

June 30, 2021

**BSE Limited**

Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.

**National Stock Exchange of India Limited**

Listing Department  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (East),  
Mumbai – 400 051.

Scrip code: 512529

Symbol: SEQUENT

Dear Sir/ Madam,

**Sub: Outcome of Board Meeting held on June 30, 2021 along with Audited Standalone & Consolidated Financial Results and Press Release for the quarter and year ended March 31, 2021**

Pursuant to Regulation 30 (read with Part A of Schedule III) and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors at its Meeting held today, *inter-alia*, considered and approved the Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2021. In this regard, kindly find enclosed the following:

1. Audited Consolidated Financial Results along with Independent Auditor's Review Report issued by the Statutory Auditors of the Company for the quarter and year ended March 31, 2021.
2. Audited Standalone Financial Results along with Independent Auditor's Review Report issued by the Statutory Auditors of the Company for the quarter and year ended March 31, 2021.
3. A copy of Press Release and Investors Presentation on Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2021.
4. The Board recommended a final dividend of Rs. 0.50 (25%) per equity share for the financial year ended March 31, 2021.

The Board Meeting commenced at 6:30 p.m. and concluded at 10:25 p.m.

Thanking you,

Yours faithfully,

For **Sequent Scientific Limited**



**Krunal Shah**

**Company Secretary & Compliance Officer**



Encl.: A/a

**SeQuent Scientific Limited**

Registered Office: 301/A, 'Dosti Pinnacle', Plot No.E7, Road No. 22, Wagle Industrial Area,  
Thane(W), Mumbai - 400604, India

Tel: +9122 4111777 | CIN: L99999MH1985PLC036685

<http://www.sequent.in>

**Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of  
SeQuent Scientific Limited

**Report on the audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated financial results of SeQuent Scientific Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements and other financial information of the subsidiaries, the Statement:

- i. includes the results of the entities as listed in Annexure 1 forming part of this Report;
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

- (i) We draw attention to Note 13 of the consolidated financial results, in respect of restated goodwill and foreign currency translation reserve as at April 1, 2019 and March 31, 2020 and restated Other Comprehensive Expenses for the year/period ended March 31, 2020, in the consolidated Ind AS financial information.



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- (ii) We draw attention to note 14 of the consolidated financial results, wherein the management has referred to certain instances of non-adherences of the Company's accounting policy and instances of modifications to certain underlying documents, resulting in accelerated revenue recognition and its consequential impact in earlier quarters. Accordingly, the results for the quarter ended December 31, 2020 and earlier periods of the current financial year have been restated.

Our opinion is not modified in respect of these matters.

## **Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one



## ***S R B C & C O L L P***

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resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

### **Other Matter**

The accompanying Statement includes the audited financial statements and other financial information, in respect of:

- 14 subsidiaries, whose financial statements include total assets of Rs 118,250 lakhs as at March 31, 2021, total revenues of Rs 23,153 lakhs and Rs 82,355 lakhs, total net profit after tax of Rs. 1,168 lakhs and Rs. 3,153 lakhs, total comprehensive income/(loss) of Rs. (179 lakhs) and Rs. 608 lakhs, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. 246 lakhs for the year ended March 31, 2021, as considered in the Statement which have been audited by their respective independent auditors.



## **S R B C & C O L L P**

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The independent auditor's report on the financial statements and financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

The accompanying Statement includes unaudited financial statements and other unaudited financial information in respect of:

- 5 subsidiaries, whose financial statements and other financial information reflect total assets of Rs 3,013 lakhs as at March 31, 2021, and total revenues of Rs 107 lakhs and Rs 366 lakhs, total net loss after tax of Rs. 395 lakhs and Rs. 571 lakhs, total comprehensive loss of Rs. 539 lakhs and Rs. 662 lakhs, for the quarter and the year ended on that date respectively and net cash inflows of Rs. 6 lakhs for the year ended March 31, 2021, whose financial results and other financial information have not been audited by any auditor.

These unaudited financial statements and financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements and financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial information certified by the Management.

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date restated figures up to the end of the third quarter of the current financial year (read with note 13 & 14 of the accompanying consolidated financial results), which were subjected to a limited review by us, as required under the Listing Regulations.

For S R B C & C O L L P  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Vikas Kumar Pansari  
Partner  
Membership Number: 093649

UDIN: 21093649AAAACA6992  
Place of Signature: Mumbai  
Date: June 30, 2021



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## **Annexure I to Auditor's Review Report**

### **Name of the Entity**

- |  |                         |
|--|-------------------------|
| 1. SeQuent Research Limited              | Wholly Owned Subsidiary |
| 2. Elysian Life Sciences Private Limited | Wholly Owned Subsidiary |
| 3. Alivira Animal Health Limited, India  | Wholly Owned Subsidiary |

### **Including it's following subsidiary:**

4. Alivira Animal Health Limited, Ireland

### **Including its following subsidiaries and sub subsidiaries:**

5. Alivira Animal Health Australia Pty Limited
6. Alivira Animal Health UK Limited
7. Alivira Animal Health USA LLC
8. Alivira France S.A.S.
9. Alivira Italy S.R.L.
10. Alivira Saude Animal Brasil Participacoes Ltda
11. Bremer Pharma GmbH
12. Comercial Vila Veterinaria De Lleida S.L.
13. Evanvet Distribuidora De Produtos Veterinarios Ltda  
(formerly known as Evance Saude Animal Ltda)
14. Fendigo BV
15. Fendigo SA
16. Interchange Veterinária Indústria E Comércio Ltda.
17. Laboratorios Karizoo, S.A.
18. Laboratorios Karizoo, S.A. DE C.V. (Mexico)
19. N-Vet AB
20. Phytotherapic Solutions S.L.
21. Provet Veteriner Ürünleri San. Ve Tic. A. Ş.
22. Topkim Topkapi İlaç premiks Sanayi Ve Ticaret A.Ş.
23. Vila Viña Participacions S.L.



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SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

## STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

(₹ in Lakhs)

Sl. No.	Particulars	3 months ended 31-Mar-2021	Preceding 3 months ended 31-Dec-2020	Corresponding 3 months ended in previous period 31-Mar-2020	Current year ended 31-Mar-2021	Previous year ended 31-Mar-2020
		Audited (Refer note 12)	Unaudited * (Refer note 13 & 14)	Audited * (Refer note 12 & 13)	Audited	Audited * (Refer note 13)
I	Revenue from operations	36,182.47	35,506.50	30,058.30	1,36,161.50	1,17,924.40
II	Other income	137.10	281.00	182.50	836.30	1,008.90
III	<b>Total income (I+II)</b>	<b>36,319.57</b>	<b>35,787.50</b>	<b>30,240.80</b>	<b>1,36,997.80</b>	<b>1,18,933.30</b>
IV	<b>Expenses</b>					
	(a) Cost of materials consumed	15,757.10	15,116.60	13,695.00	58,866.50	51,169.90
	(b) Purchases of stock-in-trade	3,548.85	4,098.74	1,965.20	14,501.90	8,889.00
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(731.44)	(1,498.07)	(719.30)	(3,902.70)	446.20
	(d) Employee benefits expense	5,390.50	4,585.00	4,174.50	18,722.30	16,505.90
	(e) Finance costs	317.70	620.00	933.00	2,438.30	3,571.40
	(f) Depreciation and amortisation expenses	1,268.30	1,158.50	1,309.20	5,059.80	5,062.20
	(g) Other expenses	7,889.30	6,752.28	6,469.30	26,766.50	23,881.20
	<b>Total expenses (IV)</b>	<b>33,440.31</b>	<b>30,833.05</b>	<b>27,826.90</b>	<b>1,22,452.60</b>	<b>1,09,525.80</b>
V	<b>Profit before tax and exceptional items (III-IV)</b>	<b>2,879.26</b>	<b>4,954.45</b>	<b>2,413.90</b>	<b>14,545.20</b>	<b>9,407.50</b>
VI	Exceptional Items (Refer note 6)	(21.60)	-	-	882.30	-
VII	<b>Profit before tax (V-VI)</b>	<b>2,900.86</b>	<b>4,954.45</b>	<b>2,413.90</b>	<b>13,662.90</b>	<b>9,407.50</b>
VIII	<b>Tax expense / (credits)</b>					
	(a) Current tax	621.03	1,153.56	821.80	3,209.90	2,274.40
	(b) Deferred tax	(60.96)	(28.62)	(231.10)	(286.00)	(1,048.30)
	(c) Current tax of prior period reversed	(11.60)	31.50	0.60	293.80	(23.20)
	<b>Total tax expenses (VIII)</b>	<b>548.47</b>	<b>1,156.44</b>	<b>591.30</b>	<b>3,217.70</b>	<b>1,202.90</b>
IX	<b>Profit after tax (VII-VIII)</b>	<b>2,352.39</b>	<b>3,798.01</b>	<b>1,822.60</b>	<b>10,445.20</b>	<b>8,204.60</b>
X	<b>Other comprehensive income / (expenses)</b>					
	<b>Items that will not be reclassified to profit or loss</b>					
	(a) Re-measurement gain / (loss) on defined benefits plans	67.60	(10.50)	(68.10)	36.00	(71.00)
	(b) Fair value gain / (loss) from investment in equity instruments	1,111.50	639.60	(1,265.30)	10,301.10	(4,838.80)
	(c) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	(858.60)	-
	(d) Deferred tax relating to items that will not be reclassified to profit or loss	(152.60)	(71.20)	11.00	(405.20)	12.60
	<b>Items that will be reclassified to profit or loss</b>					
	(a) Exchange differences on translation of foreign operations	(727.60)	1,209.70	759.00	(1,270.70)	857.40
	(b) Exchange differences on net investment in foreign operations	(781.60)	516.00	(993.70)	(1,360.20)	(1,023.00)
	<b>Total other comprehensive income / (expenses) (net of tax)</b>	<b>(482.70)</b>	<b>2,283.60</b>	<b>(1,557.10)</b>	<b>6,442.40</b>	<b>(5,060.80)</b>
XI	<b>Total comprehensive income / (expenses), net of tax (IX+X)</b>	<b>1,869.69</b>	<b>6,081.61</b>	<b>265.50</b>	<b>16,887.60</b>	<b>3,143.80</b>
	<b>Profit attributable to:</b>					
	- Owners of the Company	2,063.29	3,551.61	1,685.50	9,544.20	6,990.50
	- Non-controlling interest	289.10	246.40	137.10	901.00	1,214.10
	<b>Other comprehensive income / (expenses) attributable to:</b>					
	- Owners of the Company	(378.60)	2,066.20	(1,672.10)	6,500.40	(5,079.70)
	- Non-controlling interest	(104.10)	217.40	15.00	(58.00)	18.90
	<b>Total comprehensive income / (expenses) attributable to:</b>					
	- Owners of the Company	1,684.69	5,617.81	113.40	16,044.60	1,910.80
	- Non-controlling interest	185.00	463.80	152.10	843.00	1,233.00
XII	Equity share capital (face value of ₹ 2 each)	4,967.40	4,967.40	4,967.40	4,967.40	4,967.40
XIII	Other equity				67,797.70	63,743.00
XIV	<b>Earnings per equity share:</b> (face value of ₹ 2 each) (not annualised)					
	(1) Basic (in ₹)	0.84	1.45	0.69	3.87	2.87
	(2) Diluted (in ₹)	0.84	1.45	0.69	3.85	2.85
	* Restated					
	See accompanying notes to the audited consolidated financial results					



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SEQUENT SCIENTIFIC LIMITED

AUDITED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

(₹ in Lakhs)

Sl. No.	Particulars	As at 31-Mar-2021	As at 31-Mar-2020	As at 01-Apr-2019
		Audited	Audited * (Refer note 13)	Audited * (Refer note 13)
<b>(A) ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, plant and equipment		31,907.30	34,490.70	22,703.00
(b) Capital work-in-progress		2,878.30	1,106.50	1,720.00
(c) Goodwill		17,420.10	18,231.80	18,413.80
(d) Other intangible assets		4,333.90	4,934.50	5,013.90
(e) Intangible assets under development		105.20	235.90	541.50
(f) Financial assets				
(i) Investments		7,693.90	13,128.80	17,965.00
(ii) Other financial assets		489.40	680.30	497.70
(g) Deferred tax assets (net)		2,050.70	2,324.00	1,425.60
(h) Income tax assets (net)		917.60	568.10	458.10
(i) Other non-current assets		101.00	150.30	6,367.00
<b>Total non-current assets</b>		<b>67,897.40</b>	<b>75,850.90</b>	<b>75,105.60</b>
<b>2 Current assets</b>				
(a) Inventories		26,435.70	21,941.70	20,010.30
(b) Financial assets				
(i) Investments		565.50	4,017.90	47.00
(ii) Trade receivables		34,613.70	31,876.40	27,825.40
(iii) Cash and cash equivalents		5,374.40	6,809.60	6,778.90
(iv) Bank balances other than (iii) above		245.20	772.90	425.00
(v) Loans		19.00	34.80	60.70
(vi) Others financial assets		1,076.30	1,015.30	250.40
(c) Income tax assets (net)		45.30	72.70	54.10
(d) Other current assets		2,983.40	3,872.40	4,546.90
<b>Total current assets</b>		<b>71,358.50</b>	<b>70,413.70</b>	<b>59,998.70</b>
<b>Total Assets</b>		<b>1,39,255.90</b>	<b>1,46,264.60</b>	<b>1,35,104.30</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity share capital		4,967.40	4,967.40	4,937.40
(b) Other equity		67,797.70	63,743.00	62,048.40
(c) Non-controlling interest		4,866.50	4,473.70	4,025.10
<b>Total equity</b>		<b>77,631.60</b>	<b>73,184.10</b>	<b>71,010.90</b>
<b>2 Liabilities</b>				
<b>I Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		9,370.80	15,005.90	14,784.60
(ii) Other financial liabilities		4,539.70	6,684.30	3,803.30
(b) Provisions		843.70	956.90	815.30
(c) Deferred tax liabilities (net)		693.00	832.20	1,032.60
(d) Other non-current liabilities		86.90	131.30	229.60
<b>Total non-current liabilities</b>		<b>15,533.90</b>	<b>23,610.60</b>	<b>20,665.40</b>
<b>II Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings		10,290.50	14,712.10	12,736.20
(ii) Trade payables		22,956.40	22,038.00	20,935.00
(iii) Other financial liabilities		8,233.60	8,814.00	7,060.60
(b) Provisions		514.50	254.90	204.60
(c) Current tax liabilities (net)		2,265.50	1,966.50	772.10
(d) Other current liabilities		1,829.90	1,684.40	1,719.50
<b>Total current liabilities</b>		<b>46,090.40</b>	<b>49,469.90</b>	<b>43,428.00</b>
<b>Total Equity and Liabilities</b>		<b>1,39,255.90</b>	<b>1,46,264.60</b>	<b>1,35,104.30</b>
* Restated				
See accompanying notes to the audited consolidated financial results				





# Sequent

SEQUENT SCIENTIFIC LIMITED

## AUDITED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2021

(₹ in Lakhs)

Particulars	Year ended 31-Mar-21	Year ended 31-Mar-20
	Audited	Audited * (Refer note 13)
<b>Cash flow from operating activities</b>		
<b>Net profit before tax and exceptional items</b>	14,545.20	9,407.50
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	5,059.80	5,062.20
Unrealised forex loss (net)	421.60	548.80
Bad trade receivables written off	303.10	241.60
Allowance for doubtful trade receivables provided / (written back)	(213.20)	15.40
Finance costs	2,438.30	3,571.40
Dividend income	(99.50)	(526.40)
Interest income	(62.60)	(150.30)
Miscellaneous income	(74.60)	-
Profit on sale of property, plant and equipment (net)	(69.80)	(11.40)
Gain on sale of investments	(257.90)	(36.50)
Property, plant and equipment written off	306.90	-
Lease liability written back (net)	(75.70)	-
Fair value gain on financial instruments at fair value through profit or loss	(1.70)	(40.90)
Share-based payment to employees	723.40	466.70
<b>Operating profit before working capital changes</b>	<b>22,943.30</b>	<b>18,548.10</b>
<b>Changes in working capital</b>		
(Increase) in trade receivables, loans and advances and other assets	(3,947.50)	(5,081.70)
(Increase) in inventories	(4,561.70)	(1,931.40)
(Increase) / decrease in margin money and unpaid dividend accounts	527.70	(347.90)
Increase in trade payables, other payables and provisions	892.90	1,531.30
<b>Net changes in working capital</b>	<b>(7,088.60)</b>	<b>(5,829.70)</b>
<b>Cash generated from operations</b>	<b>15,854.70</b>	<b>12,718.40</b>
Income taxes paid (net)	(4,379.30)	(1,185.40)
<b>Net cash generated from operating activities (A)</b>	<b>11,475.40</b>	<b>11,533.00</b>
<b>Cash flow from investing activities:</b>		
Purchase of property, plant and equipment and intangible assets	(5,283.00)	(4,072.20)
Proceeds from disposal of property, plant and equipment and intangible assets	826.00	72.30
Proceeds from sale of long term investments	15,734.40	3.70
(Purchase) / sale of current investments (net)	3,573.00	(3,900.70)
Interest received	69.10	143.50
Dividend received	93.30	526.40
Consideration paid on acquisition of additional share from NCI	(14,048.00)	-
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>964.80</b>	<b>(7,227.00)</b>
<b>Cash flow from financing activities</b>		
Proceeds from stock options exercised by employees	1,044.90	209.90
Proceeds from long-term borrowings	8,794.80	8,521.70
Payment of lease liabilities	(762.70)	(708.40)
Repayment of long-term borrowings	(16,183.00)	(8,490.50)
Proceeds from / (repayment of) short-term borrowings (net)	(4,353.10)	275.20
Interest and other borrowing cost paid	(2,275.00)	(3,305.20)
Dividend distribution to Non-controlling interest (NCI)	(142.50)	(199.60)
Equity contribution by NCI	1.40	4.20
Dividends paid	-	(485.60)
Dividend distribution tax paid	-	(97.00)
<b>Net cash used in financing activities (C)</b>	<b>(13,875.40)</b>	<b>(4,275.30)</b>
<b>Net increase in cash and cash equivalents during the year (A+B+C)</b>	<b>(1,435.20)</b>	<b>30.70</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>6,809.60</b>	<b>6,778.90</b>
<b>Cash and cash equivalents at end of the year</b>	<b>5,374.40</b>	<b>6,809.60</b>
* Restated See accompanying notes to the audited consolidated financial results		



# Sequent

SEQUENT SCIENTIFIC LIMITED

**Notes:**

1. The above audited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30 June 2021

2. The Group has only one reportable segment viz. Pharmaceuticals. Accordingly, no separate disclosure of segment information has been made.

**3. Information on Standalone Results:**

(₹ in Lakhs)

Particulars	3 months ended 31-Mar-2021	Preceding 3 months ended 31-Dec-2020	Corresponding 3 months ended in previous period 31-Mar-2020	Current year ended 31-Mar-2021	Previous year ended 31-Mar-2020
	Audited	Unaudited	Audited	Audited	Audited
Revenue from operations	6,947.90	6,846.06	6,229.40	26,545.70	22,733.30
Profit before tax	602.97	1,552.53	1,005.60	4,088.74	2,281.30
Profit after tax	464.28	1,172.54	681.60	3,211.34	2,134.14
Total comprehensive income / (expenses)	1,459.08	1,732.54	(607.50)	12,259.04	(2,724.08)

4. Following outbreak of COVID-19 pandemic globally and in India, the Group has adopted measures to curb the spread of infections in order to protect health of its employees and business continuity with minimal disruption. Considering that the Group is in business of Animal Health Care which is considered to be an essential service in all the countries, the Group has presence, the Group's operations have not been significantly impacted and all its plants are operating at normal capacity. The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial results and the management will continue to closely monitor any material changes to future economic conditions.

5. Pursuant to Share Purchase Agreement (SPA) entered between Agnus Holdings Private Limited and other promoters and CA Harbor Investments (Carlyle Group), Carlyle Group has acquired 53.02% shareholding of the Company and has been classified as promoter of the Company.

6. The transfer of control to Carlyle Group as explained in note 5 above, had resulted into following events –

(a) Accelerated vesting of unvested employee stock options and accordingly the Group had provided for this cost in the current year on an accelerated basis amounting to ₹ 309.30 lakhs.

(b) The Company during the year, had announced a one-time bonus to the existing employees not covered by ESOP Scheme of ₹ 190.40 lakhs.

(c) The Company had reviewed its operations in France and it has decided to wind up its operations. Accordingly, a provision of ₹ 382.60 lakhs was considered representing ₹ 66.70 lakhs in inventory, ₹ 8.50 lakhs in receivables and ₹ 307.40 lakhs in intangible assets.

7. During the year, the Company has acquired additional 7.5%, 15% and 40% stake from minority shareholders of Fendigo SA, Belgium, Fendigo BV, Netherland and Provet Veteriner Urunleri San. Ve Tic. A. S., Turkey (Provet) respectively through Alivira Animal Health Limited, Ireland, wholly owned step down subsidiary of the Company. Pursuant to which, these entities are now wholly owned step down subsidiaries of the Company.

8. The Australian Securities and Investment Commission, Australia vide letter dated 13 May 2020 has confirmed the strike off of Alivira Animal Health Australia Pty Ltd (step down foreign subsidiary). The impact of the same is immaterial in financial results.

9. The Code on Social Security, 2020 ('the Code') was notified in the Official Gazette on 29 September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period in which the Code becomes effective and the rules framed thereunder are published.

10. The Group has recognised deferred tax credit of ₹ 861.00 lakhs and ₹ 1,438.00 lakhs for quarter and year ended 31 March 2021 respectively in one of the subsidiary company on reassessment of unrecognised tax credit by applying annual effective tax rate.

11. Government of India vide press release dated 31 December 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from (w.e.f) 01 January 2021. With the introduction of the RoDTEP scheme, the benefit of Merchandise Exports from India Scheme (MEIS) stood withdrawn w.e.f 01 January 2021. Considering that the rates of RoDTEP are yet to be notified, the Group has not accrued income relating to benefits of RoDTEP scheme for the period 01 January 2021 to 31 March 2021.

12. The above results includes the results for the quarter ended 31 March 2021 and 31 March 2020 being the balancing figure between audited figures in respect of the full financial year and the recast year to date published figures (read with note 14 below) up to the third quarter of the current and previous financial year.

13. During the year ended 31 March 2021, the Company has reviewed and revised the amounts of foreign currency translation of goodwill arising on acquisition of foreign subsidiaries. Goodwill arising on such business combinations is translated from functional currency of the respective foreign subsidiaries to INR. Hitherto, the Company was translating assets (other than goodwill) and liabilities of foreign subsidiaries including reserves on the date of acquisition, from functional currency of those subsidiaries into INR based on the closing exchange rates. For goodwill, the Company was translating the investment amount as appearing in the financial statements of intermediate holding company from its functional currency into INR and treating differential amount over the translated reserves on the date of acquisition as goodwill. This change has resulted in reduction of goodwill and foreign currency translation reserve by an amount of ₹ 5,565.60 lakhs and ₹ 3,683.40 lakhs as at 31 March 2020 and 01 April 2019, respectively. Consequently, Other Comprehensive Expenses for the year ended 31 March 2020 has increased by ₹ 1,882.20 lakhs. Accordingly, the consolidated balance sheet as on 31 March 2020 and 01 April 2019 and consolidated results for the year ended 31 March 2020 and results for the quarters / periods up to 31 December 2020 have been restated. There is no impact of the above change on the profit after tax for any of the periods presented.



14. During the closing for the year ended 31 March 2021, the management detected: (a) certain instances, wherein revenue in respect of certain sales transactions of the Company and of a subsidiary company, was recognized on dates earlier to those allowed by the Group's revenue recognition policy (b) certain instances of modifications to certain underlying documents relating to revenue recognition, leading to non-adherence with the Group's accounting policy and processes. The management performed a detailed review including examination by an external independent agency, and traced all cases of such non-adherence, wherein recognition of revenue was accelerated from quarter to quarter during the current financial year. The impact of the aforesaid non-adherence on the financial results is as below.

(₹ in Lakhs)

	3 months ended 30-Jun-2020	3 months ended 30-Sep-2020 *	3 month ended 31-Dec-2020 *	Year to date for the period ended 31-Dec-2020
<b>Revenue</b>				
As reported	31,026.50	34,627.20	35,821.40	1,01,475.10
Impact of above adjustment	(1,500.47)	319.30	(314.90)	(1,496.07)
As adjusted	29,526.03	34,946.50	35,506.50	99,979.03
<b>Profit before tax</b>				
As reported	3,189.10	3,836.30	5,133.00	12,158.40
Impact of above adjustment	(553.72)	239.80	(178.55)	(492.46)
As adjusted	2,635.38	4,076.10	4,954.45	11,665.94

\*adjusted for the impact of the previous period.

The management has corrected the processes leading to such non-adherence related to revenue recognition and will continue to strengthen internal control system further and does not expect any continuing impact.

15. The previous period figures have been regrouped wherever necessary to conform to current period's presentation.

For SeQuent Scientific Limited

*Manish*  
Manish Gupta  
Managing Director

Place: Thane

Date: 30 June 2021



Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To  
The Board of Directors of  
SeQuent Scientific Limited

Report on the audit of the Standalone Financial Results

#### Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of SeQuent Scientific Limited (the "Company") for the quarter and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2021.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to note 9 of the standalone financial results, wherein the management has referred to certain instances of non-adherences of the Company's accounting policy, resulting in accelerated revenue recognition and its consequential impact in earlier quarters. Accordingly, the results for the quarter ended December 31, 2020 and earlier periods of the current financial year have been restated.

Our opinion is not modified in respect of this matter.



# **SRBC & COLLP**

Chartered Accountants

## **Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



# **SRBC & COLLP**

Chartered Accountants

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Other Matter**

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date restated figures up to the third quarter of the current financial year (read with note 9 of the accompanying standalone financial results), which were subjected to a limited review by us, as required under the Listing Regulations.

For SRBC & COLLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Vikas Kumar Pansari  
Partner  
Membership Number: 093649

UDIN: 21093649AAAABZ6604  
Place of Signature: Mumbai  
Date: June 30, 2021



# Sequent

SEQUENT SCIENTIFIC LIMITED  
CIN: L99999MH1985PLC036685

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

(₹ in Lakhs)

SL No.	Particulars	3 months ended 31-Mar-2021	Preceding 3 months ended 31-Dec-2020	Corresponding 3 months ended in previous period 31-Mar-2020	Current year ended 31-Mar-2021	Previous year ended 31-Mar-2020
		AUDITED (Refer note 10)	UNAUDITED (Refer note 9)	AUDITED (Refer note 10)	AUDITED	AUDITED
I	Revenue from operations	6,947.90	6,846.06	6,229.40	26,545.70	22,733.30
II	Other income	592.10	566.90	305.30	1,996.60	1,456.10
III	<b>Total income (I+II)</b>	<b>7,540.00</b>	<b>7,412.96</b>	<b>6,534.70</b>	<b>28,542.30</b>	<b>24,189.40</b>
IV	<b>Expenses</b>					
	(a) Cost of materials consumed	3,281.52	2,927.08	3,009.10	11,588.10	10,869.10
	(b) Purchases of stock-in-trade	202.23	402.47	98.10	854.50	824.30
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(482.10)	(816.54)	(480.30)	(1,556.00)	(389.20)
	(d) Conversion and processing charges	1,386.17	1,285.36	1,126.10	4,874.70	4,050.40
	(e) Employee benefits expense	662.80	503.30	437.60	2,241.90	1,709.70
	(f) Finance costs	25.00	60.20	122.90	268.00	503.50
	(g) Depreciation and amortisation expenses	260.70	219.30	230.60	912.60	895.00
	(h) Other expenses	1,609.41	1,279.26	985.00	5,013.46	3,445.30
	<b>Total expenses (IV)</b>	<b>6,945.73</b>	<b>5,860.43</b>	<b>5,529.10</b>	<b>24,197.46</b>	<b>21,908.10</b>
V	<b>Profit before tax and exceptional items (III-IV)</b>	<b>594.27</b>	<b>1,552.53</b>	<b>1,005.60</b>	<b>4,344.84</b>	<b>2,281.30</b>
VI	Exceptional items (Refer note 5)	(6.70)	-	-	256.10	-
VII	<b>Profit before tax (V-VI)</b>	<b>602.97</b>	<b>1,552.53</b>	<b>1,005.60</b>	<b>4,088.74</b>	<b>2,281.30</b>
VIII	<b>Tax expense / (credits)</b>					
	(a) Current tax	112.30	274.73	193.20	730.50	318.27
	(b) Deferred tax	56.69	105.26	130.80	268.90	(171.11)
	(c) Current tax of prior period reversed	(30.30)	-	-	(122.00)	-
	<b>Total tax expenses (VIII)</b>	<b>138.69</b>	<b>379.99</b>	<b>324.00</b>	<b>877.40</b>	<b>147.16</b>
IX	<b>Profit after tax (VII-VIII)</b>	<b>464.28</b>	<b>1,172.54</b>	<b>681.60</b>	<b>3,211.34</b>	<b>2,134.14</b>
X	<b>Other comprehensive income / (expenses)</b>					
	<b>Items that will not be reclassified to profit or loss</b>					
	(a) Re-measurements gain / (loss) on defined benefits plans	17.80	(7.40)	(33.00)	(4.50)	(29.70)
	(b) Fair value gain / (loss) from investment in equity instruments (refer note 6)	1,111.50	639.60	(1,265.30)	10,301.10	(4,836.80)
	(c) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	(858.60)	-
	(d) Deferred tax relating to items that will not be reclassified to profit or loss	(134.50)	(72.20)	9.20	(390.30)	8.30
	<b>Total other comprehensive income/ (expenses) (net of tax)</b>	<b>994.80</b>	<b>560.00</b>	<b>(1,289.10)</b>	<b>9,047.70</b>	<b>(4,858.20)</b>
XI	<b>Total comprehensive income / (expenses), net of tax (IX+X)</b>	<b>1,459.08</b>	<b>1,732.54</b>	<b>(607.50)</b>	<b>12,259.04</b>	<b>(2,724.06)</b>
XII	Equity share capital (face value of ₹ 2 each)	4,967.40	4,967.40	4,967.40	4,967.40	4,967.40
XIII	Other equity				97,983.83	83,654.34
XIV	<b>Earnings per equity share: (face value of ₹ 2 each) (not annualised)</b>					
	(1) Basic (in ₹)	0.19	0.48	0.28	1.30	0.88
	(2) Diluted (in ₹)	0.19	0.48	0.28	1.30	0.87
	See accompanying notes to audited standalone financial results.					



# Sequent

SEQUENT SCIENTIFIC LIMITED  
AUDITED STANDALONE BALANCE SHEET AS AT 31 MARCH 2021

(₹ in Lakhs)

SL No.	Particulars	As at 31-Mar-2021	As at 31-Mar-2020
		Audited	Audited
<b>A ASSETS</b>			
<b>1. Non-current assets</b>			
(a)	Property plant and equipment	8,410.60	6,649.70
(b)	Capital work-in-progress	434.00	371.70
(c)	Intangible assets	167.50	291.50
(d)	Financial assets		
	(i) Investments		
	(a) Investments in subsidiaries	60,819.30	60,768.40
	(b) Other investments	7,891.80	13,126.80
	(ii) Loans	22,073.00	5,846.40
	(iii) Other financial assets	99.60	163.80
(e)	Deferred tax assets (net)	190.60	849.71
(f)	Income tax assets (net)	411.30	402.69
(g)	Other non-current assets	58.00	99.10
	<b>Total non-current assets</b>	<b>98,355.70</b>	<b>88,569.80</b>
<b>2. Current assets</b>			
(a)	Inventories	4,579.00	3,141.90
(b)	Financial assets		
	(i) Investments	6.50	1,875.40
	(ii) Trade receivables	6,143.50	4,078.80
	(iii) Cash and cash equivalents	43.50	287.30
	(iv) Bank balances other than (iii) above	30.50	84.50
	(v) Loans	2.80	2.80
	(vi) Other financial assets	218.60	240.40
(c)	Other current assets	832.10	1,456.10
	<b>Total current assets</b>	<b>11,856.50</b>	<b>11,167.20</b>
	<b>Total assets</b>	<b>1,10,212.20</b>	<b>99,737.00</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>i Equity</b>			
(a)	Equity share capital	4,967.40	4,967.40
(b)	Other equity	97,983.83	83,654.34
	<b>Total equity</b>	<b>1,02,951.23</b>	<b>88,621.74</b>
<b>II Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a)	Financial liabilities		
	(i) Borrowings	-	1,516.50
	(ii) Other financial liabilities	11.70	44.10
(b)	Provisions	229.90	228.30
(c)	Other non current liabilities	-	30.10
	<b>Total non-current liabilities</b>	<b>241.60</b>	<b>1,819.00</b>
<b>2. Current liabilities</b>			
(a)	Financial liabilities		
	(i) Borrowings	521.70	1,438.90
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	630.47	417.02
	Total outstanding dues of creditors other than micro enterprises and small enterprises	5,244.20	6,016.64
	(iii) Other financial liabilities	136.80	825.10
(b)	Provisions	65.60	14.00
(c)	Current tax liabilities (net)	272.30	480.10
(d)	Other current liabilities	148.30	104.50
	<b>Total current liabilities</b>	<b>7,019.37</b>	<b>9,296.26</b>
	<b>Total liabilities</b>	<b>7,260.97</b>	<b>11,115.26</b>
	<b>Total equity and liabilities</b>	<b>1,10,212.20</b>	<b>99,737.00</b>
See accompanying notes to audited standalone financial results			





# Sequent

SEQUENT SCIENTIFIC LIMITED  
AUDITED STANDALONE CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(₹ in Lakhs)

Particulars	Year ended 31-Mar-2021	Year ended 31-Mar-2020
	Audited	Audited
<b>Cash flows from operating activities</b>		
Net profit before tax and exceptional items	4,344.84	2,281.30
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	912.80	895.00
Property, plant and equipment written off	219.90	-
Trade receivables written back	(2.90)	-
Unrealised forex gain (net)	(105.80)	(108.20)
Finance costs	268.00	503.50
Dividend income	(99.40)	(526.40)
Fair value of corporate guarantee income	(14.00)	(15.50)
Interest income	(1,071.40)	(537.20)
Profit on sale of property, plant and equipment (net)	(0.90)	(0.20)
Share-based payments to employees	255.20	145.00
Corporate guarantee commission	(93.70)	(51.80)
Gain on sale of investments	(156.10)	-
Fair value gain on financial instruments measured at fair value through profit or loss	-	(29.90)
<b>Operating profit before working capital changes</b>	<b>4,456.54</b>	<b>2,455.60</b>
<b>Changes in working capital</b>		
(Increase) in trade receivables, loans and advances and other assets	(646.50)	(21.60)
(Increase) in inventories	(1,437.10)	(609.00)
(Increase)/decrease in margin money and unpaid dividend accounts	54.00	(3.40)
Increase/(decrease) in trade payables, other payables and provisions	(517.44)	1,417.50
<b>Net change in working capital</b>	<b>(2,547.04)</b>	<b>783.50</b>
<b>Cash generated by operations</b>	<b>1,909.50</b>	<b>3,239.10</b>
Income taxes paid (net)	(1,675.70)	(218.70)
<b>Net cash generated from operating activities (A)</b>	<b>233.80</b>	<b>3,020.40</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipments and intangible assets	(951.80)	(539.20)
Proceeds from disposal of property, plant and equipments and intangible assets	2.30	0.40
Purchase of current investments	(15,709.00)	(2,040.00)
Sale of current investments	17,735.00	-
Proceeds from sale of long term investments	15,734.40	200.00
Interest received	97.60	83.90
Dividend received	91.60	526.40
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>17,000.10</b>	<b>(1,768.50)</b>
<b>Cash flows from financing activities</b>		
Proceeds from / (repayment of) short-term borrowings (net)	(917.20)	(449.30)
Payment of principal portion of lease liabilities	(46.70)	(39.00)
Loan given to subsidiary company	(15,345.00)	-
Loan repaid by subsidiary company	96.00	730.00
Proceeds from long-term borrowings	-	2,361.70
Repayment of long-term borrowings	(2,083.70)	(2,817.00)
Proceeds from stock options exercised by employees	1,044.90	209.80
Interest and other borrowing cost paid	(226.00)	(484.90)
Dividend paid	-	(485.60)
Dividend distribution tax paid	-	(97.00)
<b>Net cash used in financing activities (C)</b>	<b>(17,477.70)</b>	<b>(1,071.20)</b>
<b>Net increase/ (decrease) in cash and cash equivalents during the year (A+B+C)</b>	<b>(243.80)</b>	<b>180.70</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>287.30</b>	<b>106.60</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>43.50</b>	<b>287.30</b>
See accompanying notes to audited standalone financial results		



# Sequent

## SEQUENT SCIENTIFIC LIMITED

### Notes:

- 1 The above audited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30 June 2021.
- 2 The Company has only one reportable segment viz. Pharmaceuticals. Accordingly, no separate disclosure of segment information has been made.
- 3 Following outbreak of COVID-19 pandemic globally and in India, the Company has adopted measures to curb the spread of infections in order to protect health of its employees and business continuity with minimal disruption. Considering that the Company is in business of Animal Health Care which is considered to be an essential service, the Company's operations have not been significantly impacted and its plants are operating at normal capacity. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial results and the management will continue to closely monitor any material changes to future economic conditions.
- 4 Pursuant to Share Purchase Agreement (SPA) entered between Agnus Holdings Private Limited and other promoters and CA Harbor Investments (Carlyle Group), Carlyle Group has acquired 53.02% shareholding of the Company and has been classified as promoter of the Company.
- 5 The transfer of control to Carlyle Group as explained in note 4 above, had resulted into following events-  
(a) Accelerated vesting of unvested employee stock options and accordingly during the year the Company had provided for this cost in the current year on an accelerated basis amounting to ₹ 128.00 lakhs; and  
(b) The Company during the year, had announced a one-time bonus to the existing employees not covered by ESOP Scheme of ₹ 128.10 lakhs.
- 6 During the quarter ended September 2020, profit earned ₹ 4,913.90 lakhs is transferred from other comprehensive income to reserves on sale of investments classified at fair value through other comprehensive income.
- 7 The Code on Social Security, 2020 ('the Code') was notified in the Official Gazette on 29 September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period in which the Code becomes effective and the rules framed thereunder are published.
- 8 Government of India vide press release dated 31 December 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from (w.e.f) 01 January 2021. With the introduction of the RoDTEP scheme, the benefit of Merchandise Exports from India Scheme (MEIS) stood withdrawn w.e.f 01 January 2021. Considering that the rates of RoDTEP are yet to be notified, the Company has not accrued income relating to benefits of RoDTEP scheme for the period 01 January 2021 to 31 March 2021.
- 9 During the closing for the year ended March 31, 2021, the management detected certain instances, wherein revenue in respect of certain sales transactions of the Company, was recognized on dates earlier to those allowed by the Company's revenue recognition policy, leading to non-adherence with the Company's accounting policy. The management performed a detailed review including examination by an external independent agency, and traced all cases of such non-adherence, wherein recognition of revenue was accelerated from quarter to quarter during the current financial year. The impact of the aforesaid non-adherence on the financial results is as below

(₹ in Lakhs)

	3 months ended 30-Jun-2020	3 months ended 30-Sep-2020*	3 months ended 31-Dec-2020*	Year to date figure for the period ended 31-Dec-2020
<b>Revenue from operations</b>				
As Reported	5,924.40	6,964.10	7,057.20	19,945.70
Impact of above adjustment	(389.70)	252.94	(211.14)	(347.90)
As Adjusted	5,534.70	7,217.04	6,846.06	19,597.80
<b>Profit before tax</b>				
As Reported	879.70	1,388.00	1,611.10	3,858.80
Impact of above adjustment	(112.20)	62.54	(58.57)	(108.23)
As Adjusted	767.50	1,430.54	1,552.53	3,750.57

\*adjusted for the impact of the previous period

The management has corrected the processes leading to such non-adherence related to revenue recognition and will continue to strengthen internal control system further and does not expect any continuing impact.

- 10 The above results includes the results for the quarter ended 31 March 2021 and 31 March 2020 being the balancing figure between audited figures in respect of the full financial year and the recast year to date figures (read with note 9 above) upto the third quarter of the current and previous financial year.
- 11 The previous period figures have been regrouped wherever necessary to conform to current period's presentation.

For SeQuent Scientific Limited

  
Manish Gupta  
Managing Director

Place : Thane  
Date: 30 June 2021



June 30, 2021

**BSE Limited**

Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.

**National Stock Exchange of India Limited**

Listing Department  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (East),  
Mumbai – 400 051.

Scrip code: 512529

Symbol: SEQUENT

**Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Audit Report with Unmodified Opinion**

Dear Sir/ Madam,

Pursuant to provision of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we hereby declare that M/s. SRBC & CO LLP, Chartered Accountants (Registration No. 324982E/E300003), the Statutory Auditors of the Company have issued an Audit Report with unmodified opinion in respect of the Audited Financial Results (Standalone and Consolidated) of the Company for the year ended March 31, 2021.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Sequent Scientific Limited**



**Krunal Shah**  
**Company Secretary & Compliance Officer**



Encl.: A/a

**SeQuent Scientific Limited**

Registered Office: 301/A, 'Dosti Pinnacle', Plot No.E7, Road No. 22, Wagle Industrial Area,  
Thane(W), Mumbai - 400604, India

Tel: +9122 4111777 | CIN: L99999MH1985PLC036685

<http://www.sequent.in>

## SeQuent Announces Q4 and FY21 results Execution focus ensures momentum FY21 - Revenues at Rs. 13,616 Million up by 15.5%, Operating EBITDA at Rs. 2,375 Million up 35.1%

Mumbai, June 30, 2021

SeQuent Scientific Limited (SeQuent), which has businesses across Animal Health (Alivira) & Analytical Services today announced its financial results for the period ended March 31, 2021.

### Consolidated Financial Highlights

	Rs. in millions					
	Q4 FY21	Q4 FY20	Growth (%)	FY21	FY20	Growth (%)
<b>Revenues</b>	3,618	3,006	20.4%	13,616	11,792	15.5%
<b>Operating EBITDA*</b>	611	511	19.5%	2,375	1,758	35.1%
<b>EBITDA Margin %</b>	16.9%	17.0%	(10bps)	17.4%	14.9%	250bps
<b>PAT</b>	206	169	22.4%	954	699	36.5%
<b>PAT margin %</b>	5.7%	6.1%	(40bps)	7.0%	5.9%	110bps

\*Operating EBITDA accounting for one-off cost

### Detailed presentation on the performance forms part of this press release.

Commenting on the Company's performance, **Manish Gupta, Managing Director** stated "We are pleased to report another strong year of performance in an operationally challenging pandemic year. Our global formulations drove growth and strong outperformance in the key markets of Brazil, Turkey, and India.

Revenue grew by 15.5% YoY to ₹ 13,616 Mn. Operating EBITDA increased to ₹ 2,375 Mn at 17.4%, a healthy expansion of 250 bps YoY. PAT grew 36.5% and the business generated ₹ 1.5 Bn+ in cash from operations enabling us to pare down debt, resulting in a two-notch improvement in credit rating. ROCE now exceeds 20%, reflecting the underlying strength of our business model we have built in Sequent 1.0. This confidence also reflects in the Board recommending a 25% dividend for the year.

I am very proud and grateful to our 1,700+ team, for their continued focus on relentless execution, during the Covid pandemic induced global disruptions. This year has been an eventful one, with onboarding of new promoters and reconstitution of Board with industry stalwarts.

As we embark on the journey of "SeQuent 2.0" under the guidance of our Board, I am confident that we will be able to accelerate the revenue growth in the coming years. As we expand our horizons, we remain committed to invest in building up capabilities that will propel us forward to be amongst the top animal health companies in the world."

## **Earnings Call with Investors**

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The Company will conduct an Earnings call at **9:00 AM IST on July 1, 2021** where the Management will discuss the Company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in numbers for this call are **+91 22 6280 1263 or +91 22 7115 8213**.

## **About SeQuent Scientific Limited**

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SeQuent Scientific Limited (BSE-512529, NSE-SEQUENT) is India's largest and amongst the 'Top 20' global animal health companies, backed by global investment firm 'The Carlyle Group' as promoter. The company generated annual revenues of ~\$ 200 Mn, with ~2/3<sup>rd</sup> revenues from regulated markets. The company has 8 manufacturing facilities across Europe, Turkey, Brazil & India with the Vizag site being India's only USFDA approved dedicated veterinary API facility.

## **For details, feel free to contact:**

---

### **Tushar Mistry**

Chief Financial Officer Tel: +91 22 4111 4717

[tushar.m@sequent.in](mailto:tushar.m@sequent.in)

### **Diwakar Pingle**

Christensen Investor Relations Tel : +91 22 4215 0210

[dpingle@christensenir.com](mailto:dpingle@christensenir.com)

### **Abhishek Singhal**

Investor Relations Consultants [abhishek.s@sequent.in](mailto:abhishek.s@sequent.in)

### **Registered Office**

301/A, 'Dosti Pinnacle', Plot No. E7, Road No. 22,  
Wagle Industrial Area, Thane (W), Maharashtra, India CIN:

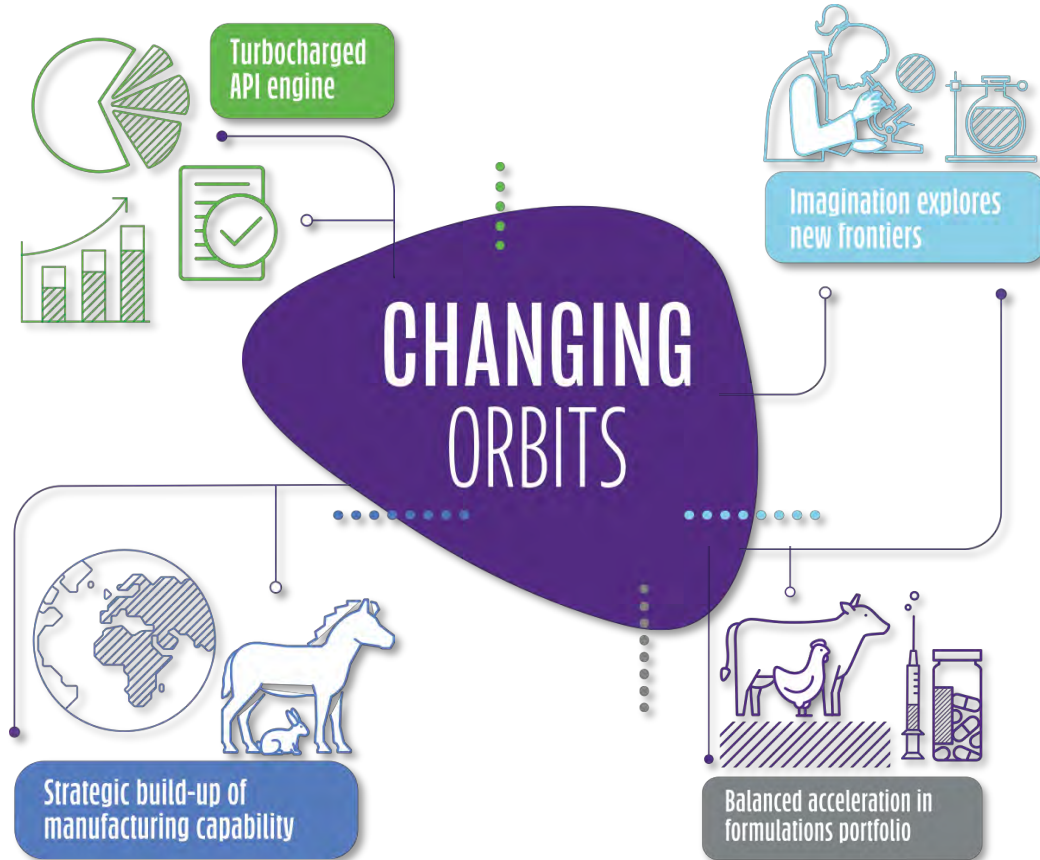
L99999MH1985PLC036685

BSE Code:512529 | NSE: SEQUENT

ISIN: INE807F01027 | REUTERS: EQU.BO

Websites: [www.sequent.in](http://www.sequent.in)

*Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward- looking statements. SeQuent Scientific Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*



# Earnings Presentation

Q4 & FY21

June 30, 2021

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



"We are pleased to report another strong year of performance in an operationally challenging pandemic year. Our global formulations drove growth and strong outperformance in the key markets of Brazil, Turkey and India.

Revenue grew by 15.5% YoY to ₹ 13,616 Mn. Operating EBITDA increased to ₹ 2,375 Mn at 17.4%, a healthy expansion of 250 bps YoY. PAT grew 36.5% and the business generated ₹ 1.5 Bn+ in cash from operations enabling us to pare down debt, resulting in a two-notch improvement in credit rating. ROCE now exceeds 20%, reflecting the underlying strength of our business model we have built in Sequent 1.0. This confidence also reflects in the Board recommending a 25% dividend for the year.

I am very proud and grateful to our 1,700+ team, for their continued focus on relentless execution, during the Covid pandemic induced global disruptions. This year has been an eventful one, with onboarding of new promoters and reconstitution of Board with industry stalwarts.

As we embark on the journey of "SeQuent 2.0" under the guidance of our Board, I am confident that we will be able to accelerate the revenue growth in the coming years. As we expand our horizons, we remain committed to invest in building up capabilities that will propel us forward to be amongst the top animal health companies in the world."

**Manish Gupta, Managing Director**

## Revenues

₹ 13,616 Mn

↑ 15.5%

## Operating EBITDA

₹ 2,375 Mn

↑ 250 bps

## PAT

₹ 954 Mn

↑ 36.5%

## Cash from Operations

₹ 1,585 Mn

↑ 24.7%





- **We are deeply thankful to all our employees and their families** for their **resilience and commitment** to support business in such difficult times
- **2<sup>nd</sup> wave of the pandemic** saddened us with the **loss of 2 employees**
- Our **top priority** continues to be the **safety of our employees**
- With our **employee first approach**, we have taken several steps:
  - **Access to critical medical support**
  - Comprehensive **increase in medical and term insurance coverage**
  - **Assisted inoculation program** for employees & their families
  - **Financial support for families of employees deceased due to Covid**

- Although the 1<sup>st</sup> wave impacted certain operations, the severity of **2<sup>nd</sup> wave has left considerable impact on our people, their families**
- Focus on building an **employee first approach**, with **hybrid working model**
- **Supply chain and logistics challenges** through the year, **however no material business & financial impact for the year**
- Impacted by **increased input costs and freight rates**, coupled with **long lead times**
- **Vizag and Mahad expansions completed**
- **Travel restrictions** due to pandemic impact **Germany facility upgradation / expansion**

- Organization working on a Business Continuity Plan to de-risk from the volatility and fluctuations in the value chain and sustainability of operations
- Developing **alternate vendor base** for key APIs and intermediates to **reduce single source dependency & cost-risks**
- Actively **engaging with local suppliers** to diversify KSMs procurement
- Preparing the organization for a possible 3<sup>rd</sup> wave to **manage operational challenges & ensuring employee well-being**
- **Accelerate inoculation - 90%+ employees** already vaccinated with at least one jab



## Strategic Reorientation

- ❑ Change of control with onboarding of Carlyle
- ❑ Experts engaged to reorient strategic plan & identify areas for driving operational efficiencies
- ❑ Minority stake consolidations

## New Products

- ❑ Commercialized Tulathromycin in EU, 1<sup>st</sup> formulation developed by India R&D
- ❑ Launched Citramox LA & Halofusol in EU markets
- ❑ 1<sup>st</sup> formulation filings in USA, Canada and Australia



## Operations

- ❑ Capacity expansion at Vizag & Mahad API facilities
- ❑ Supply chain de-risking
- ❑ Capability enhancement in technical functions

## New Initiatives

- ❑ Commercialized Zoetis distribution arrangement in India
- ❑ Signed CDMO/ CMO contract with a major animal healthcare company
- ❑ Onboarded sectoral experts to support new growth initiatives



# Our Global and Diverse Board



**Dr. Kamal K Sharma**

*Non-Executive Chairman*

Expertise in operations, corporate development & executive management



**Mr. Milind Sarwate**

*Independent Director*

Expertise in corporate finance, value creation, capability building & effective governance



**Dr. Fabian Kausche**

*Director (Carlyle Nominee)*

Animal health expertise in areas of R&D, product innovation, scientific advisory



**Mr. Gregory John Andrews**

*Director (Carlyle Nominee)*

Technical expert in animal health for the developed markets



**Dr. Kausalya Santhanam**

*Independent Director*

Intellectual property, patent strategy and research expertise in US and India



**Mr. Neeraj Bharadwaj**

*Non-Executive Director (Carlyle Nominee)*

Expertise in large growth capital & buyout opportunities, scaling up existing investments



**Mr. Rahul Mukim**

*Non-Executive Director (Carlyle Nominee)*

Expertise in India buyout opportunities, healthcare growth investments



**Mr. Manish Gupta**

*Managing Director*

Experience in leading global businesses along with driving performance enhancement



**Mr. Sharat Narasapur**

*Joint Managing Director*

Expertise in Techno-commercial operations, SCM, manufacturing, QMS/RA, NPD, project management





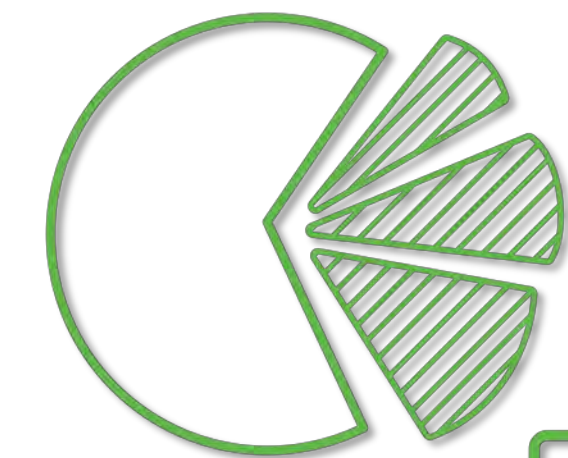
George Heidgerken

- First advisor on boarded – Founder of George Heidgerken Consultancy LLC
- To advice & mentor animal health companies in value creation and strategic business transformation
- Over 2 decades of experience in executive positions with Boehringer Ingelheim Animal Health (BIAH)
- Instrumental in leading the strategy for BIAH at global role in Germany, transforming BIAH into the 2<sup>nd</sup> largest global animal health company
- Delivered significant gains in market share and profitability, inspiring further investments and key acquisitions in the US
- Key influencer in building global animal health industry – past President of “HealthforAnimals” (Brussels, Belgium) and Chair of the “Kansas City Animal Health Corridor” (Kansas, USA)





# Performance Overview



## Execution focus ensures momentum

All values in ₹ Mn

Business	Q4 FY21	Q4 FY20	YoY%	YoY% (Constant Currency)	FY21	FY20	YoY%	YoY% (Constant Currency)
Formulations	2,506	1,934	29.6%	34.3%	9,055	7,789	16.3%	19.8%
<i>Europe</i>	1,113	945	17.7%	7.0%	4,163	3,645	14.2%	3.8%
<i>Turkey</i>	552	386	42.0%	71.3%	1,649	1,435	14.9%	37.3%
<i>LATAM</i>	450	302	48.9%	82.4%	1,561	1,101	41.8%	78.5%
<i>Emerging Markets</i>	212	219	(2.9%)	(13.3%)	906	1,217	(25.5%)	(31.3%)
<i>India</i>	179	78.9	126.7%	126.7%	776	391	98.4%	98.4%
APIs	1,113	1,072	3.8%	3.3%	4,561	4,004	13.9%	9.9%
Global Sales	3,618	3,006	20.4%	23.2%	13,616	11,792	15.5%	16.4%

- ⑥ Q4 – Formulations performance drive highest ever quarterly sales of ₹ 3,618 Mn with 20.4% growth
  - ⑥ Growth driven by key markets of India, LATAM and Turkey
  - ⑥ Europe back on faster growth, +17.7% in Q4
- ⑥ FY21 – Overall growth of 15.5%, Formulations outpace APIs



# Delivering operational performance

All values in ₹ Mn

	Q4 FY21		YoY	FY21		YoY
<b>Revenues</b>	Q4 FY21	3,618	20.4%	FY21	13,616	15.5%
	Q4 FY20	3,006		FY20	11,792	
<b>Operating EBITDA</b>	Q4 FY21	611	19.5%	FY21	2,375	35.1%
	Q4 FY20	511		FY20	1,758	
<b>Reported EBITDA</b>	Q4 FY21	442	(13.5%)	FY21	2,163	23.0%
	Q4 FY20	511		FY20	1,758	
<b>PAT</b>	Q4 FY21	206	22.4%	FY21	954	36.5%
	Q4 FY20	169		FY20	699	





# Operating EBITDA margin at 17.4% for FY21

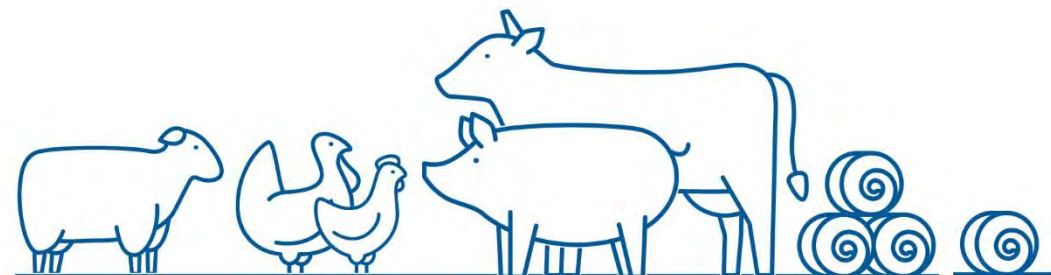
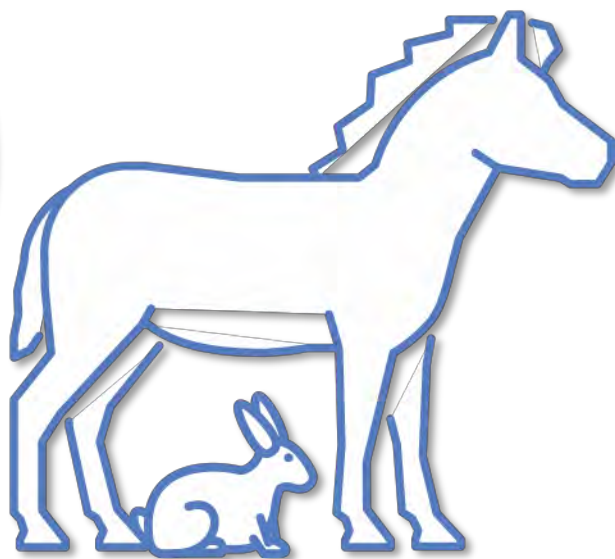
All values in ₹ Mn

	Q4 FY21	FY21	Remarks
<b>Reported EBITDA</b>	<b>442</b>	<b>2,163</b>	
<b>Non-Operational/ One-time costs</b>			
External Advisors	54	89	Strategic, Operational & Governance areas
Ambernath facility write-off	22	22	Write-off of old Ambernath API building given non-use
Past period expenses	28	33	ETP expenses – Enhanced claims for the period FY14 - FY20
Others	11	14	Inorganic initiatives, Increase in Capital
<b>Total Non-Operational/ One-time costs</b>	<b>115</b>	<b>158</b>	
<b>Operating EBITDA Post ESOP</b>	<b>557</b>	<b>2,321</b>	
New ESOP Scheme	54	54	One month impact, Non-cash expense
<b>Operating EBITDA</b>	<b>611</b>	<b>2,375</b>	
<i>Operating EBITDA Margin</i>	<i>16.9%</i>	<i>17.4%</i>	





# Business Highlights



# Formulations delivered strong growth across key geographies

## Highlights

- Europe business accelerates in Q4, driven by new launches
  - Tulathromycin, first in-house developed injectable for global markets
  - Citramox LA, first long acting injectable & Halofusol, in-house developed oral solution
- Turkey growth momentum owing to market share gains in antibacterial & intramammary products
- Brazil records strong growth led by new launches and fresh tender wins
- India revenues double, strong performance around cattle, commercialization of Zoetis distribution arrangement
- Submitted first filings in US, Canada and Australia from India R&D

*All values in ₹ Mn*

Q4FY21	Q4FY20	YoY% (cc)	FY21	FY20	YoY% (cc)
<b>2,506</b>	1,934	34.3%	<b>9,055</b>	7,789	19.8%

FDFs

1000+

Manufacturing facilities

5

Sales to regulated markets

64%

Countries with marketing presence

80+



# API delivers steady performance

## Highlights

- ⑥ FY21 growth at 13.9% YoY driven by recent commercializations
- ⑥ Commercialized 3 new APIs & submitted 4 VMF filings, taking total to 23 USVMF filings and 11 CEP approvals in Europe
- ⑥ Capacity expansion completed at Vizag & Mahad to maintain business growth momentum
- ⑥ Long term arrangement with major animal health company for CDMO and product supplies – co-investments at Vizag, commercialization in 2023
- ⑥ Supply chain de-risking & backward integration through in-house manufacturing of key KSMs

*All values in ₹ Mn*

Q4FY21	Q4FY20	YoY% (cc)	FY21	FY20	YoY% (cc)
<b>1,113</b>	1,072	3.3 %	<b>4,561</b>	4,004	9.9%

Commercial APIs **30**

Manufacturing facilities **3**

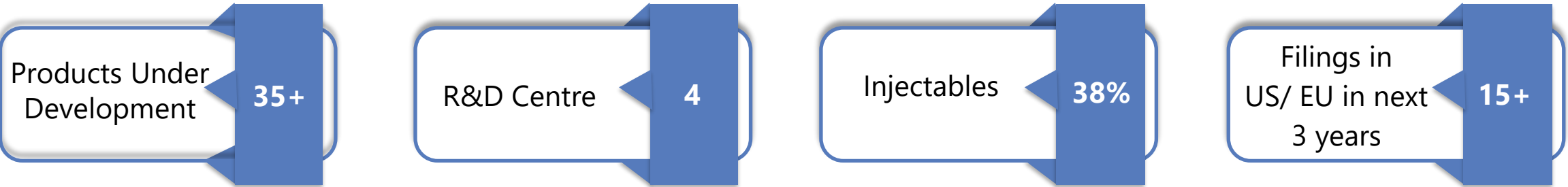
Sales to regulated markets **67%**

Asset turnover ratio **2.4x**



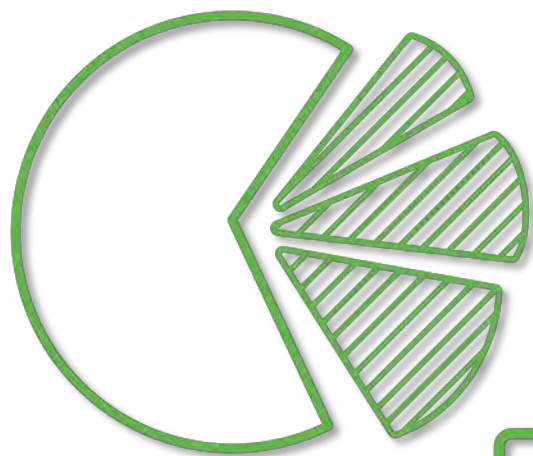
# Focused R&D Initiatives to drive future growth

## Formulations



## API





# Financials



# Consolidated Financials

Particulars	Q4 FY21 Audited	Q4 FY20 Audited	FY21 Audited	FY20 Audited
Revenue from Operations	3,618	3,006	13,616	11,792
Material Consumption	(1,857)	(1,494)	(6,947)	(6,051)
<b>Gross Margin</b>	<b>1,761</b>	<b>1,512</b>	<b>6,670</b>	<b>5,742</b>
%	48.7%	50.3%	49.0%	48.7%
Employee Benefit Expenses	(539)	(417)	(1,872)	(1,651)
Operating Expenses	(780)	(583)	(2,634)	(2,333)
<b>EBITDA</b>	<b>442</b>	<b>511</b>	<b>2,163</b>	<b>1,758</b>
%	12.2%	17.0%	15.9%	14.9%
Exchange Gain / (Loss)	(9)	(64)	(42)	(55)
Other Income	14	18	84	101
Finance Cost	(32)	(93)	(244)	(357)
Depreciation	(127)	(131)	(506)	(506)
Exceptional Items	2	-	(88)	-
<b>Earnings Before Tax</b>	<b>290</b>	<b>241</b>	<b>1,366</b>	<b>941</b>
Taxes	(55)	(59)	(322)	(120)
<b>Earnings After Tax</b>	<b>235</b>	<b>182</b>	<b>1,045</b>	<b>820</b>
Minority Interest	29	14	90	121
<b>Earnings after Minority Interest</b>	<b>206</b>	<b>169</b>	<b>954</b>	<b>699</b>
<b>Earnings per share ₹</b>	<b>0.84</b>	<b>0.69</b>	<b>3.85</b>	<b>2.85</b>
<b>Operating EBITDA</b>	<b>611</b>	<b>511</b>	<b>2,375</b>	<b>1,758</b>
%	16.9%	17.0%	17.4%	14.9%

All values in ₹ Mn



# Key Balance Sheet Items

All values in ₹ Mn

Particulars	Mar-21	Mar-20
Shareholders Funds	7,277	6,871
Minority Interest	487	447
Net Debt	1,628	2,282
Investments	769*	1,313**
Tangible Assets	3,479	3,560
Intangible Assets	2,186	2,340
Working Capital	3,218	3,127

## Balance Sheet Highlights

- Driving growth in consonance with continued focus on Working Capital
- Cash flow generation of ₹ 1.5 Bn+ from operations drives net debt reduction of ₹ 646 Mn
- Benefit of Interest cost reduction from Q4 with the prepayment of all INR denominated term loans of ₹ 1,250 Mn
- Consolidation of minority interest in Turkey, Netherlands and Belgium completed

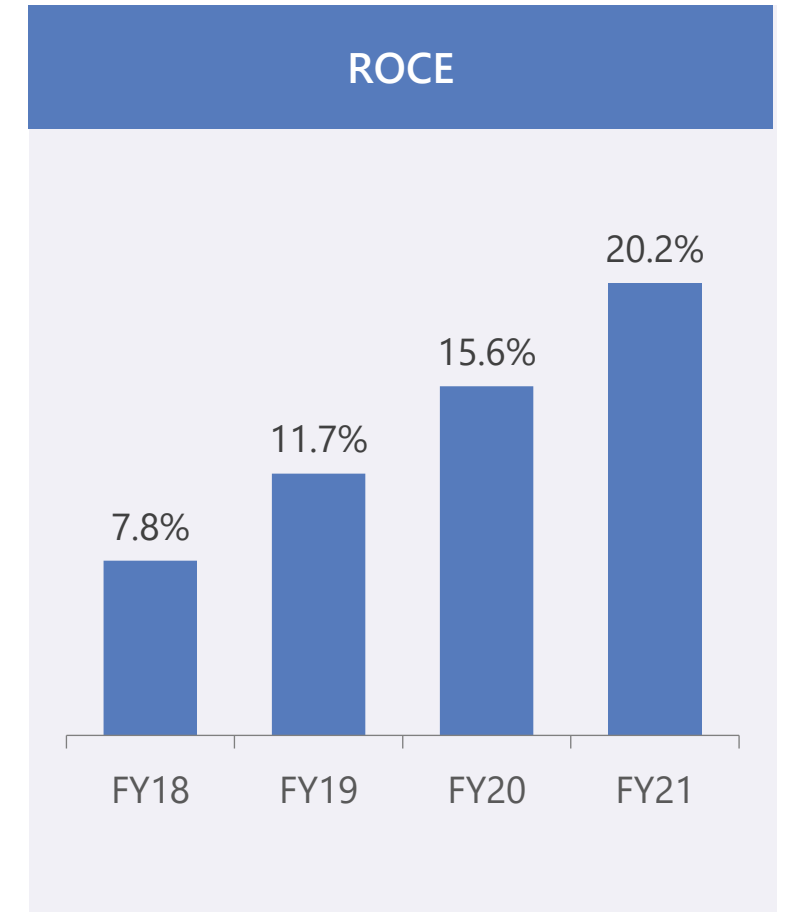
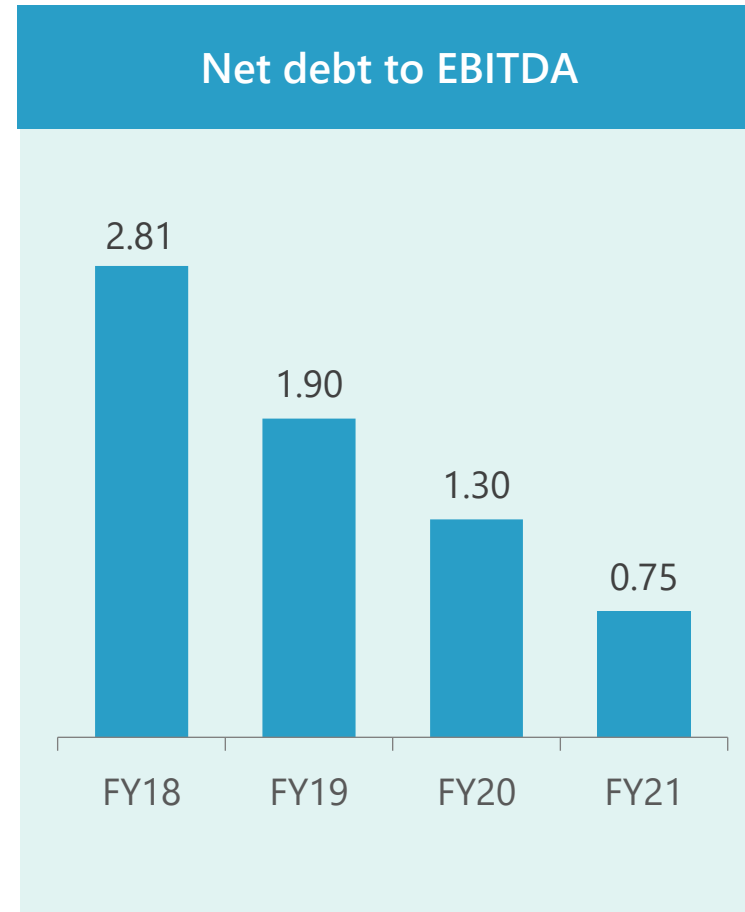
\*Represents market value of Solara shares

\*\*Represents market value of Strides and Solara shares





# Strengthening financial performance over the years



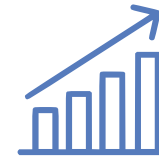
\*Operating EBITDA at 17.4%





## Outlook

- High-teen revenue growth
- 200+ bps margin expansion



## FY21 status

- 15.5% revenue growth
- 250 bps margin expansion



## Amongst Top 20 Animal Health companies globally USFDA Approved dedicated Animal Health API facility

2015

- ✓ LRM dependent
- ✓ Largely API driven
- ✓ Genericized; multiple segments

- 🏭 Limited Vet portfolio
- 🏭 Primarily anti-parasitics

- 🏭 **Formulations**
- Turkey: Turkish GMP
- India: cGMP

### API

- 2 cGMP

- ₹ ~80% revenue contribution from EMs

- 🔬 Limited capabilities

2020

- ✓ Pivoted to pure play AH company
- ✓ Amongst Top 20 AH companies globally
- ✓ Multiple acquisitions – Multi geography operations

- 🏭 Formulations driven
- 🏭 Food animals focused
- ~10x increase in US/ EU API filings

- 🏭 **Formulations**
- Germany, Spain: EUGMP
- Turkey: EU, Turkish GMPs
- Brazil: MAPA
- India: cGMP

### API

- Vizag: USFDA
- Mahad: EUGMP; Tarapur: cGMP

- ₹ ~67% revenue contribution from Reg markets

- 🔬 5 global centres, R&D driven new products
- 🔬 USFDA approved analytical services laboratory

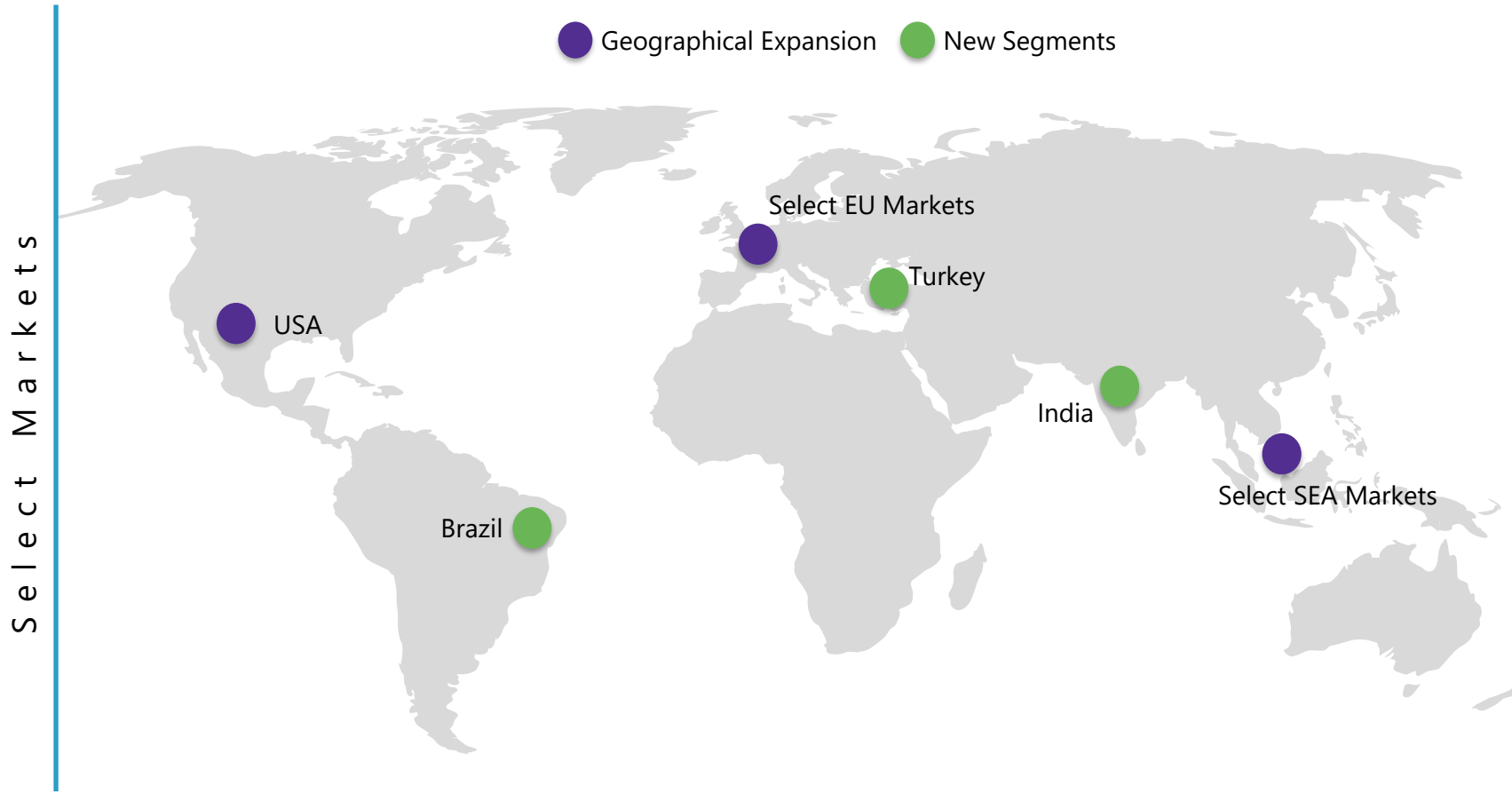


# AHEAD

with purpose  
and  
confidence

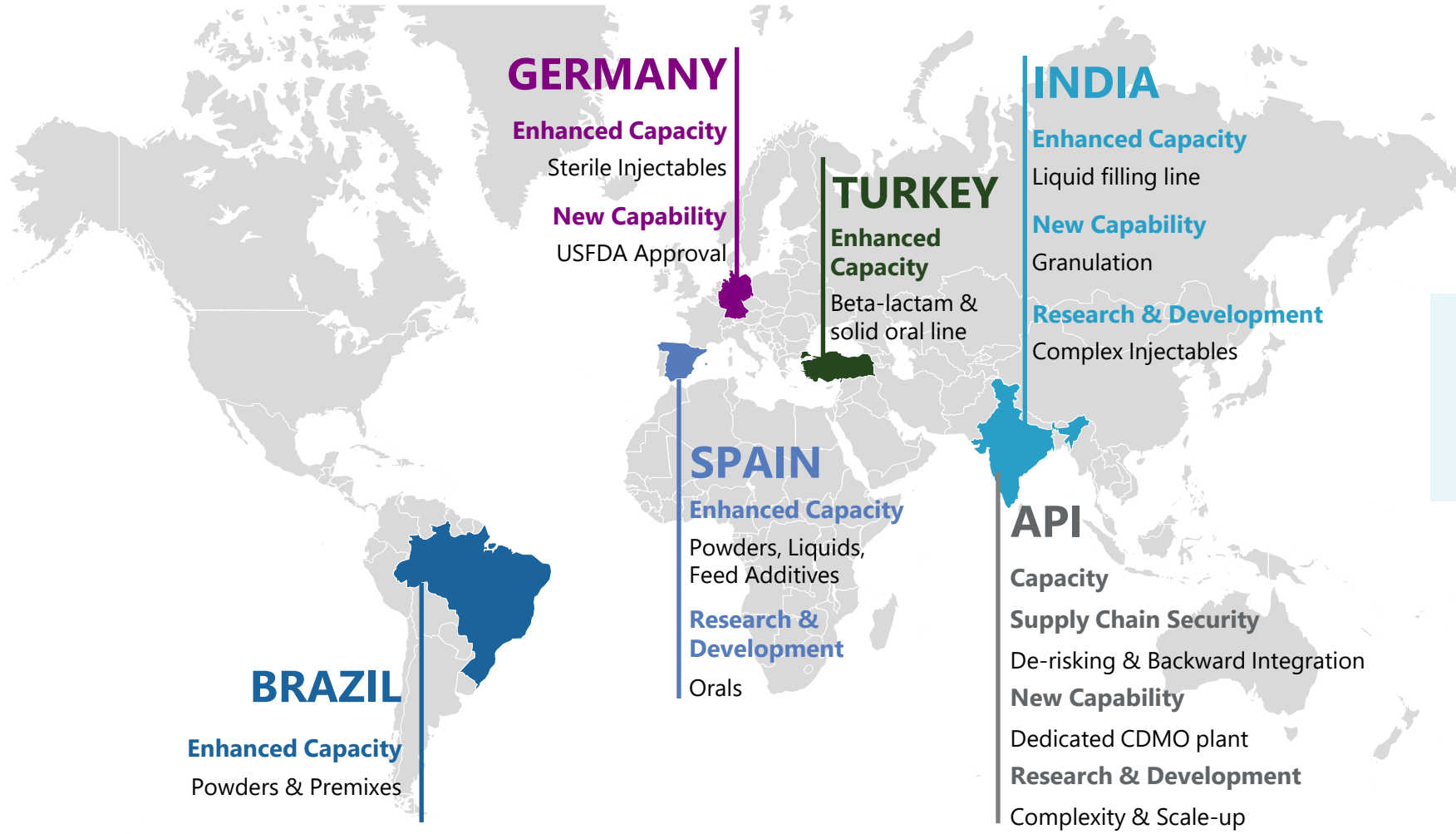


# Significant capability built-up planned for execution



Capabilities
<b>Marketing</b> Global Alivira Brands
<b>Formulations</b> Sterile Manufacturing Value added products
<b>API</b> Technical Marketing CMO/ CDMO





**~₹2 Bn Investments**  
over 24 months



## High Quality Generic Supplier

Portfolio



High Quality,  
Specialty Generics

R&D



Complex Gx  
Development

Commercial  
Footprint



Selective  
Presence

Key areas to  
invest



Differentiated  
Generics

## API – Integrated, but separated

- ⦿ **Independent business unit** with own portfolio & pipeline decisions
- ⦿ **Internal API supply** for FDF business with strategic advantage, value added products
- ⦿ **Value growth** through:
  - ⦿ Big-4 AH penetration
  - ⦿ Pipeline (High value APIs)
  - ⦿ CDMO/ CMO business
- ⦿ **Key Differentiators:** Supply security, Quality and Compliance

## FDF – Growth from the Core

- ⦿ **Deeper penetration in current key strategic animal health markets**
  - ⦿ Europe, India, Turkey, Brazil
- ⦿ **Select expansion into new geographies**
  - ⦿ USA, select EU and select South-East Asia
- ⦿ **Value added/ Specialty products**



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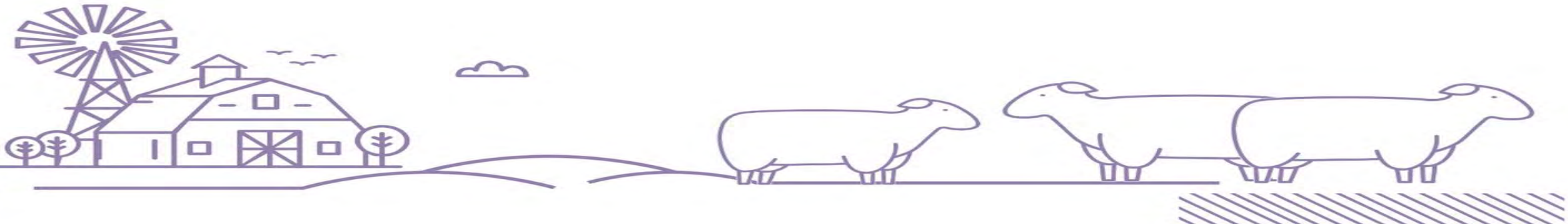
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# Thank You

