary in the value of the investment.

1.8 Inventory

Inventories comprise raw materials, packing materials, consumables, work in process, intermediates and finished goods. These are valued at the lower of cost and net realizable value. Cost is determined as follows:

(i) Raw materials, packing materials and consumables

First in first out basis

(ii) Work in process and Intermediates

At material cost, conversion costs and appropriate share of production overheads

(iii) Finished goods

At material cost, conversion costs and an appropriate share of production overheads and excise duty, wherever applicable.

1.9 Revenue recognition

Revenue from export sales is recognized on the basis of the shipping bills for exports. Revenue from domestic sales is recognized based on the passage of title to goods which generally coincides with dispatch. Sales include excise duty and are stated net of discounts, other taxes, and sales returns.

Income from sale of technical know-how is recognized, when the risk and right to use is transferred to the buyer as per terms of contract.

Dividend income is recognised when the right to receive the same is established.

Interest income is recognised on an accrual basis.

1.10 Employee benefits

The Company's contribution to provident fund is charged to revenue on accrual basis.

Leave balances standing to the credit of the employees that are expected to be availed in the short term are provided for on full cost basis. Liability for unavailed leave considered to be long term is carried based on an actuarial valuation.

Liability for gratuity is funded with LIC and SBI Life Insurance Company Limited. Gratuity expenses for the year are accounted based on actuarial valuation carried out using Projected Unit Credit Method as at the end of the fiscal year. The obligation recognised in the balance sheet represents the present value of the defined benefit obligation as

NOTES forming part of the financial statements (Contd.)

adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Short term employee benefits like medical, leave travel, etc are accrued based on the terms of employment on a time proportion basis.

1.11 Foreign currency transactions

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the balance sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the statement of profit and loss.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the statement of profit and loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a ""Foreign currency translation reserve"" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

1.12 Taxes on income

Income Tax comprises the current tax provision and the net change in the deferred tax asset or liability during the year. Deferred tax assets and liabilities are recognized for the future tax consequences arising out of temporary differences between the carrying values of the assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates applicable on the Balance Sheet date. Deferred tax assets are recognised for timing differences of items other than unabosrbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Indian Income Tax Act, 1961.

Minimum alternative tax ('MAT') paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognized as an assets in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and asset can be measured reliably.

1.13 Leases

Lease arrangements, where the risks and rewards incident to ownership of an asset substantially vest with the lessor, are classified as operating leases and the lease rentals thereon are recognised in the statement of profit and loss on accrual basis.

1.14 Employee stock option scheme

Employee stock options are accounted in accordance with the guidelines stipulated by SEBI and Guidance Note on Accounting for Employee Share-based Payments. The difference between the market price of the shares underlying the options granted on the date of grant of option and the option price is expensed under employee benefit expenses over the vesting period.

1.15 Earnings per share (EPS)

In determining the Earnings per share, the Company considers the net profit after tax. The number of shares used in computing Basic Earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing Diluted Earnings per share comprises the weighted average number of equity shares considered for deriving Basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless issued at a later date.

1.16 Provisions and contingencies

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation. Contingent liabilities are not recognized but are disclosed in the notes to financial statements.

1.17 Use of estimates

The preparation of the financial statements in conformity with the Accounting Standards generally accepted in India requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

1.18 Segment

Segments have been identified taking into account the nature of services, the differing risks and returns, the organizational structure and the internal reporting system. The Company prepares consolidated financial statements and segment information is disclosed in Consolidated financial statements.

1.19 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

1.20 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

1.21 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.22 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.23 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTES forming part of the financial statements (Contd.)

	As at 31 March 2013		As at 31 March 2012	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
2 SHARE CAPITAL				
(a) Authorised				
32,000,000 equity shares of Rs.10 each	32,000,000	320.00	32,000,000	320.00
(b) Issued				
24,035,191 equity shares of Rs.10 each	24,035,191	240.35	21,935,191	219.35
(c) Subscribed and fully paid up				
24,035,191 equity shares of Rs.10 each	24,035,191	240.35	21,935,191	219.35
Less: Amount receivable from SeQuent Scientific Employee Stock Option Scheme Trust (Being Face Value of 700,000 Equity Shares of Rs.10 each allotted to the trust)		5.95		5.95
Total		**234.40**		**213.40**

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

(₹ In Million)

	As at 31 March 2013		As at 31 March 2012	
Equity Shares	No. of Shares	₹ in Million	No. of Shares	₹ in Million
Shares outstanding at the beginning of the year	21,935,191	219.35	21,935,191	219.35
Add: Shares issued during the year (Refer note (a) below)	2,100,000	21.00	14,865,000	-
Less: Shares cancelled during the year (Refer note (b) below)	-	-	(14,865,000)	-
Shares outstanding at the end of the year	**24,035,191**	**240.35**	**21,935,191**	**219.35**

Notes:

(a) Conversion of 2,100,000 warrants issued during the year on preferential basis at a conversion price of Rs.120.75 per equity share of the company as approved in the Annual General Meeting dated 26 September, 2012.

(b) During the previous year, in terms of the Scheme of Amalgamation of Fraxis Life Sciences Limited with the Company sanctioned by the High Court of Bombay on August 20, 2011, the Company allotted 14,865,000 fully paid up equity shares of the Company to the shareholders of Fraxis Life Sciences Limited and shares held by Fraxis Life Sciences Limited in the Company of 14,865,000 shares stands cancelled [Refer note 28.1 (i)].

(ii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Each equity shareholder is entitled to dividend in the Company. The dividend is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The amount of dividend per share recognized as distributions to equity shareholders is Nil (31 March 2012 : Rs.Nil)

(iii) Details of shares held by each shareholder holding more than 5% shares

	As at 31 March 2013		As at 31 March 2012	
Equity Shares	No. of Shares held	% of holding	No. of Shares held	% of holding
Name of the shareholder				
K R Ravishankar	5,579,986	23.22%	5,579,986	25.44%
Arun Kumar Pillai	5,579,993	23.22%	5,579,993	25.44%
Primera Partners Pte. Ltd	3,183,871	13.25%	3,183,871	14.51%
Satpal Khattar	1,699,018	7.07%	1,699,018	7.75%

(iv) 700,000 shares (As at 31 March, 2012 700,000 shares) of Rs.10 each are reserved towards outstanding employee stock options granted / available for grant. (Refer Note 29)

(v) As at 31 March 2013, 2,750,000 warrants (March 2012-NIL) of Rs.10 each are outstanding to be converted into equivalent number of share. (Refer Note 27.1)

(₹ In Million)

	As at 31 March 2013	As at 31 March 2012
3 RESERVES AND SURPLUS		
(a) Capital reserve		
Opening balance	10.65	10.65
Add: Included on amalgamation	-	6.48
Less: Utilised during the year (Refer note 28.1 (i))	-	6.48
Closing balance	**10.65**	**10.65**
(b) Securities premium account		
Opening balance	513.40	513.40
Add: Premium on shares issued during the year	232.58	-
Closing balance	**745.98**	**513.40**
(c) Restructuring reserve		
Opening balance	-	4.06
Less: Utilisation during the year	-	4.06
Closing balance	**-**	**-**
(d) Share options outstanding account		
Opening balance	-	0.07
Add: Amounts recorded on grants during the year	-	(0.07)
Closing balance	**-**	**-**
(e) General reserve balance	144.44	144.44
(f) Surplus/(Deficit) in statement of profit and loss		
Opening balance	385.24	370.56
Add: Profit / (Loss) for the year	(545.01)	14.68
Closing balance	**(159.77)**	**385.24**
Total	**741.30**	**1,053.73**

(₹ In Million)

	As at 31 March 2013	As at 31 March 2012
4 LONG-TERM BORROWINGS		
Term loans		
From banks		
Secured	227.35	-
	227.35	**-**
From other parties		
Secured	847.86	613.85
Unsecured	7.20	8.80
	855.06	**622.65**
Total	**1,082.41**	**622.65**

NOTES forming part of the financial statements (Contd.)

4 LONG-TERM BORROWINGS

Particulars

(i) **Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:**

(₹ In Million)

Particulars	Security	Terms of repayment	As at 31 March 2013		As at 31 March 2012	
			Secured	Unsecured	Secured	Unsecured
Term loans from banks:						
Indian Overseas Bank	First pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company as a collateral.	Repayable in 22 quarterly Installments, commencing from December 2012.	227.28	-	-	-
Central Bank of India	Vehicle loan is secured by hypothecation of asset acquired thereunder.	Repayable in 24 equated monthly Installments.	0.07	-	-	-
Total - Term loans from banks			**227.35**	**-**	**-**	**-**
Term loans from other parties:						
Technology Development Board	First pari-passu charge on fixed assets of the Company.	Repayable in nine half yearly Installments commencing from 1 April 2009.	-	-	5.28	-
Housing Development Finance Corporation Limited	Mortgage of land along with super structure of Company's properties at Ambernath, Mahad, Mangalore, Panoli and Tarapur.	Repayable in 28 quarterly Installments, commencing from March 2012	785.00	-	560.00	-
Housing Development Finance Corporation Limited	Mortgage of Company's property at Thane (West), Mumbai.	Repayable in 28 quarterly Installments, commencing from July 2012	62.86	-	48.57	-
Department of Scientific and Industrial Research	Unsecured	Repayable annually over a period of five years from Mar'12 & Mar'13	-	7.20	-	8.80
Total - Term loans from other parties			**847.86**	**7.20**	**613.85**	**8.80**

The interest on above term loans from other parties (other than loan from Technology Development Board and Department of Scientific and Industrial Research) are linked to the respective lender's base rates which are floating in nature. As of 31 March 2013 the interest rates ranges from 5% to 13% per annum.

(ii) **Details of long-term borrowings guaranteed by some of the directors or others:**

(₹ In Million)

Particulars	As at 31 March 2013	As at 31 March 2012
Term loans from banks	227.35	-
Term loans from other parties	847.86	613.85

(iii) **The Company has defaulted in repayment of loans and interest in respect of the following:**

Particulars	As at 31 March 2013		As at 31 March 2012	
	Period of default	(₹ In Million)	Period of default	(₹ In Million)
Term loans from other parties				
Principal	36 days	5.28	180 days	5.28
Interest	36 days	0.48	180 days	0.67

(iv) **For the current maturities of long-term borrowings, refer 9 (a) in Other current liabilities.**

NOTES forming part of the financial statements (Contd.)

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
5	OTHER LONG-TERM LIABILITIES		
(a)	Security deposits received	0.50	-
	Total	0.50	-

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
6	LONG TERM PROVISIONS		
	Provision for employee benefits		
	(i) Provision for gratuity (net)	38.25	27.29
	(ii) Provision for compensated absences	18.58	12.90
	Total	56.83	40.19

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
7	SHORT-TERM BORROWINGS		
(a)	Loans repayable on demand		
	From banks		
	Secured (Refer note (i) below)	1,044.84	980.87
(b)	Loans from related parties		
	Unsecured	349.81	-
	Total	1,394.65	980.87

(i) Working capital loan from banks are secured by a first pari-passu charge on current assets of the Company and a second pari-passu charge on fixed assets of the Company as a collateral.

(ii) Short-term borrowings of Rs.1,044.84 million (31 March 2012 Rs.980.87 million) are guaranteed by some of the Directors of the Company in their personal capacities.

(iii) The Company has not defaulted in repayment of loans and interest.

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
8	TRADE PAYABLES		
	Trade Payable	1,459.16	1,225.74
	Total	1,459.16	1,225.74

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
9	OTHER CURRENT LIABILITIES		
(a)	Current maturities of long-term debt (Refer note (i) below)	174.74	617.59
(b)	Interest accrued and due on borrowings	13.33	4.00
(c)	Other payables		
	(i) Statutory remittances	47.32	24.70
	(ii) Payables on purchase of fixed assets	18.06	15.72
	(iii) Advances from customers	16.75	39.02
	(iv) Unclaimed dividends	0.07	-
	(v) Other current liabilities	7.15	14.98
	Total	277.42	716.01

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
9	OTHER CURRENT LIABILITIES (Contd.)		
	Note:		
	(i) Current maturities of long-term debt (Refer Notes (i) and (ii) in Note 4 - Long-term borrowings for details of security and guarantee):		
	Particulars		
	Term loans		
	From banks		
	Secured	0.36	168.74
		0.36	168.74
	From other parties		
	Secured	171.98	161.98
	Unsecured	2.40	286.87
		174.38	448.85
	Total	174.74	617.59

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
10	SHORT-TERM PROVISIONS		
(a)	Provision for employee benefits		
	Provision for compensated absences	7.25	7.05
		7.25	7.05
(b)	Provision - Others		
	Provision for tax (net of advance tax Rs.30.99 Million as at 31st March 2012 is Rs.37.63 Million)	28.75	22.12
		28.75	22.12
	Total	36.00	29.17

NOTES forming part of the financial statements (Contd.)

11 A TANGIBLE ASSETS

(₹ In Million)

Particulars	GROSS BLOCK						ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as on 01 April 2012	Additions (refer note 28.1)	Effect of foreign currency exchange differences	Borrowing cost capitalised	Deletions	Balance as on 31 March 2013	Balance as on 01 April 2012	Depreciation/ amortisation expense for the year	Deletions	Balance as on 31 March 2013	Balance as at 31 March 2013	Balance as at 31 March 2012
Own assets												
Free hold land	82.03	-	-	-	0.21	81.82	-	-	-	-	81.82	82.03
Lease hold land	337.57	2.39	0.10	-	0.21	339.85	13.63	4.78	-	18.41	321.44	323.94
Land development	0.78	-	-	-	-	0.78	-	-	-	-	0.78	0.78
Lease hold property-development	13.93	1.14	-	0.01	-	15.08	4.41	1.66	-	6.07	9.01	9.52
Building	616.29	34.86	2.18	2.27	7.59	648.01	92.10	24.75	1.50	115.35	532.66	524.19
Furniture and fixtures	31.16	3.25	-	0.18	1.39	33.20	8.23	2.31	0.57	9.97	23.23	22.93
Office equipment and computers	23.76	3.92	0.08	0.01	0.28	27.49	12.39	2.79	0.21	14.97	12.52	11.37
Plant and machinery	1,482.54	105.30	12.69	8.78	19.04	1,590.27	477.20	166.08	7.76	635.52	954.75	1,005.34
Vehicles	13.36	0.91	-	-	0.68	13.59	7.37	1.86	0.39	8.84	4.75	5.99
Total	**2,601.42**	**151.77**	**15.05**	**11.25**	**29.40**	**2,750.09**	**615.33**	**204.23**	**10.43**	**809.13**	**1,940.96**	**1,986.09**
Previous year	**2,243.97**	**420.30**	**26.11**	**3.29**	**92.25**	**2,601.42**	**457.54**	**177.80**	**20.01**	**615.33**	**1,986.09**	

B INTANGIBLE ASSETS

(₹ In Million)

Particulars	GROSS BLOCK						ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as on 01 April 2012	Additions (refer note 28.1)	Effect of foreign currency exchange differences	Borrowing cost capitalised	Deletions	Balance as on 31 March 2013	Balance as on 01 April 2012	Depreciation/ amortisation expense for the year	Deletions	Balance as on 31 March 2013	Balance as at 31 March 2013	Balance as at 31 March 2012
Own assets												
Software	20.39	0.91	0.42	-	-	21.72	10.10	7.03	-	17.13	4.59	10.29
Product process development	142.59	98.77	-	-	-	241.36	76.09	59.86	-	135.95	105.41	66.50
Total	**162.98**	**99.68**	**0.42**	**-**	**-**	**263.08**	**86.19**	**66.89**	**-**	**153.08**	**110.00**	**76.79**
Previous year	**115.01**	**49.23**	**0.49**	**0.29**	**2.04**	**162.98**	**46.51**	**39.68**		**86.19**	**76.79**	

NOTES forming part of the financial statements (Contd.)

(₹ In Million)

	Year ended 31 March 2013	Year ended 31 March 2012
11 C DEPRECIATION AND AMORTISATION		
Depreciation and amortisation for the year on tangible assets as per Note 11 A	204.23	177.80
Depreciation and amortisation for the year on intangible assets as per Note 11 B	66.89	39.68
Less: Utilised from restructuring reserve	-	4.06
Less: Depreciation capitalised for intangible assets developed	3.69	3.14
Depreciation and amortisation	**267.43**	**210.28**

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
D DETAILS OF SUMS ADDED TO ASSETS ON REVALUATION DURING THE PRECEDING 5 YEARS			
Opening balance			
Leasehold land	299.65	303.46	-
Buildings	120.88	125.84	-
	420.53	**429.30**	**-**
Added on revaluation			
Leasehold land	-	-	305.08
Buildings	-	-	128.32
			433.40
Date			1 October '09
Balance as at 31 March (Net Block)			
Leasehold land	295.84	299.65	303.46
Buildings	115.92	120.88	125.84
	411.76	**420.53**	**429.30**

(₹ In Million)

	As at 31 March 2013	As at 31 March 2012
12 NON-CURRENT INVESTMENTS		
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
A Investment in equity instruments of subsidiaries		
i) SeQuent Global Holdings Limited 185,108 (31 March 2012: 150,019) Equity Shares of USD 1 each fully paid-up	9.08	7.21
Less: Provision for other than temporary diminution in value	9.08	-
	-	**7.21**
ii) SeQuent Research Limited 4,410,000 (31 March 2012: 4,410,000) Equity Shares of Rs. 10 each fully paid-up	142.09	142.09
iii) Galenica B.V. 47,935 (31 March 2012: 47,935) Equity Shares of Euro 1 each fully paid-up	4.92	4.92
Less: Provision for other than temporary diminution in value	4.92	4.92
	-	**-**
iv) SeQuent Antibiotics Private Limited 10,000 (31 March 2012: 10,000) Equity Shares of Rs. 10 each fully paid-up	0.10	0.10
v) SeQuent Oncolytics Private Limited 9,999 (31 March 2012: 9,999) Equity Shares of Rs. 10 each fully paid-up	0.10	0.10
vi) Elysian Life Sciences Private Limited 10,000 (31 March 2012: 9,000) Equity Shares of Rs. 10 each fully paid-up	0.10	0.09

(₹ In Million)

	As at 31 March 2013	As at 31 March 2012
12 NON-CURRENT INVESTMENTS (Contd.)		
vii) Elysian Life Sciences Mauritius Limited 2,000 (31 March 2012: 2,000) Equity Shares of USD 1 each fully paid-up	0.10	0.10
viii) SeQuent Penems Private Limited 4,781,712 (31 March 2012: 2,725,000) shares of Rs. 10 each fully paid-up	238.09	135.25
ix) SeQuent Penems Private Limited (Refer note (i) below) Share application pending allotment	164.75	102.84
	545.33	**387.78**
B Other investments		
i) Panoli Enviro Tech Ltd. 23,700 (31 March 2012: 23,700) Equity Shares of Rs. 10 each fully paid-up	0.24	0.24
ii) Ambarnath Chemcial Manufacturers 1,000 (31 March 2012: 1,000) Equity Shares of Rs. 10 each fully paid-up	0.01	0.01
iii) Tarapur Industrial Manufacturers 2,000 (31 March 2012: 2,000) Equity Shares of Rs. 10 each fully paid-up	0.04	0.04
Total	**0.29**	**0.29**
C Other Non current Investments **Investment in government securities**		
i) National Saving Certificate	0.02	0.02
ii) NSC VIII Issue - Tarapur	0.06	0.05
	0.08	**0.07**
Total (A + B + C)	**545.70**	**388.14**
Aggregate amount of unquoted investments	559.70	393.06
Aggregate provision for diminution in value of investments	14.00	4.92

Note:

(i) Trade investment in equity instruments includes Rs.164.75 Million (31 March 2012 Rs.102.84 million) investment made in SeQuent Penems Private Limited, for which shares are pending for allotment.

(₹ In Million)

	As at 31 March 2013	As at 31 March 2012
13 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)		
(a) Capital advances	29.57	16.76
(b) Security deposits	119.15	36.38
(c) Security deposits to related parties (Refer note 28.3)	17.39	17.39
(d) Loans and advances to related party (Refer note 28.3)		
Unsecured, considered good	77.73	-
Unsecured, considered doubtful	31.00	-
	108.73	**-**
Less: Provision for doubtful loans and advances (Refer note 28.3)	31.00	
	77.73	**-**
(e) Advance income tax (net of provisions Rs. 112.95 million (As at 31 March, 2012 Rs.112.49 million))	15.97	14.11
(f) MAT credit entitlement	72.96	72.96
(g) Prepaid expenses	8.65	5.38
Total	**341.42**	**162.98**
Note:		
Long-term loans and advances include amounts due from:		
Atma Projects	17.39	17.39

NOTES forming part of the financial statements (Contd.)

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
14	**OTHER NON-CURRENT ASSETS** (Unsecured, considered good)		
(a)	Long term trade receivables (Refer note 28.3)	35.88	2.63
(b)	Margin money deposits	4.37	17.61
(c)	Debts due from related parties (Refer note 28.3)	17.00	13.00
Total		**57.25**	**33.24**
Note:			
Other non-current assets include debts due from:			
SeQuent Penems Private Limited		52.88	15.63

(₹ In Million)

		As on 31 March 2013	As on 31 March 2012
15	**CURRENT INVESTMENTS** (valued at lower of cost and estimated net realisable value)		
A	**Quoted equity instruments**		
i)	Agrodutch Industries Limited 36,250 (31 March 2012: 36,250) Equity Shares of Rs. 10 each fully paid-up	0.34	0.34
ii)	Transchem Limited 32,500 (31 March 2012: 32,500) Equity Shares of Rs. 10 each fully paid-up	0.43	0.43
iii)	N B Footware Limited 100,000 (31 March 2012: 100,000) Equity Shares of Rs. 10 each fully paid-up	-	-
iv)	Nath Seed Limited 18,270 (31 March 2012: 18,270) Equity Shares of Rs. 10 each fully paid-up	-	-
B	**Current investments** **(valued at lower of cost and fair value)**		
	Unquoted equity instruments		
i)	Aditya Investment & Communication Limited 58,800 (31 March 2012: 58,800) shares of Rs.10 each fully paid-up	-	-
ii)	Agrotech India Limited 6,300 (31 March 2012: 6,300) Equity Shares of Rs. 10 each fully paid-up	-	-
iii)	Nath Bio Genes (I) Limited 6,930 (31 March 2012: 6,930) Equity Shares of Rs. 10 each fully paid-up	-	-
C	**Unquoted mutual funds**		
	100,000 (31 March 2012: 200,000) units of Rs.10 each fully paid- up of SBI Mutual Fund	1.00	2.00
Total		**1.77**	**2.77**
	Aggregate amount of quoted investments: Market value: Rs. 1.57 million (31 March 2012: Rs. 1.30 million)	0.77	0.77
	Aggregate amount of unquoted investments	1.00	2.00

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
16	**INVENTORIES** (At lower of cost and net realisable value)		
(a)	Raw materials and packing materials	207.10	161.67
	Goods-in transit	90.04	68.92
		297.14	**230.59**
(b)	Work-in-progress and intermediates (Refer note (i) below)	232.85	185.89
(c)	Finished goods	243.02	205.82
	Goods-in transit	49.71	4.73
		292.73	**210.55**
(d)	Fuel	4.02	4.05
Total		**826.74**	**631.08**
Note:			
(i)	Details of inventory of work-in-progress and intermediates:		
	Bulk drugs	214.27	174.63
	Formulations	2.50	1.59
	Speciality chemicals	16.08	9.67
	Total	**232.85**	**185.89**

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
17	**TRADE RECEIVABLES**		
(a)	Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, considered good	20.36	22.70
	Unsecured, considered doubtful	18.96	0.39
		39.32	**23.09**
	Less: Provision for doubtful debts	18.96	0.39
		20.36	**22.70**
(b)	Other trade receivables		
	Unsecured, considered good	681.25	802.10
	Unsecured, considered doubtful	0.73	-
		681.98	**802.10**
	Less: Provision for doubtful debts	0.73	-
		681.25	**802.10**
Total		**701.61**	**824.80**

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
18	**CASH AND CASH EQUIVALENTS**		
(a)	Cash on hand	0.88	2.17
(b)	Cheques, drafts on hand	1.99	-
(c)	Balances with banks		
	In current accounts (Refer note (i) below)	154.84	50.52
	In EEFC accounts	1.73	20.19
	In earmarked accounts		
	- Unpaid dividend accounts	0.07	-
	- Margin money deposits (Refer note (ii) below)	151.19	84.79
Total		**310.70**	**157.67**

Note:

(i) Balance with banks in current account includes Rs.138.31 million (31 March 2012-NIL) which has restrictions on utilisation of funds for capital projects.

(ii) Balances in margin money deposits are held as security against borrowings, guarantees and other commitments.

NOTES forming part of the financial statements (Contd.)

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
19	**SHORT-TERM LOANS AND ADVANCES**		
A	**Unsecured, considered good**		
(a)	Loans and advances to related parties (Refer note 28.3)	1.64	222.08
(b)	Due from directors (Refer note 28.3)	-	27.70
(c)	Advances to suppliers	34.60	15.42
(d)	Advances to suppliers - related parties (Refer note 28.3)	-	4.99
(e)	Advances to employees	0.45	0.52
(f)	Loans and advances to others	4.78	29.71
(g)	Balances with government authorities	210.92	106.73
(h)	Prepaid expenses	14.81	14.00
		267.20	**421.15**
B	**Unsecured, considered doubtful**		
	Loans and advances to others	9.61	-
	Less: Provision for doubtful advances	9.61	-
Total		**267.20**	**421.15**
Note:			
Short-term loans and advances include amounts due from related parties:			
K R Ravishankar		-	23.38
Dr Gautam Kumar Das		-	4.32

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
20	**OTHER CURRENT ASSETS**		
(a)	Debts due from related parties (Refer note 28.3)	37.19	60.00
(b)	Interest accrued on deposits	3.26	4.60
(c)	Claims receivable	41.84	37.98
(d)	Receivables on sale of fixed assets	-	1.20
Total		**82.29**	**103.78**

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
21	**REVENUE FROM OPERATIONS**		
(a)	Sale of products (Refer Note (i) below)	3,283.40	3,445.32
(b)	Other operating revenues (Refer Note (ii) below)	7.76	5.52
		3,291.16	**3,450.84**
	Less: Excise Duty	150.66	126.54
	Total	**3,140.50**	**3,324.30**
(i)	**Sale of products comprises:**		
(a)	**Manufactured goods**		
	Bulk drugs	2,296.08	2,550.30
	Speciality chemicals	516.29	502.97
	Formulations	201.81	174.40
	Total - Sale of manufactured goods	**3,014.18**	**3,227.67**
(b)	**Traded goods**		
	Bulk drugs	0.09	1.68
	Chemicals	58.02	89.43
	Formulations	60.45	-
	Total - Sale of traded goods	**118.56**	**91.11**
	Add: Excise duty	150.66	126.54
	Total - Sale of products	**3,283.40**	**3,445.32**
(ii)	**Other operating revenues comprises:**		
	Sale of scrap	1.56	2.86
	Duty drawback and other export incentives	6.20	2.66
	Total - Other operating revenues	**7.76**	**5.52**

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
22	**OTHER INCOME**		
(a)	Interest income (Refer note (i) below)	18.03	45.02
(b)	Net gain on sale of investments		
	Current investments	0.09	0.35
(c)	Profit on sale of fixed assets (net)	4.16	64.92
(d)	Other non-operating income (Refer note (ii) below)	2.62	2.98
	Total	**24.90**	**113.27**
(i)	**Interest income comprises:**		
	Interest from banks on:		
	deposits	4.65	4.75
	Interest on loans and advances		
	subsidiaries	11.13	15.09
	associates	-	15.58
	others	2.25	8.76
	Interest on income tax refund	-	0.23
	Other interest	-	0.61
	Total - Interest income	**18.03**	**45.02**
(ii)	**Other non-operating income comprises:**		
	Insurance claim received	0.35	0.61
	Liabilities / provisions no longer required written back	0.99	0.90
	Miscellaneous Income	1.28	1.47
		2.62	**2.98**

NOTES forming part of the financial statements (Contd.)

(₹ In Million)

			Year ended 31 March 2013	Year ended 31 March 2012
23	a.	COST OF MATERIALS CONSUMED		
		Opening stock	230.59	209.14
		Add: Purchases	1,857.15	1,828.93
		Less: Closing stock	297.14	230.59
		Cost of materials consumed	1,790.60	1,807.48
		Materials consumed comprises:		
		Solvents	324.41	247.65
		Chemicals	1,466.19	1,559.83
		Total	**1,790.60**	**1,807.48**
	b.	PURCHASES OF STOCK-IN-TRADE		
		Purchases of stock-in-trade	99.42	85.13
		Total	**99.42**	**85.13**
		Purchases of stock-in-trade comprises:		
		Bulk drugs	0.04	0.97
		Chemicals	59.61	84.16
		Formulations	39.77	-
		Total	**99.42**	**85.13**
	c.	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS & INTERMEDIATES		
		Opening stock		
		Work-in-progress and intermediates	185.89	252.03
		Finished goods	210.55	150.53
		Total	**396.44**	**402.56**
		Closing stock		
		Work-in-progress and intermediates	232.85	185.89
		Finished goods	292.73	210.55
			525.58	396.44
		Net (increase) / decrease	**(129.14)**	**6.12**

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
24	EMPLOYEE BENEFITS EXPENSE		
	Salaries and wages	316.89	221.85
	Contributions to provident fund and other funds	20.18	16.82
	Expense on employee stock option scheme	-	(0.07)
	Staff welfare expenses	17.77	15.77
	Total	**354.84**	**254.37**

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
25	FINANCE COSTS		
	Interest expense on borrowings	290.02	256.89
	Other borrowing costs	30.43	25.76
	Total	**320.45**	**282.65**

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
26	OTHER EXPENSES		
	Power, water and fuel	234.43	202.10
	Consumables	35.11	17.33
	Conversion and processing charges	107.04	83.57
	Contract labour charges	97.57	62.86
	Freight and forwarding	61.25	50.70
	Rent	28.20	12.80
	Rates and taxes	8.24	9.82
	Communication expenses	9.30	8.49
	Repairs and maintenance		
	Building	10.99	2.81
	Machinery	43.46	24.75
	Others	35.26	30.37
	Insurance	6.50	4.01
	Travelling and conveyance	31.44	17.52
	Advertisement and selling expenses	13.20	5.74
	Commission on sales	26.60	34.79
	Legal and professional fees	29.10	10.44
	Payments to auditors (Refer Note (i) below)	5.58	2.78
	Analytical charges	56.32	41.30
	Bad trade receivables written off	20.68	2.11
	Bad loans and advances written off	4.75	1.00
	Provision for doubtful trade receivables	19.30	-
	Provision for doubtful loans and advances	40.61	-
	Provision for diminution in investment	9.08	-
	Intangible assets written off	0.58	2.04
	Fixed assets written off	1.21	-
	Net loss on foreign currency transactions and translation	84.09	147.09
	Increase/(Decrease) of excise duty on inventory	14.20	2.37
	Other expenses	55.82	39.71
	Total	**1,089.91**	**816.50**
	Notes:		
	(i) Payments to the auditors comprises (net of service tax input credit):		
	(a) As auditors - statutory audit (including fees for undertaking Limited reviews)	3.00	2.60
	Fee for certification and other services	2.38	-
	Reimbursement of expenses	0.07	0.05
	(b) Payment to cost auditor	0.13	0.13
		5.58	**2.78**

NOTES forming part of the financial statements (Contd.)

27 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

Note

27.1 Money received against share warrants

The Board of Directors of the Company by circular resolution dated 30 March 2013 and as approved at its Extra-ordinary General Meeting held on 20 March 2013 have resolved to create, offer, issue and allot up to 2,750,000 warrants, convertible into 2,750,000 equity shares of Rs.10/- each on a preferential allotment basis, pursuant to Section 81(1A) of the Companies Act, 1956, at a conversion price of Rs.172/- per equity share of the Company, arrived at in accordance with the SEBI Guidelines in this regard and the application money amounting to Rs. 118.79 Million was received from them. The warrants may be converted into equivalent number of shares on payment of the balance amount at any time on or before 29 September 2014. In the event the warrants are not converted into shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants.

27.2 Contingent liabilities and commitments

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
i.	**CONTINGENT LIABILITIES**		
(a)	**Claims against the Company not acknowledged as debts**		
	Sales tax / Value added tax *	16.52	16.68
	Income tax *	32.87	2.08
	Service tax *	0.32	0.16
	Excise duty*	8.47	0.02
(b)	**Guarantees**		
	Guarantees to banks and financial institutions against credit facilities extended to subsidiaries (Refer note below)	303.45	260.71
(c)	**Other money for which the Company is contingently liable**		
	Bills receivables discounted with banks	133.90	154.85

* Outflow, if any, arising out of the said claim would depend on the outcome of the decision of the appellate authority and the Company's right for future appeal before the judiciary.

Note

(a) The Group has given a corporate guarantee to Triodos Sustainable Trade Fund towards a credit facility availed by its stepdown subsidiary (Vedic Fanxipang Pharma Chemic Company Ltd) amounting to USD 1.30 Million (Rs. 70.71 Million.) (Previous Year Rs. 66.50 Million). Outstanding balance as on 31 March 2013 is Rs. 21.22 Million (31 March 2012 Rs. 55.02 Million).

(b) The Group has given a corporate guarantee to Stichting Triodos Sustainable Trade Fund towards a credit facility availed by its stepdown subsidiary (Elysian Life Sciences (Mauritius) Limited) amounting to USD 1.95 Million (Rs.106.06 Million.) (Previous Year Rs. 99.76 Million). Outstanding balance as on 31 March 2013 is Rs. 64.27 Million (31 March 2012 Rs. 30.69 Million).

(c) The Company has given a corporate guarantee to State Bank of Hyderabad and State Bank of Travancore towards a credit facility availed by its subsidiary (Sequent Penems Private Limited) amounting to Rs. 900 Million. (Previous Year Rs. 900 Million). Outstanding balance as on 31 March 2013 is Rs. 217.96 Million (31 March 2012 Rs. 175 Million).

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
ii.	**COMMITMENTS**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
	Tangible fixed assets	71.47	29.52

27.3 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management based on enquiries made by the Management with the creditors which have been relied upon by the auditors.

27.4 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others:

(₹ In Million)

Name of the party	Relationship	Amount outstanding as at 31 March 2013	Maximum balance outstanding during the year
Sequent Research Limited	Subsidiary	-	52.81
		(52.81)	(85.50)
Strides Arcolab Limited	Firms/ companies in which directors are interested	-	0.44
		(0.44)	(0.44)
Elysian Life Sciences Private Limited	Subsidiary	108.73	108.73
		(91.34)	(94.56)
Elysian Health Care Private Limited	Subsidiary	-	-
		-	(1.05)
SeQuent Antibiotics Private Limited	Subsidiary	1.64	77.49
		(77.49)	(168.60)
SeQuent Penems Private Limited	Subsidiary	-	164.75
		-	(232.91)

Note: Figures in bracket relate to the previous year.

27.5 Details on derivatives instruments and unhedged foreign currency exposures

I. No derivative positions were open as at 31 March, 2013. Derviative transactions are undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments.

(a) Forward exchange contracts and options [being derivative instruments], which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2013

Currency	Amount in US $ in Million	Buy / Sell	Cross currency
USD	-	-	-
	(1.55)	(Buy)	(Rupees)
USD	-	-	-
	(5.05)	(Sell)	(Rupees)

Note: Figures in brackets relate to the previous year

II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(₹ In Million)

	As at 31 March 2013		As at 31 March 2012	
Foreign currency	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency
Euro	13.07	0.19	19.98	0.29
USD	286.68	5.27	154.53	3.02
Euro	(1.23)	(0.02)	(9.10)	(0.13)
USD	(1,115.53)	(20.51)	(1,416.28)	(27.69)
Yen	(2.25)	(3.89)	-	-

NOTES forming part of the financial statements (Contd.)

27 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (Contd.)

27.6 Value of imports calculated on CIF basis

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Raw materials	874.53	988.29
Capital goods	13.79	6.33

27.7 Expenditure in foreign currency

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Consultancy charges	3.70	0.51
Foreign travel expenses	1.86	3.73
Commission	15.36	33.27
Interest on term loan	3.54	-
Research and development	3.04	2.55
Others	7.38	8.28

27.8 Details of consumption of imported and indigenous items

	Year ended 31 March 2013		Year ended 31 March 2012	
Particulars	(₹ In Million)	%	(₹ In Million)	%
Raw material				
Imported	845.84	47.24	1,000.32	55.34
Indigenous	944.76	52.76	807.16	44.66
Total	**1,790.60**	**100.00**	**1,807.48**	**100.00**

27.9 Earnings in foreign exchange

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Export of goods calculated on FOB basis	1,344.73	1,380.96
Other non-operating income	0.28	0.69

27.10 Amounts remitted in foreign currency during the year on account of dividend

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Amount of dividend remitted in foreign currency	-	7,324,333
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	-	2
Total number of shares held by them on which dividend was due	-	4,882,889
Year to which the dividend relates	-	2010-11

27.11 Managerial Remuneration

Based on the approval received from the Central Government during the year and subsequent to the year-end, the Company has recognised in the Statement of Profit and Loss for the year ended 31 March 2013 Rs.27.70 Million of excess salaries and allowances paid to its directors and which was included under Short term loans and advances in the previous years.

28 DISCLOSURE UNDER ACCOUNTING STANDARD

28.1 Details of amalgamations

I. Amalgamation of Fraxis Life Sciences Limited with the Company:

During the previous year ended 31 March 2012, the Scheme of Amalgamation of Fraxis Life Sciences Limited ("Transferor Company") with the Company ("Transferee Company") was sanctioned by the High Court of Bombay on August 20, 2011 with the appointed date and effective date being September 14, 2011, the date on which the sanctioned Scheme is filed by the Company with the Registrar of Companies, Mumbai ("the Scheme"). In terms of the Scheme:

a) The amalgamation was accounted for under the Purchase Method of accounting as specified in Accounting Standard (AS) – 14 Accounting for Amalgamations, notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006.

b) All the assets and liabilities of the Transferor Company have been recorded by the Transferee Company at their respective carrying amounts as appearing in the books of the Transferor Company as on the appointed date.

c) The investment in the equity share capital of the Transferee Company as appearing in the books of accounts of the Transferor Company got cancelled and accordingly, the share capital of the Transferee Company was reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company as on the appointed date.

d) The excess of the value of the net assets of the Transferor Company acquired by the Transferee Company over the face value of the shares issued by the Transferee Company as consideration to the shareholders of the Transferor Company and after adjusting for cancellation of equity share capital as mentioned in (c)above was treated as Capital Reserve amounting to NIL (net of merger expenses).

e) All costs, charges, taxes including duties, levies and all other expenses incurred in carrying out and implementing the Scheme and to put it into operation were adjusted against the Capital Reserve.

Details of assets and liabilities acquired on amalgamation and treatment of the difference between the net assets acquired and the face value of the shares issued by the Transferee Company as consideration to the shareholders of the Transferor Company and after adjusting for cancellation of equity share capital:

(₹ In Million)

Particulars	Year ended 31 March 2012	
Value of assets and liabilities acquired:		
Cash and bank balances	6.39	
Deferred tax asset	0.14	6.53
		-
Less: Current liabilities		0.05
Difference considered as capital reserve		6.48
Less: Merger expenses		6.48
		-

(ii) During the year ended 31 March 2012, the Company purchased the research and development unit of its subsidiary Sequent Antibiotics Private Limited on a slump sale basis for a total consideration of Rs. 91.10 million. Below is the breakup of assets & liabilities taken over.

Particulars	(₹ In Million)
Tangible fixed assets	90.89
Current assets	3.62
Less: Current liabilities	3.41
Total Consideration paid	**91.10**

NOTES forming part of the financial statements (Contd.)

28 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (Contd.)

28.2 Employee benefit plans

a. Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.20.18 Million (Year ended 31 March 2012 Rs. 16.82 Million) for Provident Fund contributions and Rs.2.01 Million (Year ended 31 March 2012 Rs.1.61 Million) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b. Defined benefit plans

The Company has a defined Gratuity benefit plan. The following table summarizes the components of net employee benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan.

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Components of employer expense		
Current service cost	11.22	7.53
Interest cost	2.93	2.77
Expected return on plan assets	(0.92)	(0.78)
Unrecognised past service cost - non vested benefits	0.12	-
Recognised past service cost - non vested benefits	-	0.14
Actuarial losses/(gains)	2.11	(5.34)
Total expense recognised in the Statement of Profit and Loss	**15.46**	**4.32**
Actual contribution and benefit payments for year		
Actual benefit payments	(2.57)	(3.62)
Actual contributions	4.50	3.28
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	51.86	37.93
Fair value of plan assets	13.61	10.52
Funded status [Surplus / (Deficit)]	(38.25)	(27.41)
Unrecognised past service costs - non vested benefits	-	0.12
Net asset / (liability) recognised in the Balance Sheet	**(38.25)**	**(27.29)**
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	37.93	36.40
Current service cost	11.22	7.53
Interest cost	2.93	2.77
Actuarial (gains) / losses	2.35	(5.15)
Past service cost	-	-
Benefits paid	(2.57)	(3.62)
Present value of DBO at the end of the year	**51.86**	**37.93**
Change in fair value of assets during the year		
Plan assets at beginning of the year	10.52	9.89
Expected return on plan assets	0.92	0.78
Actual company contributions	4.50	3.28
Actuarial gain / (loss)	0.24	0.19
Benefits paid	(2.57)	(3.62)
Plan assets at the end of the year	**13.61**	**10.52**
Actual return on plan assets	1.16	0.97

Composition of the plan assets is as follows:

The details with respect to the investment made by Fund managers (LIC and SBI Life) into major categories of plan assets have not been disclosed, as the same has not be provided by the Fund managers to the Company.

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Actuarial assumptions		
Discount rate	8%	8%
Expected return on plan assets	8%	8%
Salary escalation	12%	10%
Attrition	8%	8%
Mortality tables	LIC (94-96) Ult	

(₹ In Million)

Experience adjustments	2012-13	2011-12	2010-11	2009-10
Experience gain / (loss) adjustments on plan liabilities	2.35	(5.15)	(1.08)	(7.82)
Experience gain / (loss) adjustments on plan assets	0.24	0.19	0.19	0.04

In the absence of information relating to experience adjustment for the earlier year 2008-09 with the company, the same has not been disclosed

Notes

1. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
2. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
3. The Company's best estimate, as soon as it can reasonably be determined, of contributions expected to be paid to the plan during the annual period beginning after balance sheet date is Rs. Nil million (Previous year: Rs. 3.5 million)

c. Actuarial assumptions for long-term compensated absences

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Discount rate	8%	8%
Expected return on plan assets	8%	8%
Salary escalation	12%	10%
Attrition	8%	8%
Mortality tables	LIC (94-96) Ult	

Note

1. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
2. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

NOTES forming part of the financial statements (Contd.)

28 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (Contd.)

28.3. Related Party Disclosures

A List of related parties:

i) Holding Company:
Fraxis Life Sciences Limited (merged with the Company w.e.f September 14, 2011: Refer Note 28(1)(i))

ii) Wholly-owned subsidiaries:
SeQuent Global Holdings Limited
SeQuent European Holdings Limited (step-down subsidiary)
SeQuent Research Limited
SeQuent Antibiotics Private Limited
SeQuent Oncolytics Private Limited
Elysian Life Sciences Private Limited (Refer Note 1)

iii) Other subsidiaries:
Galenica B.V.
Codiffar N.V. (wholly Owned Subsidiary of Galenica B.V.)
Elysian Health Care Private Limited (Wholly owned Subsidiary of Elysian Life Sciences Pvt. Ltd. till 31st March 2013) (Refer Note 2)
Vedic Fanxipang Pharma Chemic Company Limited (wholly owned subsidiary of Elysian Life Sciences Private Limited)
Elysian Life Sciences Mauritius Limited (step-down subsidiary)
Sanved Research Labs Private Limited (Refer Note 3)
SeQuent Penems Private Limited (with effect from 15 March 2012)

iv) Key Management Personnel
Mr. K.R.Ravishankar, Managing Director and Chief Executive Officer
Dr. Gautam Kumar Das, Joint Managing Director
Mr. K.R.N.Moorthy, Deputy Managing Director (upto 23 January 2012)

v) Associate
SeQuent Penems Private Limited (till 15 March 2012)

vi) Enterprises owned or significantly influenced by key management personnel and relative of key management personnel:
Strides Arcolab Limited
Atma Projects
Agnus Holdings Private Limited
Latitude Projects Pvt. Limited
Chayadeep Properties Private Limited
Agnus Capital LLP
Chayadeep Ventures LLP

Note:

1. On 31 March 2013, the Company purchased additional shares in Elysian Life Sciences Private Limited resulting in it becoming a wholly owned subsidiary.
2. On 31 March 2013, Elysian Life Sciences Private Limited sold entire shareholding of Elysian Health Care Private Limited.
3. Sanved Research Labs Private Limited was struck off during the year ended 31 March 2012.
4. Related parties are as identified by the Company and relied upon by Auditors.

NOTES forming part of the financial statements (Contd.)

28 B ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (Contd.)

(₹ In Million)

Nature of Transactions	WHOLLY OWNED SUBSIDIARIES		OTHER SUBSIDIARIES		ASSOCIATES		KEY MANAGEMENT PERSONNEL		ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES	
	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012
B. Transaction during the year										
(i) Sale of material/services										
Strides Arcolab Limited									33.72	2.92
SeQuent Antibiotics Private Limited	-	0.41								
SeQuent Research Limited	-	0.07								
(ii) Sale of machinery/assets										
SeQuent Antibiotics Private Limited	-	19.67								
SeQuent Research Limited	0.01	-								
SeQuent Penems Private Limited (Slump sale)					-	90.00				
(iii) Interest & other income										
SeQuent Antibiotics Private Limited	0.54	9.73								
Elysian Life Sciences Private Limited			6.48	4.65						
SeQuent Penems Private Limited			4.11	0.67	-	15.58				
(iv) Interest paid										
Chayadeep Properties Pvt. Ltd.									17.36	-
SeQuent Research Limited	1.70	-								
(v) Purchase of materials										
Strides Arcolab Limited		-							0.73	-
Vedic Fanxipang Pharma Chemic Company Limited			30.89	83.49						
Elysian Life Sciences Mauritius Limited			18.31	-						
(vi) Purchase of machinery/assets										
SeQuent Penems Private Limited			-	0.20						
(vii) Purchase of assets (Slump sale basis)										
SeQuent Antibiotics Private Limited	-	91.10								
(viii) Commission paid on purchases										
Elysian Life Sciences Private Limited			-	4.43						
(ix) Managerial remuneration (Refer Note 27.11)										
Mr. K.R.Ravishankar							47.87	21.24		
Dr. Gautham Kumar Das							14.95	9.99		
Mr. K.R.N.Moorthy							-	9.73		

NOTES forming part of the financial statements (Contd.)

28 B ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (Contd.)

(₹ In Million)

Nature of Transactions		WHOLLY OWNED SUBSIDIARIES		OTHER SUBSIDIARIES		ASSOCIATES		KEY MANAGEMENT PERSONNEL		ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES	
		Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012
(x)	**Reimbursement of expenses from**										
	SeQuent Research Limited	0.39	-							-	-
	SeQuent Penems Private Limited			0.88	-						
(xi)	**Reimbursement of expenses to**										
	Strides Arcolab Limited									0.88	-
	Elysian Life Sciences Mauritius Limited			0.85	-						
(xii)	**Analytical charges**										
	SeQuent Research Limited	49.44	35.77								
(xiii)	**Rent**										
	Atma Projects									6.06	5.75
(xiv)	**Loans/advances given by Company***										
	Elysian Life Sciences Private Limited	17.39		-	19.46						
	SeQuent Research Limited	-	31.67								
	SeQuent Antibiotics Private Limited	0.75	129.22								
	SeQuent Penems Private Limited			164.75		-	135.48				
	SeQuent Oncolytics Private Limited	-	-								
	Mr. K.R.Ravishankar							-	12.90		
(xv)	**Loan/advances repaid to the company ****										
	SeQuent Research Limited	52.81	33.37								
	Elysian Health Care Private Limited			-	0.09						
	SeQuent Penems Private Limited	-		-		-	1.26				
	Elysian Life Sciences Private Limited			-	9.60						
	SeQuent Antibiotics Private Limited	76.60	5.00								
(xvi)	**Loans/advances received*****										
	Sequent Research Limited	57.72	-								
	Chayadeep Properties Pvt. Ltd									321.63	-
(xvii)	**Loan/advances repaid by Company ****										
	SeQuent Global Holdings Limited	-	1.54								
	Chayadeep Properties Pvt. Ltd									12.00	-
	Sequent Research Limited	17.54	-								

NOTES forming part of the financial statements (Contd.)

28 B ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (Contd.)

(₹ In Million)

Nature of Transactions	WHOLLY OWNED SUBSIDIARIES		OTHER SUBSIDIARIES		ASSOCIATES		KEY MANAGEMENT PERSONNEL		ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES	
	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012
(xviii) Investment during the year										
(Including pending allotment)										
SeQuent Global Holdings Limited	1.87	2.42								
SeQuent Research Limited	-	12.00								
Elysian Life Sciences Private Limited	0.01		-	-						
SeQuent Penems Private Limited	-		164.75			237.99				
Elysian Life Sciences Mauritius Limited			-	0.10						
(xix) Inter corporate deposits taken										
Elysian Health Care Private Limited			-	35.50						
(xx) Intercorporate deposits paid-back										
Elysian Health Care Private Limited			-	35.50						
(xxi) Dividend										
Mr. K.R.Ravishankar							-	8.37		
Chayadeep Properties Private Ltd									-	1.20
Agnus Holdings Private Ltd									-	0.30
(xxii) Shares issued										
Agnus Capital LLP									126.79	-
Chayadeep Ventures LLP									126.79	-
(xxiii) Money received against share warrants										
Agnus Capital LLP									59.39	-
Chayadeep Ventures LLP									59.39	-
C. Balance as at balance sheet date:										
(i) Debtors balance										
Strides Arcolab Limited									33.83	-
SeQuent Penems Private Limited			157.67	217.38						
SeQuent Research Limited	0.47	0.07								
(ii) Advance receivable										
SeQuent Research Limited	-	52.81								
SeQuent Antibiotics Private Limited	1.64	77.49								
Elysian Life Sciences Private Limited			108.73	91.34						
Mr. K.R. Ravishankar							-	23.38		
Dr. Gautam Kumar Das							-	4.32		
Strides Arcolab Limited									-	0.44

NOTES forming part of the financial statements (Contd.)

28 B ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (Contd.)

(₹ In Million)

Nature of Transactions	WHOLLY OWNED SUBSIDIARIES		OTHER SUBSIDIARIES		ASSOCIATES		KEY MANAGEMENT PERSONNEL		ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES	
	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012
C. Balance as at balance sheet date: (Contd.)										
(iii) Deposit receivable										
Atma Projects									17.39	17.39
(iv) Advance to suppliers										
SeQuent Research Limited	-	4.99								
(v) Payable										
SeQuent Research Limited	40.18	-								
Chayadeep Properties Pvt. Ltd									309.63	-
(vi) Advance received from customers										
Strides Arcolab Limited									-	2.48
(vii) Creditors balance										
Atma Projects									2.52	0.34
Vedic Fanxipang Chemic Company Limited			2.47	30.88						
Strides Arcolab Limited									-	16.18
Elysian Life Sciences Mauritius Limited			0.85							
Latitude Projects Private Limited									0.27	1.27
SeQuent Research Limited	0.53	-								
(viii) Money received against share warrants										-
Agnus Capital LLP									59.39	-
Chayadeep Ventures LLP									59.39	

* Includes expenses reimbursed & interest accrued on loans given
** Includes interest payment
*** Includes interest accrued on loans taken

(₹ In Million)

Nature of Transactions	WHOLLY OWNED SUBSIDIARIES		OTHER SUBSIDIARIES		ASSOCIATES		KEY MANAGEMENT PERSONNEL		ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
D. Details of balance provided / written off										
(i) Advance receivable										
Elysian Life Sciences Private Limited	31.00	-								
(ii) Provision for diminution other than temporary in value of investment										
SeQuent Global Holdings Limited	9.08	-								

NOTES forming part of the financial statements (Contd.)

28 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (Contd.)

28.4. Details of borrowing costs capitalised

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Borrowing costs capitalised during the year		
- as fixed assets / intangible assets / capital work-in-progress	16.76	9.25
	16.76	**9.25**

28.5. Details of leasing arrangements

The Company's significant leasing arrangement is mainly in respect of factory building and office premises; the aggregate lease rent payable on these leasing arrangements charged to Statement of Profit and Loss is Rs.28.20 Million. (Previous Year: Rs. 12.80 Million)

The Company has entered in to non-cancelable lease arrangement for its facilities and office premises, the tenure of lease ranges from 1 year to 10 years. The said lease arrangements have an escalation clause where in lease rental is subject to an increment of ranging from 5% to 15%. Details of lease commitments are given below:

(₹ In Million)

Particulars	As at 31 March 2013	As at 31 March 2012
not later than one year	20.02	16.86
later than one year and not later than five years	29.96	28.26
later than five years	4.20	12.35

28.6. Earnings per share

Particulars	Year ended 31 March 2013 Rs. in Million except No. of Shares	Year ended 31 March 2012 Rs. in Million except No. of Shares
Net profit / (loss) for the year as per statement of profit and loss	(545.01)	14.68
Net profit / (loss) for the year attributable to the equity shareholders	(545.01)	14.68
Weighted average number of equity shares	22,696,287	21,935,191
Par value per share	10	10
Earnings / (Loss) per share from continuing operations - Basic and Diluted	(24.01)	0.67

28.7. Deferred tax (liability) / asset

(₹ In Million)

Particulars	As at 31 March 2013	As at 31 March 2012
Tax effect of items constituting deferred tax liability		
Depreciation	(189.26)	(177.57)
Tax effect of items constituting deferred tax liability	**(189.26)**	**(177.57)**
Tax effect of items constituting deferred tax assets		
Disallowances under Section 43B of the Income Tax Act, 1961	23.63	17.35
Unabsorbed depreciation carried forward	154.96	74.30
Others	11.36	3.51
Tax effect of items constituting deferred tax assets	**189.95**	**95.16**
Net deferred tax (liability) / asset	**0.69**	**(82.41)**

The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax.

28.8. Details of research and development expenditure

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Employee benefits expense	23.51	14.92
Power, water and fuel	4.21	4.57
Legal and professional fees	0.27	0.64
Consumables	4.06	7.38
Travelling and conveyance	0.52	0.47
Analytical charges	21.31	17.94
Others	11.95	10.84
	65.83	**56.76**

The above include costs associated with the development services undertaken for customers and are as certified by the management and relied upon by the Auditors.

28.9. During the year, the following development expenditure have been transferred to Intangible assets / intangible assets under development from the Statement of Profit and Loss:

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Employee benefits expense	15.48	10.05
Power, water and fuel	4.16	3.58
Legal and professional fees	0.16	0.38
Raw material and consumables	61.78	47.78
Travelling and conveyance	0.39	0.29
Analytical charges	16.46	10.82
Depreciation	3.69	3.14
Others	9.32	6.78
Total	**111.44**	**82.82**

NOTES forming part of the financial statements (Contd.)

29 DISCLOSURES ON EMPLOYEE SHARE BASED PAYMENTS

a) In the extraordinary general meeting held on March 8, 2008, the shareholders approved the issue of 700,000 options under the ESOP scheme. In accordance with the above, the Company established an ESOP trust to administer the scheme on February 25, 2010.

On the board meeting dated March 29, 2010, the Company has allotted 700,000 equity shares to the ESOP trust with a Face value of Rs.10 per share at a premium of Rs. 103 per share.

As per the scheme, the Compensation committee grants the options to the employee deemed eligible. The exercise price and vesting period of each option shall be as decided by the compensation committee from time to time. The options granted would normally vest over a maximum period of 4 years from the date of the grant in proportions specified in the scheme. Options may be exercised with in period not exceeding 4 years from the date of first vesting of the options by the Company.

b) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	During the year ended 31 March 2013 Options (Numbers)	During the year ended 31 March 2012 Options (Numbers)
Option outstanding at the beginning of the year	-	100,000
Granted during the year	-	-
Vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	100,000
Options outstanding at the end of the year	-	-
Options available for grant	700,000	700,000

30 TRANSFER PRICING

In respect of Transfer pricing regulations under Section 92 to 92F of the Indian Income Tax Act, 1961, the Management confirms that its international transactions and Specified Domestic Transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for tax.

31 The Company has not received a written representation from Mr. K.R. Ravishankar, one of the Director of the Company as on March 31, 2013, confirming that he is not disqualified from being appointed as a director of the Company in terms of Section 274 (1) (g) of the Companies Act, 1956.

32 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and On Behalf of the Board of Directors

Dr. Gautam Kumar Das	Dr. Gopakumar G Nair	Preetham Hebbar
Joint Managing Director	*Director*	*Company Secretary*

Mumbai, May 30, 2013

CONSOLIDATED

Financial Statements

Independent AUDITORS' REPORT

To The Board of Directors of

SEQUENT SCIENTIFIC LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SEQUENT SCIENTIFIC LIMITED(the "Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, based on the consideration of the reports of the other auditors on the financial statements / financial information of the subsidiariesand read with the comments in respect of certain entities referred to below in the Other Matter paragraphs 1 and 2 respectively, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;

(b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

1. We did not audit the financial statements / financial information of eight subsidiaries, whose financial statements / financial information reflect total assets (net) of Rs.1,109.75 Million as at March 31, 2013, total revenues of Rs.139.96 Million and net cash flows amounting to Rs.(255.43)Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.
2. The consolidated financial statements include the unaudited financial statements/financial information of two subsidiaries (Previous year ended March 31, 2012: two subsidiaries), whose financial statements/financial information reflect total assets (net) of Rs.49.07 Million as at March 31, 2013 (As at March 31, 2012: Rs.131.52Million), total revenue of Rs.0.06Million (Previous year ended March 31, 2012: Rs.5.64 Million) and net cash flows amounting to Rs.(16.11) Million (Previous year ended March 31, 2012: Rs. (16.88) Million for the year ended on that date, as considered in the consolidated financial statements. Our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on such unaudited financial statements/financial information.

Based on the explanations provided by Management, it is expected that there should be no material impact on the consolidated financial statements consequent to any possible adjustments in respect of the aforesaid entities where unaudited financial statements are available, since the size of these entities in the context of the Group is not material.

Our opinion is not qualified in respect of these matters.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

Mumbai, May 30,2013

Consolidated BALANCE SHEET as at 31 March 2013

(₹ In Million)

	Note No.	As at 31 March 2013	As at 31 March 2012
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	234.40	213.40
(b) Reserves and surplus	4	596.84	1,011.87
(c) Money received against share warrants	28.1	118.79	-
		950.03	**1,225.27**
2 Minority interest		45.80	54.90
3 Non-current liabilities			
(a) Long-term borrowings	5	1,380.37	810.65
(b) Deferred tax liabilities (net)	29.8	1.78	82.41
(c) Other long-term liabilities	6	0.50	-
(d) Long-term provisions	7	60.89	42.39
		1,443.54	**935.45**
4 Current liabilities			
(a) Short-term borrowings	8	1,517.60	1,233.41
(b) Trade payables	9	1,507.69	1,239.44
(c) Other current liabilities	10	357.62	753.80
(d) Short-term provisions	11	40.17	31.27
		3,423.08	**3,257.92**
TOTAL		**5,862.45**	**5,473.54**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12 A	2,067.42	2,121.12
(ii) Intangible assets	12 B	110.64	81.99
(iii) Capital work-in-progress		633.69	338.95
(iv) Intangible assets under development		253.45	301.77
(b) Goodwill on consolidation		94.53	94.53
(c) Non-current investments	13	16.43	0.36
(d) Long-term loans and advances	14	402.55	450.50
(e) Other non-current assets	15	4.37	17.74
		3,583.08	**3,406.96**
2 Current assets			
(a) Current investments	16	1.77	2.77
(b) Inventories	17	856.21	682.40
(c) Trade receivables	18	658.05	704.11
(d) Cash and cash equivalents	19	329.91	358.79
(e) Short-term loans and advances	20	352.77	265.57
(f) Other current assets	21	80.66	52.94
		2,279.37	**2,066.58**
See accompanying notes forming part of the consolidated financial statements			
TOTAL		**5,862.45**	**5,473.54**

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

V. Srikumar
Partner

Mumbai, May 30, 2013

For and On Behalf of the Board of Directors

Dr. Gautam Kumar Das
Joint Managing Director

Dr. Gopakumar G Nair
Director

Preetham Hebbar
Company Secretary

Consolidated Statement of PROFIT & LOSS for the year ended 31 March 2013

(₹ In Million)

		Note No.	Year Ended 31 March 2013	Year Ended 31 March 2012
1	Revenue from operations (gross)	22	3,419.28	3,584.64
	Less: Excise duty		150.66	126.54
	Revenue from operations (net)		**3,268.62**	**3,458.10**
2	Other income	23	25.64	104.83
3	**Total revenue (1 + 2)**		**3,294.26**	**3,562.93**
4	**Expenses**			
	(a) Cost of materials consumed	24.a	1,846.00	1,780.38
	(b) Purchases of stock-in-trade	24.b	105.71	85.13
	(c) Changes in inventories of finished goods and work-in-progress & intermediates	24.c	(148.73)	54.87
	(d) Employee benefits expense	25	414.68	294.02
	(e) Finance costs	26	334.46	299.90
	(f) Depreciation and amortization expense	12 C	286.07	229.81
	(g) Other expenses	27	1,183.57	872.95
	Total expenses		**4,021.76**	**3,617.06**
5	**Loss before tax (3 - 4)**		**(727.50)**	**(54.13)**
6	**Tax expense:**			
	(a) Current tax expense		2.28	1.95
	(b) (Less): MAT credit		(2.23)	(0.99)
	(c) Deferred tax charge / (credit)		(80.63)	(40.50)
			(80.58)	**(39.54)**
7	**Loss after tax for the year but before minority interest (5 - 6)**		**(646.92)**	**(14.59)**
8	**Share of minority interest**		0.02	(0.60)
9	**Loss for the year after minority interest (7 - 8)**		**(646.94)**	**(13.99)**
10	**Earnings per share (of Rs.10 each)**			
	Basic and Diluted	29.7	(28.50)	(0.64)
	See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants
V. Srikumar
Partner
Mumbai, May 30, 2013

For and On Behalf of the Board of Directors

Dr. Gautam Kumar Das
Joint Managing Director

Dr. Gopakumar G Nair
Director

Preetham Hebbar
Company Secretary

Consolidated CASH FLOW STATEMENT
For the Year ended 31 March 2013

(₹ In Million)

Particulars		Year ended 31 March 2013	Year ended 31 March 2012
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax		**(727.50)**	**(54.13)**
Adjustments for:			
Depreciation, amortisation and impairment		286.07	229.81
Intangible/Tangible Fixed assets written off		13.87	2.04
Tangible/Intangible cwip written off		47.77	0.00
Bad trade receivables written off		25.46	2.11
Bad loans and advances written off		4.75	-
Provision for doubtful trade receivables		19.30	1.00
Provision for doubtful loans and advances		9.61	-
Unrealised exchange gain (net)		(26.17)	61.98
Profit on sale of investment		(0.09)	(0.49)
Loss/(profit) on sale of assets (net)		(4.16)	(64.92)
Interest expenses		303.07	269.99
Compensation under ESOP scheme		-	(0.07)
Interest income		(7.68)	(30.80)
Sundry balances written back (net)		(11.99)	(0.90)
Operating profit before working capital changes		**(67.69)**	**415.62**
Changes in working capital			
(Increase)/Decrease in trade and other receivables		87.12	(181.47)
(Increase)/Decrease in inventories		(155.71)	(46.86)
Increase/(Decrease) in trade and other payables		165.49	140.44
(Increase)/Decrease margin money and unpaid dividend accounts		(72.05)	(85.05)
Net change in working capital		**24.85**	**(172.94)**
Cash generated from operations		**(42.84)**	**242.68**
Direct taxes paid/(refund), net		4.63	(27.88)
Net cash from Operating Activities	**A**	**(38.21)**	**214.80**
Cash flow from Investing Activities			
Capital expenditure on fixed assets, including capital advances		(564.87)	(818.66)
Proceeds from sale of fixed assets		21.92	119.63
Purchase of non - current investments		(16.07)	-
Purchase of Current investment		(57.50)	(1.00)
Proceeds from sale of Current investments		58.59	-
Sale of Non- current investments		-	1.84
Sale of other investment		-	2.34
Interest received		9.00	28.02
Net cash used in Investing Activities	**B**	**(548.93)**	**(667.83)**

Consolidated CASH FLOW STATEMENT
For the Year ended 31 March 2013 (Contd.)

(₹ In Million)

Particulars		Year ended 31 March 2013	Year ended 31 March 2012
Cash flow from Financing Activities			
Proceeds from short term borrowings		258.47	262.21
Proceeds from / (repayment of) of long term borrowings		18.03	630.69
Interest paid on borrowings		(301.89)	(281.69)
Proceeds from issue of shares to minority shareholders		-	45.45
Proceeds from issue of shares		253.58	1.05
Proceeds from issue of warrants		118.79	-
Dividend paid		-	(32.90)
Dividend distribution tax paid		-	(5.46)
Net cash generated from Financing Activities	**C**	**346.98**	**619.35**
Net Increase/(Decrease) in cash and cash equivalents during the year	**A+B+C**	**(240.16)**	**166.32**
Cash and cash equivalents as at 31.03.2012		**273.74**	**91.71**
Included on amalgamation		-	6.39
Deleted on divestment		(3.31)	
Translation effect		(2.88)	6.81
Remittance in Transit		7.12	2.51
Cash and cash equivalents as at 31.03.2013		34.51	273.74
Reconciliation of cash and cash equivalents with the Balance sheet			
Reconciliation of cash and cash equivalents as per Balance Sheet (Refer Note 19)		329.91	358.79
Less: Balances not considered as cash and cash equivalents as defined in AS 3 "Cash Flow Statements"			
- Margin money against working capital facilities with banks		157.03	85.05
- Balance in Un-paid Dividend Accounts		0.07	
- Balance held in Earmarked Accounts(Refer Note 19(i))		138.30	
Net Cash and cash equivalents at the end of the year		34.51	273.74

See accompanying notes forming part of the financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
V. Srikumar
Partner
Mumbai, May 30, 2013

For and On Behalf of the Board of Directors

Dr. Gautam Kumar Das
Joint Managing Director

Dr. Gopakumar G Nair
Director

Preetham Hebbar
Company Secretary

NOTES forming part of the consolidated financial statements

1 BASIS OF CONSOLIDATION

The consolidated financial statements relate to SeQuent Scientific Limited (the Company) and its subsidiaries companies together "the Group". The financial statements of the entities in the Group used in the consolidation are drawn up to the same reporting date as of the Company, i.e. 31 March 2013 except that of the following entities:

Name of Entity	Year End Date
Vedic Fanxipang Pharma Chemic Company Limited	31 December 2012

1.1 Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiary companies have been consolidated on a line–by-line basis by adding together like items of assets, liabilities, income and expenses. The intra group balances, intra group transactions and unrealised profits or losses have been eliminated fully.

ii) The excess of cost to the Company of its investments in the subsidiary companies over its share of the equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'goodwill', being an asset in consolidated financial statements. Where the share of the equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Company, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus'.

iii) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above.

1.2 Information on subsidiary companies:

i) The following subsidiary companies are considered in the consolidated financial statements

Sl No	Name of the entity	Country of Incorporation	Ownership at 31 March 2013 held by	Status	% of effective ownership held either directly or through subsidiary as at 31 March, 2013	% of effective ownership held either directly or through subsidiary as at 31 March, 2012
1	SeQuent Global Holdings Limited	Mauritius	SeQuent Scientific Limited	Subsidiary	100.00%	100.00%
2	SeQuent European Holdings Limited	Cyprus	SeQuent Global Holdings Limited	Subsidiary	100.00%	100.00%
3	SeQuent Research Limited	India	SeQuent Scientific Limited	Subsidiary	100.00%	100.00%
4	Elysian Life Sciences Private Limited	India	SeQuent Scientific Limited	Subsidiary	100% [Refer Note (b) below]	90.00%
5	Vedic Fanxipang Pharma Chemic Company Limited	Vietnam	Elysian Life Sciences Private Limited	Subsidiary	100% [Refer Note (b) below]	90.00%
6	Elysian Health Care Private Limited	India	Elysian Life Sciences Private Limited	Subsidiary	[Refer Note (c) below]	90.00%
7	SeQuent Anti Biotics Private Limited	India	SeQuent Scientific Limited	Subsidiary	100.00%	100.00%
8	SeQuent Oncolytics Private Limited	India	SeQuent Scientific Limited	Subsidiary	99.99%	99.99%
9	SeQuent Penems Private Limited	India	SeQuent Scientific Limited	Subsidiary	83.06%	73.65%
10	Elysian Life Science (Mauritius) Ltd	Mauritius	Vedic Fanxipang Pharma Chemic Company Limited	Subsidiary	100% [Refer Note (b) below]	90.91%
11	Galenica B.V.	Netherlands		Subsidiary	[Refer note - (d) below]	[Refer note - (d) below]
12	Codifar N.V.	Belgium		Subsidiary	[Refer note - (d) below]	[Refer note - (d) below]

Note:

(a) In respect of entity in Sl. No.3 the Company's cost of investment is in excess of its share of equity on the date of investment and the difference has been recognised as Goodwill. In respect of Sl. No.5, the Company's networth is in excess of the cost of investment on the date of recognition and the difference has been recognised on Capital reserve amounting to Rs. 2.5 Million.

(b) On 31 March 2013, the Company purchased additional shares resulting in Elysian Life Sciences Private Limited becoming a wholly owned subsidiary. Further, by virtue of the above, effective ownership held by the Company directly or indirectly through subsidiaries in Vedic Fanxipang Pharma Chemic Company Limited and Elysian Life Science (Mauritius) Ltd has become 100% as on 31 March 2013.

(c) On 31 March 2013, Elysian Life Sciences Private Limited sold entire shareholding of Elysian Health Care Private Limited.

(d) Companies have gone into liquidation.

NOTES forming part of the consolidated financial statements (Contd.)

1 BASIS OF CONSOLIDATION (Contd.)

ii) Disclosure on effect of disposal of subsidiaries:

Elysian Health Care Private Limited

Particulars	Rs. In million
Date	31 March 2013
Liabilities	
Trade payables	3.17
Other current liabilities	2.87
Short-term provisions	0.04
Assets	
Long-term loans and advances	0.01
Trade receivables	2.89
Cash and cash equivalents	3.31
Short-term loans and advances	0.36
Loss on disposal	0.49
Profit for the year	0.09

1.3 Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Company's financial statements.

1.4 The consolidated financial statements include assets, liabilities, income and expenses aggregating to amounts indicated below which are included on the basis of unaudited financial statements in respect of the following subsidiaries:

i) Vedic Fanxipang Pharma Chemic Company Limited

ii) Sequent European Holdings Limited

(₹ In Million)

Particulars	Total
Non current liabilities	21.22
Current liabilities	13.67
Non-current assets	42.00
Current assets	7.07
Revenue	0.06
Expenditure	119.39

1.5 Exchange adjustments

On Consolidation

a. In case of non-integral operations, assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Revenue and expenses are translated at yearly average exchange rates prevailing during the year. Exchange differences arising out of these translations are included in 'Translation Reserve' under Reserves and Surplus.

b. In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the balance sheet date. Non-Monetary items are carried at historical cost. Revenue and expenses are translated at yearly average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of financial statements

The consolidated financial statements of the Group have been prepared, in accordance with Generally Accepted Accounting principles in India (Indian GAAP), to comply with the mandatory Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 except for certain assets and liabilities which are measured on fair value basis as permitted by the Scheme of Arrangement approved by the Honorable High Court of Karnataka and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.3 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible assets comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible assets after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Refer Note 2.5 for accounting for research and development expenses.

2.4 Depreciation/amortisation

Depreciation is provided under the straight-line method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956, based on technical estimates that indicate the useful lives would be comparable with or higher than those arrived at using these rates.

With respect to assets carried at revalued amounts as permitted under the Scheme of amalgamation, depreciation is recorded under the straight line method over the balance remaining useful life of the assets which are given below:

Nature of the assets	Remaining useful life in years
Buildings	10 - 28
Plant and Machinery	5 - 12
Office equipment	5 - 7
Computers	4
Furniture and fixtures	5 - 6
Motor vehicles	3 - 5
Leasehold land	85 - 96
Leasehold property development	Over lease period

In the case of following intangible assets depreciation is provided/amortised under the straight line method over the useful life of assets as follows:

Product and process development	5 Years
Software licenses	3 Years

The estimated useful life of the intangible assets and its amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

With respect to assets carried at revalued amounts as permitted under the Scheme of amalgamation, depreciation is recorded under the straight line method over the balance remaining useful life of the assets.

Individual assets costing less than Rs.5,000 are depreciated in full in the year of purchase.

2.5 Research and development costs

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for tangible fixed assets and intangible assets.

2.6 Impairment of assets

As at each Balance Sheet date, the carrying amount of fixed assets is tested for impairment if impairment conditions exist. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(a) in the case of an individual asset, at the higher of the net selling price and value in use.

(b) in the case of cash generating units, at the higher of the unit's net selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

NOTES forming part of the consolidated financial statements (Contd.)

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

2.7 Investments

Current investments are carried at lower of cost and fair market value. Provision is made to recognize decline, if any, in the carrying value.

Long-term investments are carried individually at cost less provision for diminution, other than temporary in the value of the investment.

2.8 Inventory

Inventories comprise raw materials, packing materials, consumables, work in process, intermediates and finished goods. These are valued at the lower of cost and net realizable value. Cost is determined as follows:

(i) Raw materials, packing materials and consumables
First in first out basis

(ii) Work in process and Intermediates
At material cost, conversion costs and appropriate share of production overheads

(iii) Finished goods
At material cost, conversion costs and an appropriate share of production overheads and excise duty, wherever applicable.

2.9 Revenue recognition

Revenue from export sales is recognized on the basis of the shipping bills for exports. Revenue from domestic sales is recognized based on the passage of title to goods which generally coincides with dispatch. Sales include excise duty and are stated net of discounts, other taxes, and sales returns.

Income from sale of technical know-how is recognized, when the risk and right to use is transferred to the buyer as per terms of contract.

Dividend income is recognised when the right to receive the same is established.

Interest income is recognised on an accrual basis.

2.10 Employee benefits

The Group's contribution to provident fund is charged to revenue on accrual basis.

Leave balances standing to the credit of the employees that are expected to be availed in the short term are provided for on full cost basis. Liability for unavailed leave considered to be long term is carried based on an actuarial valuation.

Liability for gratuity is funded with LIC and SBI Life Insurance Group Limited. Gratuity expenses for the year are accounted based on actuarial valuation carried out using Projected Unit Credit Method as at the end of the fiscal year. The obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Short term employee benefits like medical, leave travel, etc are accrued based on the terms of employment on a time proportion basis.

2.11 Foreign currency transactions

Initial recognition

Transactions in foreign currencies entered into by the Group and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items of the Group and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the balance sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the statement of profit and loss.

In case of non-integral operations, assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Revenue and expenses are translated at yearly average exchange rates prevailing during the year.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Group and its integral foreign operations are recognised as income or expense in the statement of profit and loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Translation reserve" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

2.12 Taxes on income

Income Tax comprises the current tax provision and the net change in the deferred tax asset or liability during the year. Deferred tax assets and liabilities are recognized for the future tax consequences arising out of temporary differences between the carrying values of the assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates applicable on the Balance Sheet date. Deferred tax assets are recognised for timing differences of items other than unabosrbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Indian Income Tax Act, 1961.

Minimum alternative tax ('MAT') paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognized as an assets in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and asset can be measured reliably.

2.13 Leases

Lease arrangements, where the risks and rewards incident to ownership of an asset substantially vest with the lessor, are classified as operating leases and the lease rentals thereon are recognised in the statement of profit and loss on accrual basis.

2.14 Employee stock option scheme

Employee stock options are accounted in accordance with the guidelines stipulated by SEBI and Guidance Note on Accounting for Employee Share-based Payments. The difference between the market price of the shares underlying the options granted on the date of grant of option and the option price is expensed under employee benefit expenses over the vesting period.

2.15 Earnings per share (EPS)

In determining the Earnings per share, the Group considers the net profit after tax. The number of shares used in computing Basic Earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing Diluted Earnings per share comprises the weighted average number of equity shares considered for deriving Basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless issued at a later date.

2.16 Provisions and contingencies

A provision is recognized when the Group has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation. Contingent liabilities are not recognized but are disclosed in the notes to consolidated financial statements.

2.17 Use of estimates

The preparation of the consolidated financial statements in conformity with the Accounting Standards generally accepted in India requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

2.18 Segment

Segments have been identified taking into account the nature of services, the differing risks and returns, the organizational structure and the internal reporting system.

NOTES forming part of the consolidated financial statements (Contd.)

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

2.19 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.20 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.21 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.22 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.23 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

		As at 31 March 2013		As at 31 March 2012	
		No. of Shares	₹ in Million	No. of Shares	₹ in Million
3	**SHARE CAPITAL**				
(a)	Authorised				
	32,000,000 equity shares of Rs.10 each	32,000,000	320.00	32,000,000	320.00
(b)	Issued				
	24,035,191 equity shares of Rs.10 each	24,035,191	240.35	21,935,191	219.35
(c)	Subscribed and fully paid up				
	24,035,191 equity shares of Rs.10 each	24,035,191	240.35	21,935,191	219.35
	Less: Amount receivable from SeQuent Scientific Employee Stock Option Scheme Trust (Being Face Value of 700,000 Equity Shares of Rs. 10 each allotted to the trust)		5.95		5.95
Total			**234.40**		**213.40**

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Equity Shares

	As at 31 March 2013		As at 31 March 2012	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
Shares outstanding at the beginning of the year	21,935,191	219.35	21,935,191	219.35
Add: Shares issued during the year (Refer note (a) below)	2,100,000	21.00	14,865,000	-
Less: Shares cancelled during the year (Refer note (b) below)	-	-	(14,865,000)	-
Shares outstanding at the end of the year	**24,035,191**	**240.35**	**21,935,191**	**219.35**

Notes:

(a) Conversion of 2,100,000 warrants issued during the year on preferential basis at a conversion price of Rs.120.75 per equity share of the company as approved in the Annual General Meeting dated 26 September 2012.

(b) During the previous year, in terms of the Scheme of Amalgamation of Fraxis Life Sciences Limited with the Company sanctioned by the High Court of Bombay on August 20, 2011, the Company allotted 14,865,000 fully paid up equity shares of the Company to the shareholders of Fraxis Life Sciences Limited and shares held by Fraxis Life Sciences Limited in the Company of 14,865,000 shares stands cancelled [Refer note 29.1].

(ii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Each equity shareholder is entitled to dividend in the Company. The dividend is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The amount of dividend per share recognized as distributions to equity shareholders is Nil (31 March 2012 : Rs.Nil)

(iii) Details of shares held by each shareholder holding more than 5% shares

	As at 31 March 2013		As at 31 March 2012	
Equity Shares	No. of Shares held	% of holding	No. of Shares held	% of holding
Name of the shareholder				
K R Ravishankar	5,579,986	23.22%	5,579,986	25.44%
Arun Kumar Pillai	5,579,993	23.22%	5,579,993	25.44%
Primera Partners Pte. Ltd	3,183,871	13.25%	3,183,871	14.51%
Satpal Khattar	1,699,018	7.07%	1,699,018	7.75%

(iv) 700,000 shares (As at 31 March, 2012 700,000 shares) of Rs.10 each are reserved towards outstanding employee stock options granted / available for grant. (Refer Note 31)

(v) As at 31 March 2013 2,750,000 warrants (March 2012-NIL) of Rs.10 each are outstanding to be converted into equivalent number of share. (Refer Note 28.1)

NOTES forming part of the consolidated financial statements (Contd.)

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
4	RESERVES AND SURPLUS		
(a)	Capital reserve		
	Opening balance	13.15	13.15
	Add: Included on amalgamation	-	6.48
	Less: Utilised during the year (Refer note 29.1)	-	6.48
	Closing balance	**13.15**	**13.15**
(b)	Securities premium account		
	Opening balance	513.40	513.40
	Add: Premium on shares issued during the year	232.58	-
	Closing balance	**745.98**	**513.40**
(c)	Restructuring reserve		
	Opening balance	-	4.06
	Less: Utilisation during the year		4.06
	Closing balance	**-**	**-**
(d)	Share options outstanding account		
	Opening balance	-	0.07
	Add: Amounts recorded on grants during the year		(0.07)
	Closing balance	**-**	**-**
(e)	General reserve	144.44	144.44
(f)	Surplus/(Deficit) in statement of profit and loss		
	Opening balance	372.82	386.14
	Add: Profit / (Loss) for the year	(646.94)	(13.99)
	Closing balance	**(17.50)**	**0.67**
	Total	**(291.62)**	**372.82**
(g)	Translation reserve		
	Opening balance	(31.94)	(43.03)
	Add / (Less): Translations during the year	16.83	11.09
	Closing balance	**(15.11)**	**(31.94)**
	Total	**596.84**	**1,011.87**

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
5	LONG-TERM BORROWINGS		
	Term loans		
	From banks		
	Secured	415.31	188.00
		415.31	**188.00**
	From other parties		
	Secured	957.86	613.85
	Unsecured	7.20	8.80
		965.06	**622.65**
	Total	**1,380.37**	**810.65**

NOTES forming part of the consolidated financial statements (Contd.)

5 LONG-TERM BORROWINGS (Contd.)

Particulars

(i) **Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:**

(₹ In Million)

Particulars	Security	Terms of repayment	As at 31 March 2013		As at 31 March 2012	
			Secured	Unsecured	Secured	Unsecured
Term loans from banks:						
Indian Overseas Bank	First pari-passu charge on fixed assets of the Company and second pari-passu charge on current assets of the Company as a collateral.	Repayable in 22 quarterly Installments, commencing from December 2012.	227.28	-	-	-
Central Bank of India	Vehicle loan is secured by hypothecation of asset acquired thereunder.	Repayable in 24 equated monthly Installments.	0.07	-	-	-
Corporation Bank	First pari-passu charge on fixed assets of one of the Subsidiaries of the Company.	Repayable in 20 quarterly Installments.	-		13.00	
State Bank of Hyderabad	First pari-passu charge on fixed assets of one of the Subsidairy of the Company and second pari-passu charge on current assets of one of the Subsidiary of the Company as a collateral.	Repayable in 28 structured quarterly Installments, commencing from December 2013.	122.97		149.99	
State Bank of Travancore	First pari-passu charge on fixed assets of one of the Subsidairy of the Company and second pari-passu charge on current assets of one of the Subsidiary of the Company as a collateral.	Repayable in 28 structured quarterly Installments, commencing from December 2013.	64.99		25.01	
Total - Term loans from banks			**415.31**	**-**	**188.00**	**-**
Term loans from other parties:						
Technology Development Board	First pari-passu charge on fixed assets of the Company.	Repayable in nine half yearly Installments commencing from 1 April 2009.	-	-	5.28	-
Housing Development Finance Corporation Limited	Mortgage of land along with super structure of Company's properties at Ambernath, Mahad, Mangalore, Panoli and Tarapur.	Repayable in 28 quarterly Installments, commencing from March 2012	785.00	-	560.00	-
Housing Development Finance Corporation Limited	Mortgage of Company's property at Thane (West), Mumbai.	Repayable in 28 quarterly Installments, commencing from July 2012	62.86	-	48.57	-
Department of Scientific and Industrial Research	Unsecured	Repayable annually over a period of five years from Mar'12 & Mar'13	-	7.20	-	8.80
Housing Development Finance Corporation Limited	Mortgage of land along with super structure of property at Mangalore of one of the Subsidiaries of the Company.	Repayable in 34 quarterly Installments, commencing from March 2013.	110.00	-	-	-
Total - Term loans from other parties			**957.86**	**7.20**	**613.85**	**8.80**

The interest on above term loans from other parties (other than loan from Technology Development Board and Department of Scientific and Industrial Research) are linked to the respective lender's base rates which are floating in nature. As of 31 March 2013 the interest rates ranges from 5% to 13% per annum.

(ii) **Details of long-term borrowings guaranteed by some of the directors or others:**

(₹ In Million)

Particulars	As at 31 March 2013	As at 31 March 2012
Term loans from banks	415.31	188.00
Term loans from other parties	957.86	613.85

(iii) **The Company has defaulted in repayment of loans and interest in respect of the following:**

Particulars	As at 31 March 2013		As at 31 March 2012	
	Period of default	(₹ In Million)	Period of default	(₹ In Million)
Term loans from other parties				
Principal	36 days	5.28	180 days	5.28
Interest	36 days	0.48	180 days	0.67

(iv) **For the current maturities of long-term borrowings, refer 10(a) in Other current liabilities.**

NOTES forming part of the consolidated financial statements (Contd.)

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
6	OTHER LONG-TERM LIABILITIES		
	Security deposits received	0.50	-
	Total	0.50	-

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
7	LONG TERM PROVISIONS		
	Provision for employee benefits		
	(i) Provision for gratuity (net)	40.74	28.88
	(ii) Provision for compensated absences	20.15	13.51
	Total	60.89	42.39

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
8	SHORT-TERM BORROWINGS		
(a)	Loans repayable on demand		
	From banks		
	Secured (Refer note (i) and (ii) below)	1,044.84	980.87
(b)	Loans from related parties (Refer Note 29.4)		
	Unsecured	345.93	-
(c)	Loans from other parties		
	Secured (Refer note (iii) below)	85.49	85.68
	Unsecured	41.34	166.86
		126.83	252.54
	Total	1,517.60	1,233.41

(i) Working capital loan from banks are secured by a first pari-passu charge on current assets of the Company and a second pari-passu charge on fixed assets of the Company as a collateral.

(ii) Short-term borrowings of Rs.1,044.84 million (31 March 2012 Rs.980.87 million) are guaranteed by some of the Directors of the Company in their personal capacities.

(iii) Short-term borrowings from other parties of Rs.85.49 Million (31 March 2012 Rs.85.68 million) are secured by trade receivables and inventories of two of the subsidiaries of the Company.

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
9	TRADE PAYABLES		
	Trade Payables	1,507.69	1,239.44
	Total	1,507.69	1,239.44

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
10	OTHER CURRENT LIABILITIES		
(a)	Current maturities of long-term debt (Refer note (i) below)	214.74	643.59
(b)	Interest accrued but not due on borrowings	4.26	0.81
(c)	Interest accrued and due on borrowings	25.81	8.14
(d)	Other payables		
	(i) Statutory remittances	51.34	16.41
	(ii) Payables on purchase of fixed assets	33.50	15.83
	(iii) Advances from customers	18.92	41.32
	(iv) Unclaimed dividends	0.07	-
	(v) Other current liabilities	8.98	27.70
	Total	357.62	753.80
	Note:		
	(i) Current maturities of long-term debt (Refer Notes (i) and (ii) in Note 5 - Long-term borrowings for details of security and guarantee):		
	Particulars		
	Term loans		
	From banks		
	Secured	30.36	194.74
		30.36	194.74
	From other parties		
	Secured	181.98	161.98
	Unsecured	2.40	286.87
		184.38	448.85
	Total	214.74	643.59

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
11	SHORT-TERM PROVISIONS		
(a)	Provision for employee benefits		
	(i) Provision for gratuity (net)	0.19	0.12
	(ii) Provision for compensated absences	7.94	7.94
	Total	8.13	8.06
(b)	Others		
	Provision for tax (net of advance tax Rs. 30.99 Milllion As at 31st March 2012 Rs. 37.63 Million)	32.04	23.21
		32.04	23.21
	Total	40.17	31.27

NOTES forming part of the consolidated financial statements (Contd.)

12 A TANGIBLE ASSETS

(₹ In Million)

Particulars	GROSS BLOCK							ACCUMULATED DEPRECIATION						NET BLOCK	
	Balance as at 01 April 2012	Additions	Effect of foreign currency exchange differences	Borrowing cost capitalised	Consolidation adjustment	Deletions	Balance as at 31 March 2013	Balance as at 01 April 2012	Depreciation / amortisation expense for the year	Included on amalgamation	Consolidation Adjustment	Deletions	Balance as at 31 March 2013	Balance as at 31 March 2013	Balance as at 31 March 2012
Own assets:															
Free hold land	82.03	-	-	-	-	0.21	81.82	-	-	-	-	-	-	81.82	82.03
Lease hold land	337.57	2.39	0.10	-	-	0.21	339.85	13.63	4.78	-	-	-	18.41	321.44	323.94
Land development	0.78	-	-	-	-	-	0.78	-	-	-	-	-	-	0.78	0.78
Lease hold property-development	13.93	1.14	-	0.01	-	-	15.08	4.40	1.66	-	-	-	6.06	9.02	9.53
Building	654.45	34.86	2.18	2.27	0.79	7.59	686.96	98.31	27.14	-	0.10	1.50	124.05	562.91	556.14
Furniture and fixtures	31.94	3.37	-0.00	0.18	-	1.45	34.04	8.37	2.36	-	-	0.59	10.14	23.90	23.57
Office equipment and computers	28.85	4.21	0.08	0.01	-	0.38	32.77	13.58	2.91	-	-	0.24	16.25	16.52	15.27
Plant and machinery	1,624.19	122.30	12.69	8.78	2.37	27.03	1,743.30	520.31	183.97	-	0.76	8.03	697.01	1,046.29	1,103.88
Vehicles	13.36	0.91	-	-	-	0.68	13.59	7.38	1.86	-	-	0.39	8.85	4.74	5.98
Total	**2,787.10**	**169.18**	**15.05**	**11.25**	**3.16**	**37.55**	**2,948.19**	**665.98**	**224.68**	**-**	**0.86**	**10.75**	**880.77**	**2,067.42**	**2,121.12**
Previous year	**2,433.08**	**415.20**	**26.11**	**3.29**	**1.67**	**92.25**	**2,787.10**	**488.50**	**197.49**	**-**	**-**	**20.01**	**665.98**	**2,121.12**	

B INTANGIBLE ASSETS

(₹ In Million)

Particulars	GROSS BLOCK							ACCUMULATED DEPRECIATION						NET BLOCK	
	Balance as at 01 April 2012	Additions	Effect of foreign currency exchange differences	Borrowing cost capitalised	Consolidation adjustment	Deletions	Balance as at 31 March 2013	Balance as at 01 April 2012	Depreciation / amortisation expense for the year	Included on amalgamation	Consolidation Adjustment	Deletions	Balance as at 31 March 2013	Balance as at 31 March 2013	Balance as at 31 March 2012
Own assets:															
Product process development	149.08	98.77	-	-	0.21	5.61	242.45	77.38	60.06	-	0.08	1.12	136.40	106.05	71.70
Software	20.39	0.91	0.42	0.00	-	-	21.72	10.10	7.03	-	-	-	17.13	4.59	10.29
Total	**169.47**	**99.68**	**0.42**	**0.00**	**0.21**	**5.61**	**264.17**	**87.48**	**67.09**	**-**	**0.08**	**1.12**	**153.53**	**110.64**	**81.99**
Previous year	**115.01**	**55.72**	**0.49**	**0.29**	**-**	**2.04**	**169.47**	**46.51**	**40.97**	**-**	**-**	**-**	**87.48**	**81.99**	

NOTES forming part of the consolidated financial statements (Contd.)

(₹ In Million)

			Year ended 31 March 2013	Year ended 31 March 2012
12	C	DEPRECIATION AND AMORTISATION		
		Depreciation and amortisation for the year on tangible assets as per Note 12 A	224.68	197.49
		Depreciation and amortisation for the year on intangible assets as per Note 12 B	67.09	40.97
		Less: Utilised from restructuring reserve	-	4.06
		Less: Elimination of Inter company transactions	2.02	1.42
		Less: Depreciation capitalised for intangible assets developed	3.68	3.17
		Total	286.07	229.81

(₹ In Million)

Particulars	Year ended 31 March 2013	31 March 2012	31 March 2011
D DETAILS OF SUMS ADDED TO ASSETS ON REVALUATION DURING THE PRECEDING 5 YEARS			
Opening balance			
Leasehold land	299.65	303.46	-
Buildings	120.88	125.84	-
	420.53	429.30	-
Added on revaluation			
Leasehold land	-	-	305.08
Buildings	-	-	128.32
			433.40
Date			1 October '09
Balance as at 31 March (Net Block)			
Leasehold land	295.84	299.65	303.46
Buildings	115.92	120.88	125.84
	411.76	420.53	429.30

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
13	NON-CURRENT INVESTMENTS		
A	Other investments		
i)	Panoli Enviro Tech Ltd. 23,700 (31 March 2012: 23,700) Equity Shares of Rs. 10 each fully paid-up	0.24	0.24
ii)	Ambernath Chemcial Manufacturers 1,000 (31 March 2012: 1,000) Equity Shares of Rs. 10 each fully paid-up	0.01	0.01
iii)	Tarapur Industrial Manufacturers 2,000 (31 March 2012: 2,000) Equity Shares of Rs. 10 each fully paid-up at a premium of Rs. 10 per share	0.04	0.04
iv)	Quest Healthcare Private Limited Advance paid for purchase of shares	16.07	-
	Total	16.36	0.29
B	Investment in government securities		
i)	National Saving Certificate	0.02	0.02
ii)	NSC VIII Issue - Tarapur	0.05	0.05
Total		0.07	0.07
Total (A + B)		16.43	0.36
	Aggregate amount of unquoted investments	16.43	0.36

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
14	LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)		
(a)	Capital advances	123.49	174.08
(b)	Security deposits	143.29	56.98
(c)	Security deposits to related parties (Refer note 29.4)	17.39	17.39
(d)	Balances with government authorities	-	15.75
(e)	Advance income tax [net of provisions Rs. 112.95 million (As at 31 March, 2012 Rs.112.49 million)]	32.41	30.30
(f)	MAT credit entitlement	76.18	73.95
(g)	Prepaid expenses	9.79	5.38
(h)	Loans and advances to other parties	-	76.67
Total		402.55	450.50

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
15	OTHER NON-CURRENT ASSETS (Unsecured, considered good)		
(a)	Margin money deposits	4.37	17.61
(b)	Other advances	-	0.13
Total		4.37	17.74

(₹ In Million)

		As on 31 March 2013	As on 31 March 2012
16	CURRENT INVESTMENTS (valued at lower of cost and estimated net realisable value)		
A	Quoted equity instruments		
i)	Agrodutch Industries Limited 36,250 (31 March 2012: 36,250) Equity Shares of Rs. 10 each fully paid-up	0.34	0.34
ii)	Transchem Limited 32,500 (31 March 2012: 32,500) Equity Shares of Rs. 10 each fully paid-up	0.43	0.43
iii)	N B Footware Limited 100,000 (31 March 2012: 100,000) Equity Shares of Rs. 10 each fully paid-up	-	-
iv)	Nath Seed Limited 18,270 (31 March 2012: 18,270) Equity Shares of Rs. 10 each fully paid-up	-	-
B	Current investments (valued at lower of cost and fair value)		
	Unquoted equity instruments		
i)	Aditya Investment & Communication Limited 58,800 (31 March 2012: 58,800) shares of Rs.10 each fully paid-up	-	-
ii)	Agrotech India Limited 6,300 (31 March 2012: 6,300) Equity Shares of Rs. 10 each fully paid-up	-	-
iii)	Nath Bio Genes (I) Limited 6,930 (31 March 2012: 6,930) Equity Shares of Rs. 10 each fully paid-up	-	-
C	Unquoted mutual funds		
	100,000 (31 March 2012: 200,000) units of Rs.10 each fully paid- up of SBI Mutual Fund	1.00	2.00
Total		1.77	2.77
	Aggregate amount of quoted investments: Market value: Rs. 1.57 million (31 March 2012: Rs. 1.30 million)	0.77	0.77
	Aggregate amount of unquoted investments	1.00	2.00

NOTES forming part of the consolidated financial statements (Contd.)

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
17	**INVENTORIES** (At lower of cost and net realisable value)		
(a)	Raw materials and packing materials	226.81	222.82
	Goods-in transit	90.04	68.92
		316.85	291.74
(b)	Work-in-progress and intermediates	236.82	182.02
(c)	Finished goods	248.81	199.86
	Goods-in transit	49.71	4.73
		298.52	204.59
(d)	Fuel	4.02	4.05
Total		856.21	682.40

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
18	**TRADE RECEIVABLES**		
(a)	Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, considered good	23.50	22.85
	Unsecured, considered doubtful	18.96	1.84
		42.46	24.69
	Less: Provision for doubtful debts	18.96	1.84
		23.50	22.85
(b)	Other trade receivables		
	Unsecured, considered good	634.55	681.26
	Unsecured, considered doubtful	0.73	
		635.28	681.26
	Less: Provision for doubtful debts	0.73	
		634.55	681.26
Total		658.05	704.11

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
19	**CASH AND CASH EQUIVALENTS**		
(a)	Cash on hand	0.99	18.53
(b)	Cheques, drafts in hand	1.99	-
(c)	Balances with banks		
	In current accounts (Refer note (i) below)	160.98	232.00
	In EEFC accounts	1.73	20.19
	In earmarked accounts	0.07	-
	- Unpaid dividend accounts	-	-
	- Margin money deposits (Refer note (ii) below)	157.03	85.56
(d)	Remittance in transit	7.12	2.51
Total		329.91	358.79

Note:

(i) Balance with banks in current account includes Rs.138.31 million (31 March 2012-NIL) which has restrictions on utilisation of funds for capital projects.

(ii) Balances in margin money deposits are held as security against borrowings, guarantees and other commitments.

(₹ In Million)

			As at 31 March 2013	As at 31 March 2012
20	**SHORT-TERM LOANS AND ADVANCES**			
A	**Unsecured, considered good**			
	(a)	Loans and advances to related parties (Refer note 29.4)	29.15	0.48
	(b)	Due from directors (Refer note 29.4)	-	27.70
	(c)	Advances to suppliers	63.26	49.39
	(d)	Advances to employees	1.04	1.34
	(e)	Loans and advances to others	18.01	61.36
	(f)	Balances with government authorities	222.32	110.46
	(g)	Prepaid expenses	18.99	14.84
Total			352.77	265.57
B	**Unsecured, considered doubtful**			
	Loans and advances to others		9.61	-
	Less: Provision for doubtful advances		9.61	-
			-	-
Total			352.77	265.57

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
21	**OTHER CURRENT ASSETS**		
(a)	Interest accrued on deposits	3.28	4.60
(b)	Unbilled revenue	10.89	7.42
(c)	Claims receivable	41.84	37.98
(d)	Receivables on sale of fixed assets	24.65	1.20
(e)	Others	-	1.74
Total		80.66	52.94

NOTES forming part of the consolidated financial statements (Contd.)

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
22	REVENUE FROM OPERATIONS		
(a)	Sale of products	3,330.41	3,490.77
(b)	Sale of services	81.11	82.87
(c)	Other operating revenues (Refer note (i) below)	7.76	11.00
		3,419.28	3,584.64
	Less: Excise Duty	150.66	126.54
	Total	3,268.62	3,458.10
	Note:		
(i)	**Other operating revenues comprises:**		
	Sale of scrap	1.56	2.86
	Duty drawback and other export incentives	6.20	2.66
	Income from handling charges	-	4.68
	Other sales	-	0.80
	Total - Other operating revenues	7.76	11.00

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
23	OTHER INCOME		
(a)	Interest income (Refer note (i) below)	7.68	30.80
(b)	Net gain on sale of Current investments	0.09	0.49
(c)	Profit on sale of fixed assets (net)	4.16	64.92
(d)	Other non-operating income (Refer note (ii) below)	13.71	8.62
	Total	25.64	104.83
	Note:		
(i)	**Interest income comprises:**		
	Interest from banks on:		
	deposits	4.83	4.79
	Interest on loans and advances	-	
	associates	-	15.58
	others	2.25	8.80
	Interest on income tax refund	0.60	1.02
	Other interest	-	0.61
	Total - Interest income	7.68	30.80
(ii)	**Other non-operating income comprises:**		
	Insurance claim received	0.35	0.61
	Liabilities / provisions no longer required written back	11.99	0.90
	Miscellaneous Income	1.37	7.11
	Total	13.71	8.62

(₹ In Million)

			Year ended 31 March 2013	Year ended 31 March 2012
24	a.	COST OF MATERIALS CONSUMED		
		Opening stock	291.74	209.46
		Add: Purchases	1,871.11	1,862.66
		Less: Closing stock	316.85	291.74
		Total	1,846.00	1,780.38
	b.	PURCHASES OF STOCK-IN-TRADE		
		Purchases of stock-in-Trade	105.71	85.13
		Total	105.71	85.13

(₹ In Million)

			Year ended 31 March 2013	Year ended 31 March 2012
24	c.	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS & INTERMEDIATES		
		Opening stock		
		Work-in-progress and intermediates	182.02	277.71
		Finished goods	204.59	163.77
		Total	386.61	441.48
		Closing stock		
		Work-in-progress and intermediates	236.82	182.02
		Finished goods	298.52	204.59
			535.34	386.61
		Net (increase) / decrease	(148.73)	54.87

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
25	EMPLOYEE BENEFITS EXPENSE		
	Salaries and wages	371.88	258.07
	Contributions to provident fund and other funds	23.67	19.01
	Expense on employee stock option scheme	-	(0.07)
	Staff welfare expenses	19.13	17.01
	Total	414.68	294.02

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
26	FINANCE COSTS		
	Interest expense on borrowings	303.07	269.99
	Other borrowing costs	31.39	29.91
	Total	334.46	299.90

(₹ In Million)

		Year Ended 31 March 2013	Year Ended 31 March 2012
27	OTHER EXPENSES		
	Power, water and fuel	235.33	202.10
	Consumables	82.21	17.33
	Conversion and processing charges	111.59	120.04
	Contract labour charges	98.25	62.86
	Freight and forwarding	62.39	50.91
	Rent	45.63	21.68
	Rates and taxes	8.67	11.20
	Communication expenses	9.90	8.81
	Repairs and maintenance		
	Building	11.10	3.02
	Machinery	48.57	24.75
	Others	39.09	34.41
	Insurance	6.97	4.12
	Travelling and conveyance	38.12	19.07
	Advertisement and selling expenses	13.20	5.76
	Commission on sales	29.52	35.68
	Legal and professional fees	45.53	18.13
	Analytical charges	23.38	16.35
	Bad trade receivables written off	25.46	2.11
	Bad loans and advances written off	4.75	1.00
	Provision for doubtful trade receivables	19.30	-
	Provision for doubtful loans and advances	9.61	
	Intangible assets written off	5.06	2.04
	Tangible fixed assets written off	8.81	-
	Capital work in progress/Intangibles under development written off	47.77	-
	Net loss on foreign currency transactions and translation	78.31	155.34
	Increase/(Decrease) of excise duty on inventory	14.20	2.37
	Other expenses	60.85	53.87
	Total	1,183.57	872.95

NOTES forming part of the consolidated financial statements (Contd.)

28 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

28.1 Money received against share warrants

The Board of Directors of the Company by circular resolution dated 30 March 2013 and as approved at its Extra-ordinary General Meeting held on 20 March 2013 have resolved to create, offer, issue and allot up to 2,750,000 warrants, convertible into 2,750,000 equity shares of Rs.10/- each on a preferential allotment basis, pursuant to Section 81(1A) of the Companies Act, 1956, at a conversion price of Rs.172/- per equity share of the Company, arrived at in accordance with the SEBI Guidelines in this regard and the 25% application money amounting to Rs. 118.79 Million was received from them. The warrants may be converted into equivalent number of shares on payment of the balance amount at any time on or before 29 September 2014. In the event the warrants are not converted into shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants.

28.2 Contingent liabilities and commitments

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
i.	**CONTINGENT LIABILITIES**		
(a)	**Claims against the Group not acknowledged as debts**		
	Sales tax / Value added tax *	16.52	16.68
	Income tax *	32.87	2.08
	Service tax *	0.32	0.16
	Excise duty*	8.47	0.02
(b)	**Guarantees**		
	Guarantees to banks and financial institutions against credit facilities extended to subsidiaries (Refer note below)	303.45	260.71
(c)	**Other money for which the Company is contingently liable**		
	Bills receivables discounted with banks	133.90	154.85

* Outflow, if any, arising out of the said claim would depend on the outcome of the decision of the appellate authority and the Group's right for future appeal before the judiciary.

Note

(a) The Group has given a corporate guarantee to Triodos Sustainable Trade Fund towards a credit facility availed by its stepdown subsidiary (Vedic Fanxipang Pharma Chemic Company Ltd) amounting to USD 1.30 Million (Rs. 70.71 Million.) (Previous Year Rs. 66.50 Million). Outstanding Balance as on 31 March 2013 is Rs. 21.22 Million (31 March 2012 is Rs. 55.02 Million).

(b) The Group has given a corporate guarantee to Stichting Triodos Sustainable Trade Fund towards a credit facility availed by its stepdown subsidiary (Elysian Life Sciences (Mauritius) Limited) amounting to USD 1.95 Million (Rs.106.06 Million.) (Previous Year Rs. 99.76 Million). Outstanding Balance as on 31 March 2013 is Rs. 64.27 Million (31 March 2012 is Rs. 30.69 Million).

(c) The Company has given a corporate guarantee to State Bank of Hyderabad and State Bank of Travancore towards a credit facility availed by its subsidiary (Sequent Penems Private Limited) amounting to Rs. 900 Million. (Previous Year Rs. 900 Million). Outstanding balance as on 31 March 2013 is Rs. 217.96 Million (31 March 2012 Rs. 175 Million).

(₹ In Million)

		As at 31 March 2013	As at 31 March 2012
ii.	**COMMITMENTS**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
	Tangible fixed assets	356.78	418.11

28.3 Details on derivatives instruments and unhedged foreign currency exposures

(i) No derivative positions were open as at 31 March, 2013. Derviative transactions are undertaken to act as economic hedges for the Group's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments.

Forward exchange contracts [being derivative instruments], which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables, are as follows:

Currency	Amount in US $ in Million	Buy / Sell	Cross currency
USD	-	-	-
	(1.55)	(Buy)	(Rupees)
USD	-	-	-
	(5.05)	(Sell)	(Rupees)

Note: Figures in brackets relate to the previous year

(ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(₹ In Million)

Foreign currency	As at 31 March 2013		As at 31 March 2012	
	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency
Euro	18.18	0.26	19.98	0.29
USD	294.23	5.42	154.53	3.02
SGD	0.25	0.01	-	-
Euro	(5.24)	(0.08)	(9.10)	(0.13)
USD	(1,117.91)	(20.55)	(1,416.28)	(27.69)
Yen	(2.25)	(3.89)	-	-
GBP	(0.05)	(0.00)	-	-
SGD	-	-	0.62	0.02
SEK	-	-	1.65	0.21

29 DISCLOSURE UNDER ACCOUNTING STANDARD

29.1 Details of amalgamations

Amalgamation of Fraxis Life Sciences Limited with the Company:

During the previous year ended 31 March 2012, the Scheme of Amalgamation of Fraxis Life Sciences Limited ("Transferor Company") with the Company ("Transferee Company") was sanctioned by the High Court of Bombay on August 20, 2011 with the appointed date and effective date being September 14, 2011, the date on which the sanctioned Scheme is filed by the Company with the Registrar of Companies, Mumbai ("the Scheme"). In terms of the Scheme:

a) The amalgamation was accounted for under the Purchase Method of accounting as specified in Accounting Standard (AS) – 14 Accounting for Amalgamations, notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006.

b) All the assets and liabilities of the Transferor Company were recorded by the Transferee Company at their respective carrying amounts as appearing in the books of the Transferor Company as on the appointed date.

c) The investment in the equity share capital of the Transferee Company as appearing in the books of accounts of the Transferor Company got cancelled and accordingly, the share capital of the Transferee Company was reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company as on the appointed date.

d) The excess of the value of the net assets of the Transferor Company acquired by the Transferee Company over the face value of the shares issued by the Transferee Company as consideration to the shareholders of the Transferor Company and after adjusting for cancellation of equity share capital as mentioned in (c)above was treated as Capital Reserve amounting to NIL (net of merger expenses).

NOTES forming part of the consolidated financial statements (Contd.)

29 DISCLOSURE UNDER ACCOUNTING STANDARD (Contd.)

e) All costs, charges, taxes including duties, levies and all other expenses incurred in carrying out and implementing the Scheme and to put it into operation were adjusted against the Capital Reserve.

Details of assets and liabilities acquired on amalgamation and treatment of the difference between the net assets acquired and the face value of the shares issued by the Transferee Company as consideration to the shareholders of the Transferor Company and after adjusting for cancellation of equity share capital:

(₹ In Million)

Particulars	Year ended 31 March 2012	
Value of assets and liabilities acquired:		
Cash and bank balances	6.39	
Deferred tax asset	0.14	6.53
Less: Current liabilities		0.05
Difference considered as capital reserve		6.48
Less: Merger expenses		6.48
		-

29.2 Employee benefit plans

a. Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.23.67 Million (Year ended 31 March 2012 Rs. 19.01 Million) for Provident Fund contributions and Rs.2.37 Million (Year ended 31 March 2012 Rs.1.95 Million) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b. Defined benefit plans

The Company has a defined Gratuity benefit plan. The following table summarizes the components of net employee benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan.

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Components of employer expense		
Current service cost	12.16	8.20
Interest cost	3.08	2.90
Expected return on plan assets	(0.92)	(0.78)
Unrecognised past service cost - non vested benefits	0.12	-
Recognised past service cost - non vested benefits	0.03	0.17
Actuarial losses/(gains)	1.96	(6.08)
Total expense recognised in the Statement of Profit and Loss	**16.43**	**4.41**
Actual contribution and benefit payments for year		
Actual benefit payments	(2.57)	(3.62)
Actual contributions	4.50	3.28
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	54.54	39.66
Fair value of plan assets	13.61	10.52
Funded status [Surplus / (Deficit)]	(40.93)	(29.14)
Unrecognised past service costs - non vested benefits	-	0.14
Net asset / (liability) recognised in the Balance Sheet	**(40.93)**	**(29.00)**

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	39.66	38.08
Current service cost	12.16	8.20
Interest cost	3.08	2.90
Actuarial (gains) / losses	2.20	(5.90)
Past service cost	-	-
Benefits paid	(2.56)	(3.62)
Present value of DBO at the end of the year	**54.54**	**39.66**
Change in fair value of assets during the year		
Plan assets at beginning of the year	10.52	9.89
Expected return on plan assets	0.92	0.78
Actual company contributions	4.50	3.28
Actuarial gain / (loss)	0.24	0.19
Benefits paid	(2.57)	(3.62)
Plan assets at the end of the year	13.61	10.52
Actual return on plan assets	1.16	0.97

Composition of the plan assets is as follows:

The details with respect to the investment made by Fund managers (LIC and SBI Life) into major categories of plan assets have not been disclosed, as the same has not be provided by the Fund managers to the Company.

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Actuarial assumptions		
Discount rate	8%	8%
Expected return on plan assets	8%	8%
Salary escalation	12%	10%-12%
Attrition	8%-12%	8%-12%
Mortality tables	LIC (94-96) Ult	

(₹ In Million)

Experience adjustments	2012-13	2011-12	2010-11	2009-10
Experience (gain) / loss adjustments on plan liabilities	2.20	(5.90)	0.82	7.82
Experience gain / (loss) adjustments on plan assets	0.24	0.19	0.19	(0.40)

In the absence of information relating to experience adjustment for the earlier year 2008-09 with the company, the same has not been disclosed

Notes:

1. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
2. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
3. The Company's best estimate, as soon as it can reasonably be determined, of contributions expected to be paid to the plan during the annual period beginning after balance sheet date is Rs. Nil million (Previous year: Rs. 3.5 million)

NOTES forming part of the consolidated financial statements (Contd.)

29 DISCLOSURE UNDER ACCOUNTING STANDARD (Contd.)

c. Actuarial assumptions for long-term compensated absences

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Discount rate	8%	8%
Salary escalation	12%	10%
Attrition	8%	8%
Mortality tables	LIC (94-96) Ult	

Notes:

1. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
2. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

29.3 Segment information

Segments have been identified taking into account the nature of services, the differing risks and returns, the organizational structure and the internal reporting system. The disclosures required under Accounting Standard 17- 'Segment Reporting', issued under Companies (Accounting Standards) Rules, 2006 are provided below.

Primary Segment information (Business segment)

(₹ In Million)

Particulars	Year ended as at 31 March 2013	Year ended as at 31 March 2012
1. Segment Revenue		
a) Pharmaceuticals	2,671.23	2,872.26
b) Speciality Chemicals	516.28	502.97
c) Analytical Services	81.10	82.87
Total	**3,268.62**	**3,458.10**
Less: Intersegment Revenue	0.00	0.00
Total revenue	**3,268.62**	**3,458.10**
2. Segment Results		
a) Pharmaceuticals	(505.88)	23.53
b) Speciality Chemicals	78.53	108.56
c) Analytical Services	8.67	8.85
Total Segment Result	**(418.68)**	**140.94**
Less: Interest Paid & other Finance charges	(334.46)	(299.90)
Add: Other Un-allocable Income net of Un-allocable expenditure	25.64	104.83
Total Profit/(Loss) Before Tax	(727.50)	(54.13)
Less:		
1. Provision for Income Tax	2.28	1.95
2. Deferred Tax	(80.63)	(40.50)
3. MAT Credit Entitlement	(2.23)	(0.99)
4. Minority Interest	0.02	(0.60)
Loss for the year	(646.94)	(13.99)
3. Other Information		
a) Segment Assets		
a. Pharmaceuticals	4,348.58	4,228.10
b. Speciality Chemicals	592.72	573.86
c. Analytical Services	228.94	177.24
Total Segmental Assets	**5,170.24**	**4,979.20**
Add: Un-allocable Corporate Assets	692.21	494.34
Total Assets	**5,862.45**	**5,473.54**

(₹ In Million)

Particulars	Year ended as at 31 March 2013	Year ended as at 31 March 2012
b) Segment Liabilities		
a. Pharmaceuticals	1,550.11	1,945.43
b. Speciality Chemicals	435.04	289.60
c. Analytical Services	178.89	135.85
Total Segmental Liabilities	**2,164.04**	**2,370.88**
Add: Un-allocable Corporate Liabilities	2,702.58	1,822.49
Total Liabilities	**4,866.62**	**4,193.37**
c) Capital Expenditure		
a. Pharmaceuticals	472.68	898.80
b. Speciality Chemicals	11.13	17.23
c. Analytical Services	8.03	0.28
Total	**491.84**	**916.31**
d) Depreciation		
a. Pharmaceuticals	236.21	179.81
b. Speciality Chemicals	33.68	34.17
c. Analytical Services	16.18	15.83
Total	**286.07**	**229.81**

Secondary Segment Information (Geographical Segment)

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Distribution of the segment revenue by geographic location of customers		
Europe	680.29	465.56
Asia	2,116.04	2,279.86
Rest of the World	472.29	712.68
Total	**3,268.62**	**3,458.10**
Segment assets		
Europe	-	-
Asia	5,862.45	5,473.54
Rest of the World	-	-
Total	**5,862.45**	**5,473.54**
Cost incurred during the year to acquire segment assets (tangible and intangible fixed assets)		
Europe	-	-
Asia	491.84	916.31
Rest of the World	-	-
Total	**491.84**	**916.31**

29.4. Related Party Disclosures:

A List of related parties:

i) **Holding Company:**
Fraxis Life Sciences Limited (merged with the Company w.e.f September 14, 2011: Refer Note 28(1))

ii) **Associate**
SeQuent Penems Private Limited (till 14 March 2012)

iii) **Key Management Personnel**
Mr. K.R.Ravishankar, Managing Director and Chief Executive Officer
Dr. Gautam Kumar Das, Executive Director & Chief Operating Officer
Mr. K.R.N.Moorthy, Deputy Managing Director (upto 23 January 2012)

iv) **Enterprises owned or significantly influenced by key management personnel and relative of key management personnel**

Strides Arcolab Limited
Atma Projects
Agnus Holdings Private Ltd
Latitude Projects Pvt. Limited
Chayadeep Properties Private Limited
Agnus IPCO Limited, BVI
Agnus Capital LLP
Chayadeep Ventures LLP

Related parties are as identified by the Company and relied upon by Auditors.

NOTES forming part of the consolidated financial statements (Contd.)

29 DISCLOSURE UNDER ACCOUNTING STANDARD (Contd.)

(₹ In Million)

Nature of Transactions	ASSOCIATES		KEY MANAGEMENT PERSONNEL		ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES	
	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012	Year Ended 31.03.2013	Year Ended 31.03.2012
B. Transaction during the year						
(i) Sale of material/services						
Strides Arcolab Limited					65.28	28.12
(ii) Sale of machinery/assets						
SeQuent Penems Private Limited (Slump sale)	-	90.00				
(iii) Interest & other income						
Strides Arcolab Limited						
SeQuent Penems Private Limited	-	15.58				
(iv) Interest paid						
Chayadeep Properties Private Limited					17.36	
(v) Purchase of materials						
Strides Arcolab Limited					0.73	-
(vi) Purchase of techical know-how						
Agnus IPCO Limited					-	29.04
(vii) Managerial remuneration						
Mr. K.R.Ravishankar			47.87	21.24		
Dr. Gautham Kumar Das			14.95	9.99		
Mr. K.R.N. Moorthy			-	9.73		
(viii) Reimbursement of expenses to						
Strides Arcolab Limited					0.88	-
(ix) Rent						
Atma Projects					6.06	5.75
(x) Loans/advances given by Company						
SeQuent Penems Private Limited	-	135.48				
Mr. K.R.Ravishankar			-	12.90		
(xi) Loan/advances repaid to the company						
Paradime Infrastructure Development Company					2.50	-
SeQuent Penems Private Limited	-	1.26				
Agnus Holdings Private Limited					-	5.00
(xii) Loans/advances received*						
Chayadeep Properties Private Limited					362.93	-
(xiii) Loan/advances repaid by the Company **						
Chayadeep Properties Private Limited					17.00	-

NOTES forming part of the consolidated financial statements (Contd.)

29 DISCLOSURE UNDER ACCOUNTING STANDARD (Contd.)

(₹ In Million)

Nature of Transactions	Associates: Year Ended 31.03.2013	Associates: Year Ended 31.03.2012	Key Management Personnel: Year Ended 31.03.2013	Key Management Personnel: Year Ended 31.03.2012	Enterprises owned or significantly influenced by Key Management Personnel or their relatives: Year Ended 31.03.2013	Enterprises owned or significantly influenced by Key Management Personnel or their relatives: Year Ended 31.03.2012
(xiv) Investment during the year						
(Including pending allotment)						
SeQuent Penems Private Limited (including loan conversion)	-	237.99				
(xv) Dividend						
Mr. K.R.Ravishankar			-	8.37		
Chayadeep Properties Private Ltd					-	1.20
Agnus Holdings Private Ltd					-	0.30
(xvi) Shares issued						
Agnus Capital LLP					126.79	-
Chayadeep Ventures LLP					126.79	-
(xvii) Money received against share warrants						
Agnus Capital LLP					59.39	-
Chayadeep Ventures LLP					59.39	-

* Includes interest accrued on loans taken
** Includes interest payment

Nature of Transactions	Associates: Year Ended 31.03.2013	Associates: Year Ended 31.03.2012	Key Management Personnel: Year Ended 31.03.2013	Key Management Personnel: Year Ended 31.03.2012	Enterprises owned or significantly influenced by Key Management Personnel or their relatives: Year Ended 31.03.2013	Enterprises owned or significantly influenced by Key Management Personnel or their relatives: Year Ended 31.03.2012
C. Balance as at balance sheet date:						
(i) Debtors balance						
Strides Arcolab Limited					45.56	3.57
(ii) Advance receivable						
Mr. K.R.Ravishankar			-	23.38		
Dr. Gautam Kumar Das			-	4.32		
Paradime Infrastructure Development Company					29.15	-
Strides Arcolab Limited					-	0.44
(iii) Deposit receivable						
Atma Projects					17.39	17.39
(iv) Advance received from customers						
Strides Arcolab Limited					-	2.48
(v) Creditors balance						
Atma Projects					2.52	0.34
Strides Arcolab Limited					-	16.18
Latitude Projects Private Limited					0.27	1.27
Agnus IPCO Limited					-	0.02
(vi) Money received against share warrants						
Agnus Capital LLP					59.39	-
Chayadeep Ventures LLP					59.39	-
(vii) Payables						
Chayadeep Properties Private Ltd					345.93	-

NOTES forming part of the consolidated financial statements (Contd.)

29 DISCLOSURE UNDER ACCOUNTING STANDARD (Contd.)

29.5. Details of borrowing costs capitalised

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Borrowing costs capitalised during the year		
- as fixed assets / intangible assets / capital work-in-progress	40.75	13.22
	40.75	13.22

29.6. Details of leasing arrangements

The Group's significant leasing arrangement is mainly in respect of factory building and office premises; the aggregate lease rent payable on these leasing arrangements charged to Statement of Profit and Loss is Rs.45.63 Million. (Previous Year: Rs. 21.68 Million).

The Group has entered into non-cancelable lease arrangement for its facilities and office premises, the tenure of lease ranges from 1 year to 10 years. The said lease arrangements have an escalation clause where in lease rental is subject to an increment of ranging from 5% to 15%. Details of lease commitments are given below:

(₹ In Million)

Particulars	As at 31 March 2013	As at 31 March 2012
not later than one year	20.02	27.31
later than one year and not later than five years	29.96	76.26
later than five years	4.20	97.39

29.7. Earnings per share

Particulars	Year ended 31 March 2013 Rs. in Million except No. of Shares	Year ended 31 March 2012 Rs. in Million except No. of Shares
Net (loss) for the year as per consolidated statement of profit and loss	(646.94)	(13.99)
Net (loss) for the year attributable to the equity shareholders	(646.94)	(13.99)
Weighted average number of equity shares	2,26,96,287	2,19,35,191
Par value per share	10	10
Earnings per share from continuing operations - Basic and Diluted	(28.50)	(0.64)

29.8. Deferred tax (liability) / asset

(₹ In Million)

Particulars	As at 31 March 2013	As at 31 March 2012
Tax effect of items constituting deferred tax liability		
Depreciation	(195.08)	(177.57)
Tax effect of items constituting deferred tax liability	**(195.08)**	**(177.57)**
Tax effect of items constituting deferred tax assets		
Disallowances under Section 43B of the Income Tax Act, 1961	25.61	17.35
Unabsorbed depreciation carried forward	156.33	74.30
Others	11.36	3.51
Tax effect of items constituting deferred tax assets	**193.30**	**95.16**
Net deferred tax (liability) / asset	**(1.78)**	**(82.41)**

The Group has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax.

29.9. Details of research and development expenditure

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Employee benefits expense	23.51	14.92
Power	4.21	4.57
Legal and professional fees	0.27	0.64
Consumables	4.06	7.38
Travelling expenses	0.52	0.47
Analytical charges	21.31	17.94
Others	11.95	10.84
	65.83	**56.76**

The above include costs associated with the development services undertaken for customers and are as certified by the management and relied upon by the Auditors.

29.10. During the year, the following development expenditure have been transferred to Intangible assets / intangible assets under development from the Statement of Profit and Loss:

(₹ In Million)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Employee benefits expense	15.48	10.05
Power, water and fuel	4.16	3.58
Legal and professional fees	0.16	0.38
Raw material and consumables	61.78	47.78
Travelling and conveyance expenses	0.39	0.29
Analytical charges	16.46	10.82
Depreciation	3.68	3.17
Others	9.32	6.78
Total	**111.43**	**82.85**

NOTES forming part of the consolidated financial statements (Contd.)

30 DISCLOSURES ON EMPLOYEE SHARE BASED PAYMENTS

a) In the extraordinary general meeting held on March 8, 2008, the shareholders approved the issue of 700,000 options under the ESOP scheme. In accordance with the above, the Group established an ESOP trust to administer the scheme on February 25, 2010.

On the board meeting dated March 29, 2010, the Group has allotted 700,000 equity shares to the ESOP trust with a Face value of Rs.10 per share at a premium of Rs. 103 per share.

As per the scheme, the Compensation committee grants the options to the employee deemed eligible. The exercise price and vesting period of each option shall be as decided by the compensation committee from time to time. The options granted would normally vest over a maximum period of 4 years from the date of the grant in proportions specified in the scheme. Options may be exercised with in period not exceeding 4 years from the date of first vesting of the options by the Group.

b) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	During the year ended 31 March 2013 Options (Numbers)	During the year ended 31 March 2012 Options (Numbers)
Option outstanding at the beginning of the year	-	1,00,000
Granted during the year	-	-
Vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	1,00,000
Options outstanding at the end of the year	-	-
Options available for grant	7,00,000	7,00,000

31 TRANSFER PRICING

In respect of Transfer pricing regulations under Section 92 to 92F of the Indian Income Tax Act, 1961, the Management confirms that its international transactions and Specified Domestic Transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for tax.

32 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and On Behalf of the Board of Directors

Dr. Gautam Kumar Das	Dr. Gopakumar G Nair	Preetham Hebbar
Joint Managing Director	*Director*	*Company Secretary*

Mumbai, May 30, 2013

KEY Financial Parameters & RATIOS at a Glance

(₹ In Million)

S No.	Particulars	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
A.	**FINANCIAL RESULTS SUMMARY**								
	1 Revenue from operations	3,141	3,324	2,780	2,463	1,061	748	447	323
	2 Other Income	25	113	114	73	18	4	39	6
	3 EBIDTA	(40)	468	584	674	139	86	128	60
	4 PAT	(545)	15	159	208	35	25	88	38
	5 Paid up Equity Share Capital	240	219	219	212	111	111	79	65
	6 Shareholders' Networth	1,094	1,267	1,256	1,159	596	574	349	198
B.	**KEY RATIOS & PARAMETERS**								
	1 EBIDTA Margin %	(1.3%)	14.1%	21.0%	27.4%	13.1%	11.5%	28.6%	18.6%
	2 PAT Margin %	(17.2%)	0.4%	5.5%	8.2%	3.2%	3.3%	18.1%	11.6%
	3 EPS - Rs. / Share	(24.01)	0.67	7.26	9.79	3.16	2.26	11.17	5.85

Note: Standalone figures have been considered

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANIES

(₹ In Million)

NAME OF THE SUBSIDIARY	COUNTRY	THE FINANCIAL YEAR OF THE SUBSIDIARY COMPANY ENDED ON	NUMBER OF SHARES HELD BY SEQUENT SCIENTIFIC LIMITED WITH ITS NOMINEES IN THE SUBSIDIARIES AT THE END OF THE FINANCIAL YEAR OF THE SUBSIDIARY COMPANIES		THE NET AGGREGATE OF PROFITS / (LOSSES) OF THE SUBSIDIARY COMPANY FOR ITS FINANCIAL YEAR SO FAR AS THEY CONCERN THE MEMBERS OF SEQUENT SCIENTIFIC LIMITED		THE NET AGGREGATE OF PROFITS / (LOSSES) OF THE SUBSIDIARY COMPANY FOR ITS PREVIOUS FINANCIAL YEAR SO FAR AS THEY CONCERN THE MEMBERS OF SEQUENT SCIENTIFIC LIMITED	
			EQUITY SHARES	EQUITY HOLDING %	DEALTH WITH IN THE ACCOUNT OF SEQUENT SCIENTIFIC LIMITED FOR THE YEAR ENDED MARCH 31, 2013	NOT DEALTH WITH IN THE ACCOUNT OF SEQUENT SCIENTIFIC LIMITED FOR THE YEAR ENDED MARCH 31, 2013	DEALTH WITH IN THE ACCOUNT OF SEQUENT SCIENTIFIC LIMITED FOR THE YEAR ENDED MARCH 31, 2012	NOT DEALTH WITH IN THE ACCOUNT OF SEQUENT SCIENTIFIC LIMITED FOR THE YEAR ENDED MARCH 31, 2012
SeQuent Global Holdings Limited	Mauritius	31-Mar-13	1,50,019	100.00%	-	(16.76)	-	(23.49)
SeQuent European Holdings Limited (subsidiary of SeQuent Global Holdings Limited)	Cyprus	31-Dec-12	4,000	100.00%	-	(0.76)	-	(1.52)
SeQuent IPCO GmbH (subsidiary of SeQuent European Holdings Limited)	Switzerland	31-Dec-12	-	Refer Note-1 below	-		-	
Galenica B.V.	Netherlands	31-Dec-12	-	Refer Note-1 below	-		-	
Vedic Faxipang Pharma Chemic Company Limited	Vietnam	31-Dec-12	N/A	100.00%	-	(77.15)	-	(5.19)
SeQuent Anti Biotics Private Limited	India	31-Mar-13	10,000	100.00%	-	(0.56)	-	
SeQuent Oncolytics Private Limited	India	31-Mar-13	9,999	99.99%	-	(0.14)	-	
Elysian Life Sciences Private Limited - Refer Note -2 below	India	31-Mar-13	10,000	100.00%	-	(43.93)	-	(0.79)
Elysian Health Care Private Limited (Subsidiary of Elysian Life Sciences Private Ltd)	India	31-Mar-13	Nil	Refer Note-3 below	-	-	-	0.21
SeQuent Research Limited	India	31-Mar-13	44,10,000	100.00%	-	8.68	-	8.85
Elysian Life Science(Mauritius)Ltd	Mauritius	31-Mar-13	2,000	9.09%	-	(1.55)	-	(0.02)
SeQuent Penems Private Limited	India	31-Mar-13	47,81,712	83.06%	-	0.06	-	0.10
Sanved Research Labs Private Limited	India	31-Mar-13	-	Refer Note-1 below	-	-	-	-

Note:
1. Company went into Liquidation
2. Elysian Life Sciences Private limited became 100% subsidiary as on 31.03.2013
3. Elysian Health care private limited ceased to a subsidiary as on 31.03.2013

KEY INFORMATION PERTAINING TO SUBSIDIARY COMPANIES FINANCIAL STATEMENTS AS AT THE RESPECTIVE FINANCIAL YEAR

(₹ In Million)

NAME OF THE SUBSIDIARY	COUNTRY	THE FINANCIAL YEAR OF THE SUBSIDIARY COMPANY ENDED ON	CAPITAL	RESERVES	TOTAL ASSETS	TOTAL LIABILITIES	INVESTMENT	TURNOVER	PROFIT BEFORE TAX	TAX PROVISION	PROFIT AFTER TAX	PROPOSED DIVIDEND
SeQuent Global Holdings Limited	Mauritius	31-Mar-13	9.78	(50.20)	1.11	41.53	-	-	(16.76)	-	(16.76)	-
SeQuent European Holdings Limited (subsidiary of SeQuent Global Holdings Limited)	Cyprus	31-Dec-12	0.28	(1.21)	0.11	1.04	-	-	(0.76)	-	(0.76)	-
Vedic Faxipang Pharma Chemic Company Limited	Vietnam	31-Dec-12	124.55	(107.86)	51.99	35.30	1.11	43.98	(77.15)	-	(77.15)	-
SeQuent Anti Biotics Private Limited	India	31-Mar-13	0.10	(0.56)	1.20	1.67	-	-	(0.56)	-	(0.56)	-
SeQuent Oncolytics Private Limited	India	31-Mar-13	0.10	(0.14)	0.06	0.10	-	-	(0.14)	-	(0.14)	-
Elysian Life Sciences Private Limited - Refer note 1 below	India	31-Mar-13	0.10	(44.88)	66.89	111.67	55.81	-	(43.93)	-	(43.93)	-
Elysian Health Care Private Limited - Refer note 2 below	India	31-Mar-13	0.10	0.39	6.67	6.18	-	47.01	0.12	0.04	0.08	-
SeQuent Research Limited	India	31-Mar-13	44.10	5.96	228.94	178.88	-	130.64	11.15	2.47	8.68	-
Elysian Life Science(Mauritius)Ltd	Mauritius	31-Mar-13	1.20	(17.22)	57.10	73.12	-	22.98	(17.07)	-	(17.07)	-
SeQuent Penems Private Limited	India	31-Mar-13	57.57	391.22	878.97	430.18	-	-	0.09	0.01	0.07	-

Note:
1. Elysian Life Sciences Private limited became 100% subsidiary as on 31.03.2013
2. Elysian Health care private limited ceased to a subsidiary as on 31.03.2013

CORPORATE Information

BOARD OF DIRECTORS

Mr. K R Ravishankar
Chairman & Managing Director

Dr. Gautam Kumar Das
Joint Managing Director

Dr. Gopakumar G Nair
Independent Director

Mr. Kannan Ramanujam
Independent Director

COMPANY SECRETARY

Preetham Hebbar

REGISTERED OFFICE

301, 3rd Floor, Dosti Pinnacle,
Plot No. E7, Road No.22
Wagle Industrial Estate
Thane (W), Mumbai - 400 604

CORPORATE OFFICE

Star II, OPP IIM-B, Bilekahalli
Bannerghatta Road,
Bangalore - 560076

STATUTORY AUDITORS

M/s. Deloitte Haskins and Sells
No. 101/2, Richmond Road
Bangalore - 560025

INTERNAL AUDITORS

M/s. Grant Thornton India LLP
Wings, 1st Floor, 16/1, Cambridge Road
Ulsoor, Bangalore - 560 008

BANKERS

1. Housing Development Finance Corporation Limited
2. Corporation Bank
3. Central Bank of India
4. State Bank of Hyderabad
5. State Bank of Mysore
6. State Bank of India
7. Andhra Bank
8. Indian Overseas Bank
9. Technology Development Board, New Delhi

REGISTRAR AND SHARE TRANSFER AGENT

Adroit Corporate Services Private Limited
17-20, Jaferbhoy Industrial Estate, 1st Floor
Makhwana Road, Marol Naka, Andheri (E)
Mumbai – 400 059

PLANTS

- Plot No. 7& 8, MIDC Engineering Zone
  KalyanBadlapur Road, Ambernath, Maharashtra
- Plot No. W-152,150,151,136,137,138,139,
  140 & 141 - MIDC, Tarapur, Boisar, Dist Thane
  Maharashtra.
- B-32, G-2, G-3, MIDC, Mahad
  Dist. Raigad, Maharashtra.
- A-68 and 69, Additional Ambernath
  MIDC Indl. Area, Ambernath (East),
  Dist. Thane, Maharashtra
- 120 A &B, Plot No. 36, Industrial Area
  Baikampady, New Mangalore, Karnataka
- Plot No. 26, 26B, GIDC Industrial Estate, Panoli
  Dist. Bharuch, Gujarat.
- A-14, MIDC, Phase I, Dombivali (E)
  Dist. Thane, Maharashtra

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