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Ambalal Sarabhai Enterprises Limited

**35th Annual Report
2012-13**

Board of Directors

Mr. Kartikeya V. Sarabhai
Chairman

Mr. B.V. Suryakumar

Mr. Govind Das Zalani

Mr. Anil H. Parekh
Whole-time Director

Mr. K. Mohandas

Mr. Ashwin P. Hathi

Ms. Chaula Shastri
Whole Time Director

Mr. Chandra Shekhar Bohra

Mr. Ketan Adhvaryu
Company Secretary

Auditors

M/s. Sorab S. Engineer & Co.
Chartered Accountants
Ismail Building
381, Dr. D. Naoroji Road
Fort, Mumbai-400 001

Registered Office :
Sarabhai Campus
Gorwa Road,
Vadodara-390 023

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Notice

Notice is hereby given that the Thirty-fifth Annual General Meeting of the Company will be held on Monday, 30th September, 2013 at 10.00 A.M. at Prof. C.C. Mehta Auditorium, General Education Centre, The Maharaja Sayajirao University of Baroda, Vadodara-390002 to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Profit and Loss Account for the year ended 31st March 2013 and Balance Sheet as at that date, together with Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. G.D. Zalani, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. B.V. Suryakumar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. A.H. Parekh, who retires by rotation and being eligible offers himself for re-appointment.

5. Appointment of Auditors:

To consider and if thought fit, to pass, with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Sorab S. Engineer & Co., Chartered Accountants, Mumbai, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration plus reimbursement of service tax, out of pocket expenses, traveling and other expenses, as may be mutually agreed upon between the Board of Directors and the Auditors in connection with the work of audit to be carried out by them."

SPECIAL BUSINESS:

To consider and if thought fit, to pass, with or without modifications, the following Resolutions as Ordinary Resolutions

6. To appoint a Director in place of Ms. Chaula Shastri, who holds office of a Director upto conclusion of this Annual General Meeting and being eligible offers herself for re-appointment.
7. To appoint a Director in place of Mr. Chandra

Shekhar Bohra, who holds office of Director upto conclusion of this Annual General Meeting and being eligible offers himself for re-appointment.

8. To consider and if thought fit, to pass, with or without modifications, the following Resolution as Special Resolution.

Appointment of Ms. Chaula Shastri as Whole-Time Director:

"RESOLVED that pursuant to the provisions of Section 198, 269, 309, and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, consent of the Company be and is hereby accorded to the appointment of Ms. Chaula Shastri as "Whole-Time Director" for a period of 3 years with effect from 16th October, 2012 on the terms and conditions as stated in Explanatory Statement."

By Order of the Board of Directors,
Ketan Adhvaryu
Company Secretary

Date : 23.8.2013

Place : Ahmedabad

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 25.9.2013 to 30.9.2013 (both days inclusive).
4. All the documents referred to in the Notice and Explanatory Statement would be open for inspection at the Registered Office of the Company during business hours on all working days till the date of meeting.
5. Members who hold equity shares in dematerialized form are requested to bring their DPID and client ID numbers for easy identification of attendance at the meeting.
6. Pursuant to SEBI Circular, it is mandatory to quote PAN for transfer / transmission of shares in physical

Therefore, the transferee(s) / legal heirs are required to furnish copy of their PAN to the Registrar and Share Transfer Agents - MCS limited.

Information relating to appointment / re-appointment of Directors, as required to be given pursuant to Clause 49 (IV) (E) and 49 (IV) (G) (1) of the Listing Agreement is given in Annexure A to the Explanatory Statement:

8. In accordance with MCA circular No.18/2011 dated 29-04-2011, members who desire to receive their copy of Annual report through email, may register their email address to the Company Secretary of the Company at ketanadhvaru@sarabhai.co.in or to Registrar of the Company at mcsitdbaroda@yahoo.com.

Explanatory Statement

Required under section 173 of the Companies Act 1956 to accompany the Notice of the 35th Annual General Meeting.

Item 6 & 7

The Board of Directors of the Company had at its meeting held on 27.9.2012 and 13.8.2013 appointed Ms. Chaula Shastri and Mr. Chandra Shekhar Bohra as Additional Directors on the Board of Directors of the Company respectively. In terms of the provisions of section 260 of the Companies Act, 1956 each of the aforesaid Directors hold the office of a Director only upto the date of ensuing Annual General Meeting of the Company but they are eligible for the appointment.

As required under Section 257 of the Companies Act, 1956, notices have been received from member/s signifying the intention to propose candidature of each of them for the office of a Director.

Ms. Chaula Shastri and Mr. Chandra Shekhar Bohra may be considered to be interested in the respective resolutions as appearing in the accompanying notice.

Item 8

Ms. Chaula Shastri is B.Com. LL.B, Diploma in Business Management. She is in the organization since 1979 and her last designation was GM (Admn.) in the Company. Ms. Shastri has wide and varied experience of over 33 years.

The Board of Directors at its meeting held on 27.9.2012 and the Remuneration & Compensation Committee of Directors held on 6.11.2012 had subject to requisite approval/s, appointed her as Whole-Time Director w.e.f. 16.10.2012 on following terms and conditions.

1. Period : From 16th October 2012 to 15th October 2015.
2. a) Basic Salary : Rs. 40,000/- p.m. in the grade of 40,000 - 2,500 - 42,500/-
- b) House rent allowance @ 40% of (a) : Rs. 16,000/- p.m.

- c) Perquisites : In addition to the above, the following perquisites / allowances shall be allowed to Whole Time Director
- i) Expenditure : To be valued as per I.T. Rules and in absence of such rules, to be valued at actual cost. incurred on gas, electricity, water, furnishing.
- ii) Medical benefits : Reimbursement of expenses for self and family. actually incurred for self, spouse and dependent children. However, such reimbursement as it would exceed maximum limit laid down under I.T. Rules, would be subject to tax, from time to time.
- iii) Leave Travel : Only travel fare, once a year to & fro for any place in India. Concession for self and family.
- iv) Additional allowance. : In the form of conveyance / petrol / miscellaneous expenses.
- v) Telephone facilities at residence : Personal long distance call to be charged to Whole Time Director.
- v) Club fees and personal accident insurance, as per Company's rules.

Ms. Shastri shall also be entitled for the following benefits. However the same will not be taken into account while computing Managerial Remuneration.

Other Benefits:

- A) Reimbursements of actual entertainment expenses incurred for the business of the Company, as per Company's rules.
- B) Leave on full pay, as per rules of the Company, but not exceeding one month's leave for every eleven months of service.
- C) Company's contribution towards provident fund and superannuation fund as per rules of the Company.
- D) Gratuity would become payable at the rate not exceeding half a month's salary for each completed year of service as applicable under provisions of payment of Gratuity Act.
- E) Encashment of leave in respect of leave accumulated but not availed of at the end of the tenure, would be permissible.

- 3) Annual Increment : Entitled to get annual increment as may be decided by the Board of Directors within the basic salary of Rs.40,000/- p.m. in the grade of 40,000 - 2,500 - 42,500/-.
- 4) Rs. 1,00,000/- Per annum : Ms. Shastri shall be entitled for compensation on achieving pre determined Key Performance Area as determined by Remuneration and Compensation committee in proportion to achievement of key performance target both quantitative and qualitative during the year.
- 5) In absence of or in-adequacy of profits in any financial year, she will be entitled to said salary, perquisites etc. as mentioned above as **minimum remuneration**.
- 6) Other terms and conditions:
 - i) In the capacity of a Whole-time Director, she shall not be paid any sitting fees to attend the meeting of the Board and/or Committee thereof.
 - ii) In the event of cessation of her respective office during any financial year, the aforesaid remuneration will be paid on a pro-rata basis.
 - iii) She shall not so long as she functions as a Whole-time Director of the Company become interested or otherwise concerned directly or through spouse minor children in any selling agency of the company.
 - iv) The Company shall deduct all taxes from the remuneration, as per applicable law, from time to time.
 - v) Without the approval of the Board of Directors of the Company, neither she nor any of her relatives nor any firm or private company in which she or any of her relatives are a Director, member or partner shall enter into any contract with the Company for sale, purchase or supply of any goods, materials or services for whatever value. She shall also report to the Board the names of all private companies, firms or proprietorship in which she or any of her relatives as defined in the Companies Act, have any interest as Director, member, partner or proprietor.
 - vi) This appointment is terminable by three months notice on either side or payment of salary in lieu thereof.
- 7) The Board of Directors / Remuneration and Compensation Committee of Directors of the Company would be empowered to modify the terms of remuneration as may be required by the Central Government / Shareholders, upon their respective permission / approval/s and also to increase the

above remuneration on an annual basis during the tenure and such an increase would be within the limit of Schedule XIII of the Companies Act, 1956 (or any amendment or reenactment made thereon from time to time) as applicable to the Company and would be subject to other compliance/s, if any, as might be required.

8. Ms. Shastri's terms of the appointment of Whole-Time Director can be renewed by the Board of Directors before the expiry of the said term and in case the terms are not renewed before the expiry of the existing terms by the Board of Directors, Ms. Shastri shall cease to be Whole-Time Director on expiration of the present term.

The proposed resolution and explanatory statement may be treated as an abstract of the terms and conditions of the appointment of Ms. Shastri as Whole Time Director in terms of section 302 of the Companies, Act 1956.

Ms. Shastri may be considered to be concerned or interested in proposed resolution.

None of the other Directors of the Company may be deemed to be concerned or interested in the said resolutions.

Your Directors commend the resolutions as set out in the Notice for your approval and acceptance.

By Order of the Board of Directors,
Ketan Adhvaryu
Company Secretary

Date : 23.8.2013

Place : Ahmedabad

The information relating to Appointment / Reappointment of Directors, as required to be given as per Corporate Governance Code						
Name	Date of Birth	Qualifications	Experience / Expertise	Shareholding in the Company	Other Directorship in Public Limited Company	
Mr. G.D. Zalani	15.1.1927	Master of Pharmacy (M. Pharm.)	Associated with the company for last more than four decades. Expertise in Commercial aspects and liaison with Government authorities.	10	Asence Inc.	
Mr. B.V. Suryakumar	30.5.1943	B.Com., ICWAI	At Essar Projects Limited, he was Whole-Time Director & CEO. Experience in finance and General Management. Total experience of 5 decades in different capacities.	374	1. ORG Informatics Ltd., 2. Sarabhai M Chemicals Ltd., 3. Medico Interfarm Ltd., 4. ORG Telecom Ltd.	
Mr. A.H. Parekh	18.10.1948	M. Pharm (Pharmaceuticals & Pharmaceutical Technology)	Experience of Pharma production facilities of more than three decades. Technical Expertise in: -Formulation, Production, Planning -Inventory Control -Stores, Distribution & Logistic -Knowledge of Quality Control	-	-	
Ms. Chaula Shastri	19.1.1959	B.Com. LL.B, Diploma in Business Management	Administration, Communication, Public Relation. Inter-action with people of different segment	-	-	
Mr. C.S. Bohra	9.9.1972	B.Com.	Above 18 years of vast experience in Manufacturing, Marketing, Brand building and Supply Chain Management in national and international pharmaceutical industry. Expertise lies in Pharmaceutical Exports to Southeast Asian countries (ASEAN region), CIS countries and West African Countries. Associated with several WHOcGMP certified pharma formulation. Resourceful in the Indian Pharmaceutical Industry as an advisor and has been instrumental in many strategic deals among companies. Expertise will help in strengthening and stabilizing future prospects of the Company	-	1. JULIE (INDIA) LTD 2. CHIRANJILALJIFINANCE LTD	

Directors' Report

To

The Shareholders,

The Directors hereby present their 35th Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2013.

(Rs.lakh)

	2012-13	2011-2012
Turnover (Net)	1669	2128
Other Income	1883	610
Total Income	3552	2739
Financial Cost	675	842
Depreciation	1248	140
Loss before Extra Ordinary Income	(1722)	(1784)
Extraordinary Income net of expenditure	-	1119
Net Profit/(Loss) before taxation	(1722)	(665)
Net Profit/(Loss)	(1722)	(665)

Your Directors regret their inability to recommend payment of any dividend in view of loss during the year.

Operations:

Pharma Formulations:

The Company continues to manufacture formulations under license and market these through established companies in the market. The Company also manufactures and sells a wide range of Formulations through its distributors and Generic channels.

The marketing of various pharmaceutical products of Oncology and Infertility is now being undertaken through subsidiary of the company viz., **Senaru Formulations Pvt. Ltd.**, from 1st April 2013. For the purpose, Senaru has opened a new division viz., **Sarabhai Chemicals (Specialties) Division**.

Asence Inc., a wholly-owned subsidiary of the Company, incorporated in US specializes in the supply of quality pharmaceutical preparations (Finished Dosage Forms and Active Pharmaceutical Ingredients) to international markets. Asence Inc., through the company, pursues a multi-layered growth strategy combining internal product development, strategic alliances and collaboration with cGMP manufacturing partners, acquisitions of products and leverages of infrastructure in India and the US.

Asence Pharma Pvt.Ltd., a wholly-owned subsidiary of Asence Inc., has grown in sales by over 75% in turnover. Asence has made significant inroads into growth related projects through investment and

partnerships in group companies as well as external manufacturing sites. This has shown significant increase in sales and relatively high impact on profitability. Asence is expected to grow well even in the current year and is planning to sustain its growth. Asence is making full efforts to boost up the international activities as well as domestic sales and endeavor to improve the performance of various current and new products.

Bulk Drugs:

The Turnover of **Synbiotics Limited**, a wholly-owned subsidiary of the Company at Luna has increased by about 93% as compared to previous year. Synbiotics has also achieved 83% of its budgeted Turnover of Rs.10 crores. Synbiotics has successfully passed the audit inspection from various international and domestic Companies. Upon completion of these formalities, Synbiotics expects lucrative orders within a short span of time and will enable to reach a sales turnover of about Rs.13 crores. Synbiotics has observed all the norms of Gujarat Pollution Control Board (GPCB) and discharged effluent as per consent conditions of GPCB. Synbiotics has made an application to GPCB to increase Discharge Permission of Effluent considering increased production activity. Synbiotics's manufacturing facilities have got recognition from overseas authorities and also received approval from PMDA (Japan), WHO-GMP, EU, and USFDA. Synbiotics continuously strives to improve its efficiency in the production process and this should improve its future.

The product of Synbiotics is established and demand is increasing in both International and domestic markets.

Electronics:

Systronics India Limited (SIL) a wholly-owned subsidiary of the Company, have two divisions viz. Systronics as well as Telerad. During the year under report, the sales of Systronics division increased by 4% as compared to previous year. Similarly, service income of Systronics division has increased by 29%. Sales of TELERAD division, has decreased by 2% and service income of the said division has decreased by 10%. Therefore, there was overall increase in sales by 0.65%. The turnover of SIL for the year under report reached to Rs.4663.44 lakhs

Corporate Governance:

Pursuant to clause 49 of the Listing Agreement with the BSE Ltd, Management Discussion and Analysis Report, Corporate Governance Report and Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are made as a part of the Annual Report.

Subsidiaries:

A statement pursuant to Section 212 of the Companies Act, 1956 in respect of Subsidiary companies is appended to the balance sheet. The report and the accounts of the Company may be treated as abridged accounts as contemplated under Section 219 of the Companies Act, 1956. Those shareholders, who are desirous of receiving full reports and accounts including the report and the accounts of the Subsidiaries of the Company, will be provided the same on receipt of written request / requisition in this regard. This will help to save considerable cost in connection with printing and mailing of the report and accounts in respect of the various subsidiaries of the company.

The shareholders who desire to get their Annual Reports through email may register their email address with the Company or its STA.

Consolidated Financial Statement:

In compliance of the Accounting Standard AS-21 on Consolidated Financial Statements, the Consolidated Financial Statements, which form part of the Annual Report and Accounts, are attached herewith.

Directorate:

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Messers G.D. Zalani, and B.V. Suryakumar and A.H. Parekh retire by rotation and being eligible offers themselves for re-appointment.

During the current year Mr. B.S. Bohra ceased to be a Director due to death on 6.5.2013. Your Directors have taken note of the contribution made by him during his association with the Company.

During the current year Ms. Chaula Shastri and Mr. Chandra Shekhar Bohra have joined the Board of Directors w.e.f. 16.10.2012 and 13.8.2013 respectively.

Fixed Deposits:

The Company has not accepted any fixed deposit during the year.

Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo required to be given by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in the Annexure to this Report in the prescribed format.

Partioulars of Employees:

Information as per Section 217 (2A) of the Companies

Act, 1956, read with the Companies (Particulars of Employees Rules 1975) is not given since there was no employee drawing remuneration as prescribed under the said Section.

Directors' Responsibility Statement.

As required under Section 217(2AA) of the Companies Act, 1956, we hereby state:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state affairs of the Company as at 31st March, 2013 and its loss for the year ended on that date.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the annual accounts on a going concern basis.

Insurance:

Building, Plant and machinery and stocks, have been adequately insured. The Company carries a risk for certain assets like goods in transit in respect of which any loss resulting from non-insurance is small because of fairly large drop in production and sales.

Auditors:

M/s. Sorab S. Engineer & Co. Chartered Accountants, Mumbai, retires in the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

Acknowledgement:

Your Directors would like to take this opportunity to express their deep sense of gratitude to the Banks, Government Authorities, Customers and Shareholders for their continuous guidance and support. Further, they would also like to place on record their sincere appreciation for the dedication and hard work put in by one and all members of Sarabhai Pariwar including workers.

For and on behalf of the Board

Date : 23.8.2013

Kartikeya V. Sarabhai

Place : Ahmedabad

Chairman

ANNEXURE TO THE DIRECTORS' REPORT

Disclosure of additional particulars as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, forming part of the Directors' report for the year ended 31st March 2013.

(A) Conservation of Energy &**(B) Technology absorption.**

During the year under report, there was no production activities carried out in the factory of the Company and therefore, details are not required to be given.

(C) Foreign exchange earnings and outgo:

- i) The company is making all efforts to boost up the exports of its various products. In this direction, the Company is endeavoring to improve the quality of various products for export market. Company is also forging ties with various foreign parties to strengthen the exports.

- ii) Total foreign exchange earned and used

	Rs. Lakh
Foreign exchange earned	--
Foreign exchange used	56.73

Management Discussions and Analysis**Industry structures and developments:****Overview of Indian Pharmaceutical Industry:**

India is among the fastest growing pharmaceutical markets in the world and Indian Pharmaceutical Industry is the largest contributor after the Agriculture sector. Due to the presence of low cost manufacturing facilities, educated and skilled manpower and cheap labor force among others, the industry is set to scale new heights in the fields of production, development, manufacturing and research. The Indian Pharmaceutical Industry ranks very high amongst all third world countries, in terms of technology, quality and the vast range of medicines that are manufactured. India is now among the top five pharmaceutical emerging markets. The Indian Pharma industry has been growing at a compounded annual growth rate (CAGR) of more than 15 per cent over the last five years and has significant growth opportunities. To the Indian economy, it is growing at the rate of 10 to 11 %. Present global market share is USD 825 billion growing at the rate of 4 to 6%. India is third largest producers of pharmaceuticals having 10% of the global share. Pharma market in India was estimated to be about US\$ 13 billion and this is likely to increase at a compound annual growth rate and is expected to grow at 9.5 per cent till the year 2015.

The Indian domestic pharmaceutical market is expected to register a strong double-digit growth of 13-14 per cent in 2013. The year 2012 closed with a growth of 12 per cent, according to data from a research firm

The country now ranks 3rd in terms of volume of production (10 per cent of global share) and 14th largest by value (1.5 per cent of global share). One reason for lower value share is the lowest cost of drugs in India ranging from 5 per cent to 50 per cent less as compared to developed countries. Indian pharmaceutical industry growth has been fuelled by exports and its products are exported to a large number of countries with a sizeable share in the advanced regulated markets of the US and Western Europe.

Industry Trends:

- The Pharma industry generally grows at about 1.5-1.6 times the Gross Domestic Product growth.
- Globally, India ranks third in terms of manufacturing Pharma products by volume.
- The Indian pharmaceutical industry is expected to grow at a rate of 9.5 % till 2015.
- The global pharmaceutical market sales are expected to grow at a 4 - 7% compound annua

growth rate (CAGR) through 2013.

Global pharmaceutical market value is expected to expand to \$975+ billion by 2013. Different regions of the world will influence the pharmaceutical industry trends in different ways.

Challenges:

Every industry has its own sets of advantages and disadvantages under which they have to work; the pharmaceutical industry is no exception to this. Some of the challenges the industry faces are:

- Regulatory obstacles
- Lack of proper infrastructure
- Lack of qualified professionals
- Expensive research equipments
- Lack of academic collaboration
- Underdeveloped molecular discovery program
- Divide between the industry and academia.

Government Initiatives:

The government of India has undertaken several including policy initiatives and tax breaks for the growth of the pharmaceutical business in India. Some of the measures adopted are:

- Pharmaceutical units are eligible for weighted tax reduction at 150% for the research and development expenditure.
- Two new schemes namely, New Millennium Indian Technology Leadership Initiative and the Drugs and Pharmaceuticals Research Program have been launched by the Government.
- The Government is contemplating the creation of SRV or special purpose vehicles with an insurance cover to be used for funding new drug research
- The Department of Pharmaceuticals is mulling the creation of drug research facilities which can be used by private companies for research work on rent.

Pharma Export:

Considering that the pharmaceutical industry involves sophisticated technology and stringent "Good Manufacturing Practice (GMP)" requirements, major share of Indian Pharma exports going to highly developed western countries bears testimony to not only the excellent quality of Indian pharmaceuticals but also its price competitiveness. In the recent years, despite the slowdown witnessed in the global economy, exports from the pharmaceutical industry in India have

shown good buoyancy in growth. Export has become an important driving force for growth in this industry with more than 50 % revenue coming from the overseas markets. India's exports of drugs and pharmaceuticals grew by 27 per cent to Rs 60,000 crore (US\$ 11.19 billion) for the year ended March 2012, according to data compiled by Pharmaceutical Exports Council of India (Pharmexcil).

Future Scenario:

With several companies slated to make investments in India, the future scenario of the pharmaceutical industry looks pretty promising. The country's pharmaceutical industry has tremendous potential of growth considering all the projects that are in the pipeline. Some of the future initiatives are:

- The Indian domestic pharmaceutical market is expected to register a strong double-digit growth of 13-14 per cent in 2013. The year 2012 closed with a growth of 12 per cent, according to data from a research firm
- According to a study by FICCI-Ernst & Young India will open a probable US\$ 8 billion market for MNCs selling expensive drugs by 2015.
- The study also says that the domestic Pharma market is likely to reach US\$ 20 billion by 2015.
- The Ministry of Commerce estimates that US\$ 6.31 billion will be invested in the domestic pharmaceutical sector..
- Public spending on healthcare is likely to raise to 13 percent of GDP by 2015
- Future trends of Indian pharmaceutical industry seem to be in positive tone. Consumer spending on healthcare services and products has increased in India due to the increasing affordability, shifting disease patterns and modest healthcare reforms. Healthcare budget of an average Indian household is expected to grow from 7% in 2005 to 13% in 2025.

Performance of your Company:

Your Company operates in an area where a large market exists and offers ample opportunities for growth. As per the statistic available, Indian pharmaceutical export will have potential to increase around 9.5 % by the end of financial year 2013. In order to sustain the future growth, the Indian companies must achieve the right product-mix. The Indian Pharmaceutical industry has witnessed some regulatory and much awaited patent law changes. Due to expansion of patent law covering products into new patent system, MNCs have shown much interest to acquire skill and infrastructure