

# 66<sup>th</sup> Annual Report

**AMRUTANJAN**



## 2002-2003



# Amrutanjan Limited

**BOARD OF DIRECTORS**

Sri S.V. Subramaniam  
Sri S. Radhakrishna (Managing Director)  
Dr. Pasumarthi S.N. Murthi  
Sri D. Seetharama Rao  
Sri R. Vijayaraghavan  
Sri S. Sambhuprasad  
Dr. H.B.N. Shetty

**AUDITORS**

M/s P.S. Subramania Iyer & Co.  
Chartered Accountants  
No. 103 (Old No. 57/2)  
P.S. Sivasamy Salai  
Mylapore, Chennai 600 004

**BANKERS**

Indian Overseas Bank  
The Dhanalakshmi Bank Limited  
Citibank N.A.

**REGISTERED OFFICE**

No. 103 (Old No. 42-45), Luz Church Road  
Mylapore, Chennai 600 004  
Phones : 044-24994164/24994146/24994465/24994366  
Fax : 044-24994585  
E-Mail : [amrutan@md2.vsnl.net.in](mailto:amrutan@md2.vsnl.net.in)

**FACTORIES AT**

Mylapore, Chennai  
Uppal, Hyderabad  
Egattur Village, Kancheepuram District (T.N.)

**BRANCHES AT**

Bangalore, Mumbai, Kolkata, Delhi,  
Ghaziabad, Hyderabad & Chennai

## Amrutanjan Limited

Regd. Office: New No.103 (Old No. 42-45), Luz Church Road,  
Mylapore, Chennai - 600 004.

### NOTICE

NOTICE is hereby given that the Sixty Sixth Annual General Meeting of the members of Amrutanjan Limited will be held at Sathguru Gnanananda Hall (Narada Gana Sabha), New No.314 (Old No.254), T.T.K.Road, Chennai 600 018, on Monday, the 29th September, 2003 at 2.00 p.m. to transact the following business:

#### Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003 and the Profit and Loss Account for the year ended 31st March, 2003, Reports of the Directors and Auditors thereon.

2. To record interim dividend already paid and to declare final dividend on equity shares.

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

"RESOLVED THAT Sri S.V. Subramaniam, a Director who retires by rotation, does not seek re-election and is therefore, not re-appointed as a Director of the Company."

"RESOLVED FURTHER THAT the vacancy on the Board of Directors of the Company so created, be not filled."

4. To appoint a Director in the place of Sri D. Seetharama Rao, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in the place of Sri R. Vijayaraghavan, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint an Auditor and fix remuneration.

#### Special Business:

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

"RESOLVED THAT Dr. H.B.N. Shetty be and is hereby appointed as a Director whose period of office shall be liable to retirement by rotation."

**FOR AND ON BEHALF OF THE BOARD  
For AMRUTANJAN LIMITED**

**S. Radhakrishna**  
Managing Director

Chennai  
25.8.2003

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the business set out under Item 3 & 7 is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 17th September, 2003 to Monday, 29th September, 2003 (both days inclusive).
4. The Final Dividend, as recommended by the Board of Directors, if approved by the shareholders at the Annual General Meeting shall be paid to those members whose names appear on the Register of Members of the Company on Monday, 29th September, 2003. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of the shares as on the closing hours of business on 16th September, 2003 as per the details furnished by the depositories for this purpose.
5. Equity shares of the company have been placed under Compulsory Demat Trading. Members who have not dematerialised their physical holding in the company are advised to avail the facility of dematerialisation of equity shares of the company.
6. As per the regulations of National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) the Company is obliged to print the bank details on the dividend warrants as furnished by these depositories to the Company and the Company cannot entertain any request for deletion/change of bank details already printed on the dividend warrants as per information received from the concerned Depositories. In this regard members are advised to contact their Depository Participant (DP) and furnish the particulars of any changes desired by them.
7. Pursuant to the provisions of Section 205A of the Companies Act, 1956 the amount of dividend which remains unclaimed for a period of 7 years from the date of declaration would be transferred to the "Investor Education and Protection Fund" constituted by the Central Government and the shareholders would not be able to make any claims as to the amount of dividend so transferred to the fund. As such, shareholders who have not yet encashed their dividend warrants are requested in their own interest to write to the Company immediately for claiming outstanding dividends declared by the Company during the years 1996 onwards. In respect of unclaimed dividends for periods prior to 1996, the Company has already transferred to the General Revenue Account of the Central Government. Shareholders may claim the same by submitting their claims for dividend to the Registrar of Companies (Tamil Nadu), No.26, Haddows Road, Chennai 600 006 by quoting the Company's Registration No.18-000017.
8. Members are requested to bring their copies of the Annual Report to the Meeting.

## Amrutanjan Limited

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

#### Item No.3

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Articles of Association, Sri S.V. Subramaniam retires by rotation and has informed the Company his intention not to seek re-appointment on health grounds at the ensuing Annual General Meeting. The Board has decided not to fill-up the vacancy so created on the Board of Directors of the company.

#### Item No. 7

Sri K.M. Mathew, Director of the Company resigned his office with effect from 2nd July, 2003. Dr. H.B.N. Shetty was co-opted as a Director of the Company on 31st July, 2003 in the casual vacancy caused by the resignation of Sri K.M. Mathew. He holds office of Director up to the date of the Annual General Meeting.

Dr. H.B.N. Shetty was born on 11.4.1932, and is aged 71 years. He is M.A. (Chemistry), M.L., Ph.d., and a retired I.A.S Officer. He has served as a collector in various places. He was incharge of many departments viz., Labour and Industry and retired as Education Secretary in the Government of Tamil Nadu. After his retirement, he was appointed as Vice-Chairman, State Appellate Tribunal, Land Reforms with the rank of a high court judge.

The company has received a notice from a member of the Company along with the requisite deposit, under Section 257 of the Companies Act, 1956 proposing the candidature of Dr. H.B.N. Shetty as Director of the Company.

Dr. H.B.N. Shetty would serve the Board of the Company as an Independent Director. He is also on the Board of M/s. Egattur Printing and Packaging Ltd., and Swas Health Products Ltd.

The Board of Directors recommend for your approval the appointment of Dr. H.B.N. Shetty as Director of the Company liable to retire by rotation.

None of the Directors, except Dr. H.B.N. Shetty is concerned or interested in the aforesaid resolution.

#### Details of Directors seeking re-appointment in Annual General Meeting

Name of Director	Sri D. Seetharama Rao	Sri R. Vijayaraghavan
Date of Birth	20.04.1932	02.01.1950
Date of Appointment	27.06.1991	24.01.1998
Qualification	B.E. (Elect.)	M.Sc., M.B.A., B.L.
Expertise in Specific Functional Area	Retired Electrical Engineer	Specialising in Law (Income Tax)
List of Companies in which outside Directorship held	Amrutanjan Finance Ltd.	<input type="checkbox"/> Redington (India) Ltd. <input type="checkbox"/> Sanco Trans Ltd. <input type="checkbox"/> Shree Ambika Sugars Ltd. <input type="checkbox"/> Thiru Arooran Sugars Ltd. <input type="checkbox"/> Terra Energy Ltd. <input type="checkbox"/> Sri Nachamai Cotton Mills Ltd. <input type="checkbox"/> Strategic Management & Marketing Consultancy Services Ltd. <input type="checkbox"/> Prime Technology Resources Management Ltd.
Chairman/Member of the Committee of Board of Directors of the Companies	Amrutanjan Limited - Audit Committee Share Transfer Committee	Amrutanjan Limited <input type="checkbox"/> Audit Committee <input type="checkbox"/> Shareholders/Investors Grievance Committee Redington (India) Ltd. <input type="checkbox"/> Audit Committee Sanco Trans Ltd <input type="checkbox"/> Audit Committee Shree Ambika Sugars Ltd. <input type="checkbox"/> Audit Committee Thiru Arooran Sugars Ltd. <input type="checkbox"/> Audit Committee Terra Energy Ltd. <input type="checkbox"/> Audit Committee Sri Nachamai Cotton Mills Ltd. <input type="checkbox"/> Audit Committee

**FOR AND ON BEHALF OF THE BOARD**  
**For AMRUTANJAN LIMITED,**  
**S. Radhakrishna**  
**Managing Director**

Chennai.  
25.8.2003

## 66th Annual Report

### REPORT OF THE DIRECTORS TO THE MEMBERS

The Board of Directors of your Company have pleasure in presenting the Sixty Sixth Annual Report and Audited Accounts for the year ended 31st March, 2003.

#### 01. FINANCIAL RESULTS

	Year ended 31.3.2003 Rs.	Year ended 31.3.2002 Rs.
Profit before Interest and Depreciation	8,39,16,973	9,30,87,180
Less: Interest	1,43,20,664	1,12,38,021
Depreciation	1,87,15,539	1,74,61,146
	3,30,36,203	2,86,99,167
Profit after Interest and Depreciation	5,08,80,770	6,43,88,013
Prior year adjustments (Net)	(7,43,022)	(6,31,864)
	5,01,37,748	6,37,56,149
Provision for taxation	(1,75,00,000)	(1,95,00,000)
Provision for Deferred Tax	66,160	(22,13,066)
Provision for Income Tax / Wealth Tax of earlier years	(19,14,536)	(2,49,475)
	3,07,89,372	4,17,93,608
Add: Transfer from Profit & Loss Account		
- Surplus Opening Balance	3,07,30,947	3,39,29,019
Profit available for Appropriation	6,15,20,319	7,57,22,627
<b>Appropriations:</b>		
Contingency Reserve	3,00,00,000	1,00,00,000
General Reserve	34,47,494	2,50,00,000
Interim Dividend - Paid (subject to deduction of tax at source)	41,60,000	38,40,000
Tax on Interim Dividend	-	3,91,680
Final Dividend - Proposed (previous year subject to deduction of tax at source)	54,40,000	57,60,000
Tax on Proposed Final Dividend	6,97,000	-
Balance Profit carried to Balance Sheet	1,77,75,825	3,07,30,947
	6,15,20,319	7,57,22,627

#### 02. DIVIDEND

Considering the profits projected for 2002-2003, your Directors have declared and paid an interim dividend of 13% subject to deduction of tax at source on the equity share capital of Rs.3.20 crores amounting to Rs.41.60 lakhs during the year. The Directors now recommend payment of a final dividend of 17% for the year ended 31st March, 2003 amounting to Rs.54.40 lakhs. The dividend tax borne by the company amounts to Rs.6.97 lakhs.

#### 03. REVIEW OF OPERATIONS

During the year under review, the sales of the company amounted to Rs. 7774.74 lakhs as against Rs. 7068.63 lakhs in the previous year registering an increase of 10%.

Profit before interest and depreciation amounted to Rs.839.17 lakhs as against Rs.930.87 lakhs in the previous year. There was an increase of interest cost amounting to Rs.143.21 lakhs (Rs.112.38 lakhs) due to increase of working capital requirements.

Addition to the extent of Rs.151.27 lakhs were made to the fixed assets during the year.

## Amrutanjan Limited

### 04. FIXED DEPOSITS

Your Company has not accepted any fresh or renewed deposits since September, 2000. However, the total deposits outstanding as on 31st March, 2003 were Rs.6.28 lakhs. Nine deposits amounting to Rs.94,000/-, due for repayment remain unclaimed by the depositors as on that date.

### 05. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year the company has transferred a sum of Rs.8,222/- to Investors Education and Protection Fund being the deposits and interest thereon unclaimed for a period of 7 years, pursuant to Section 205C of the Companies Act, 1956.

### 06. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm as under:

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2003 and of the profits of the Company for the year ended on that date;
- iii. that the Directors had 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 had prepared the annual accounts on a going concern basis.

### 07. DIRECTORS

Sri S.V. Subramaniam though eligible for re-appointment has expressed his intention not to seek re-appointment on health grounds. A resolution pursuant to Section 256 of the Companies Act, for not filling the vacancy caused by Sri S.V. Subramaniam's retirement has been included in the agenda of the Annual General Meeting. Sri S.V. Subramaniam has been a Director of the company since December, 1989. The Directors would like to place on record their appreciation of the contribution made by him during his tenure of office as a director of the Company.

Sri D. Seetharama Rao and Sri R. Vijayaraghavan retire by rotation and being eligible offer themselves for re-appointment.

During the year Sri K.M. Mathew resigned from the Board of Directors of the Company owing to indifferent health. He was associated with the company since June, 1993. The board wishes to place on record their appreciation of the contribution made by him during his tenure of office as director of the company. Dr. H.B.N. Shetty was co-opted as a Director of the company on 31.7.2003 in the casual vacancy caused due to the resignation of Sri K.M. Mathew. Dr. H.B.N. Shetty holds office up to the date of the ensuing annual general meeting. Your approval is sought for his appointment vide resolution set out in item No.7 of the accompanying notice.

### 08. CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of the Corporate Governance as prescribed in the listing agreement with the stock exchange. A separate report on Corporate Governance compliance and Management Discussion and Analysis as required is included as a part of Annual Report.

### 09. SUBSIDIARY COMPANIES

Amrutanjan Finance Limited has discontinued NBFC Business during the financial year under review. The Company has been concentrating on recovery and the same has been utilised for repayment of public deposits which have been reduced from Rs. 233.51 lakhs to Rs.94.13 lakhs at the end of the financial year. The Company has also escrowed the public deposits with the Commercial bank and has become a non-public deposit accepting Company. Subsequently, based on the decision taken by the Board of Directors, the company has surrendered the Certificate of Registration to the Reserve Bank of India to become a Non-NBFC and the approval from Reserve Bank of India is awaited.

During the current financial year, the entire 30 seats at the call centre were put into operation. The Company has taken inbound and outbound calling programmes. The earnings were not up to the estimated level.

However, the Company has started tying up business with companies in U.S.A. and U.K. directly. In this regard advance payment from customers is being insisted from them. Presently 30 seats per shift are being utilised for two shift operations and these will be increased to 48 seats per shift in couple of months. The Company has received enquiries for inbound business from reputed companies. Besides the Company is also in the process of tying up for medical billing business on a joint venture business which will be giving business for both BPO and call centre activity. The Company intends to increase its capacity to 100 seats once the business proposals in the pipeline gets through. With these measures the Company is hopeful of earning better revenues from call centre operations during the current financial year.



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Amrutanjan Drugs and Chemicals Limited has worked out ways and means of bringing project in the current financial year.

The turnover of M/s. Egattur Printing and Packaging Ltd., amounted to Rs.248.70 lakhs as against Rs.291.43 lakhs in the previous year. The shortfall in turnover was due to voluntary discontinuation of jobs which were giving volumes rather than satisfactory results. Further, non-realisation of jobs from export oriented units following their closure contributed to the reduction in the turnover of the company. During first four months of the current financial year the Company achieved a turnover of Rs.93.7 lakhs as compared to around Rs.85 lakhs during the corresponding period of last year registering an increase of 10%.

Your Directors are glad to inform you that during the year the Company has entered into an agreement with WIMCO LTD., for supply of skillets which is expected to yield turnover of Rs.60 - 70 lakhs in addition to the parent company's business of Rs.220 lakhs and commercial business of Rs.60 lakhs. The return from WIMCO LTD., will be much more in the next financial year which will increase the turnover further. The Company would also be entering into a working contract with ITC LTD., for supply of match skillets which would also contribute to the turnover and profitability.

Swas Health Products Limited has stabilised all operations commenced during the previous year and further consolidated its production and supporting processes to increase its single shift capacity utilisation from 30% to 60% by making 174 tonnes by fine tuning all production processes. The Company has also implemented ISO9000 procedures and are preparing for getting certification before the end of this year. During the year under review the Company has achieved a turnover of Rs.133 lakhs registering a 56% growth over the previous year and has posted a modest operating profit.

Your Directors are confident of achieving a higher turnover in the years to come and expect to make more operating profits for further consolidation. The completion of ISO certification will enable the Company in improving its business processes and ensure preparedness for higher growth. Your Directors are glad to inform you that the turnover for first four months of the current financial year was around Rs.57 lakhs as against Rs.45 lakhs during the corresponding period in the previous year.

As required under Section 212 of the Companies Act, 1956, the Audited Statement of Accounts, the Report of the Board of Directors and Auditors of the subsidiary companies viz., Amrutanjan Finance Limited, Amrutanjan Drugs and Chemicals Limited, Egattur Printing and Packaging Limited and Swas Health Products Limited are annexed to the accounts.

### 10. CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements prepared in accordance with Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

### 11. CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

The particulars prescribed by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are furnished in the annexure to this report.

### 12. PARTICULARS OF EMPLOYEES

No employee is in receipt of remuneration exceeding the limits as prescribed under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

### 13. AUDITORS

The Auditors, M/s. P.S. Subramania Iyer & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and offer themselves for re-appointment. They have confirmed that they are eligible under Section 224(1B) of the Companies Act, 1956, for re-appointment.

### 14. ACKNOWLEDGEMENT

Your Directors place on record their thanks to The Dhanalakshmi Bank Limited, Indian Overseas Bank, Citi Bank N.A., IDBI Bank Ltd., BNP Paribas, and the concerned Departments of State and Central Government, Employees and Shareholders for their valuable assistance, support and co-operation to the Company.

### FOR AND ON BEHALF OF THE BOARD

Chennai  
25.8.2003

**S. Radhakrishna**  
Chairman & Managing Director

## Amrutanjan Limited

**ANNEXURE FORMING PART OF THE REPORT OF THE DIRECTORS TO THE MEMBERS**  
**INFORMATION IN ACCORDANCE WITH THE COMPANIES**  
**(DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988**  
**FORM A**  
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

### CONSERVATION OF ENERGY:

The operations of the Company are not energy intensive. However, your Company is constantly monitoring energy use and taking necessary energy conservation measures.

#### (A) POWER AND FUEL CONSUMPTION:

	Year ended 31.3.2003 (Current Year)		Year ended 31.3.2002 (Previous Year)	
	OTC	FINE CHEMICALS	OTC	FINE CHEMICALS
<b>1. Electricity:</b>				
a) Purchased:				
Units	5,13,229	12,55,736	4,91,626	9,52,144
Total Amount	Rs. 27,73,564	58,95,506	Rs. 24,42,990	41,24,237
Rate/Unit	Rs.5.40	4.69	Rs.4.97	4.33
b) Own Generation:				
(i) Through Diesel Generator:				
Units	50,286	2,30,148	27,846	2,36,435
Units per litre of Diesel	3.84	3.97	3.81	3.90
Cost/Unit	Rs.5.02	5.87	Rs.5.28	7.87
(ii) Through Steam Generator:				
Units	17,442	-	16,218	-
Cost/Unit	Rs.8.07	-	Rs.7.23	-
<b>2. Coal:</b>				
Qty.(Tonnes)	-	-	-	-
Total Cost	-	-	-	-
Average Cost	-	-	-	-
<b>3. Furnace Oil:</b>				
Qty. (K.Ltrs)	-	-	-	-
Total Amount	-	-	-	-
Average Rate	-	-	-	-
<b>4. Others/Internal Generation:</b>				
Qty.	-	-	-	-
Total Cost	-	-	-	-
Rate/Unit	-	-	-	-

#### (B) CONSUMPTION PER UNIT OF PRODUCTION:

Products (with details) Unit	Standards (if any)	Year ended 31.3.2003 Rs.	Year ended 31.3.2002 Rs.
Electricity:			
Amrutanjan Pain Balm	( 9 Gms)	1.22	1.35
Fine Chemicals	(1 Ton).	90,700	1,34,581
Furnace Oil, Coal and Others	-	-	-



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### ANNEXURE FORMING PART OF THE REPORT OF THE DIRECTORS TO THE MEMBERS

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#### FORM B

(FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION)

#### I. RESEARCH & DEVELOPMENT

##### 1. SPECIFIC AREAS IN WHICH R&D CARRIED OUT BY THE COMPANY

###### Chemical Research

- a. Development of commercially viable process for drug intermediates, fine chemicals and APIs.
- b. Fast track process development for custom synthesis.
- c. Screening of commercial enquiries for developmental activities.

###### Herbal Research

- a. Herbal medicines in different dosage forms like liquid orals, capsules, tablets, granules and topical application.
- b. Pharmacological and toxicological evaluation for specific products.
- c. Clinical evaluation of the above.
- d. Development of food supplements in the form of powders and diskettes.

###### Bio-technology Research

- a. Cloning and expression of human recombinant therapeutic proteins of high commercial value.
- b. A state of art Biotechnology Centre is being established in Irugattukottai, near Chennai for the manufacture of recombinant proteins, adhering to GMP standards. This centre will also offer custom and contract research services.
- c. A Bioinformatics Training Centre is being established at Chennai, in collaboration with the Madurai Kamaraj University.

##### 2. BENEFITS OF R&D

###### Chemical Research

- a. Evaluation of commercial projects.
- b. Provide technical inputs to the production department.
- c. Interaction with customers for quality related issues.

###### Herbal Research

- a. Cost reduction without compromise on quality.
- b. New range of products to achieve higher turnover and to reduce over dependence on pain balm.
- c. Export promotion.

###### Bio-technology Research

- a. The outcome from the research activities will result in the development of high value products and process/technology, which will result in revenue for the company.
- b. The Bioinformatics Centre will bring in regular revenue to the company from the training courses.
- c. The outcome of the activities in Biotechnology and Bioinformatics will develop domain expertise and trained manpower for new product and services development.
- d. The activities will position the company to overcome patent restriction, which comes into effect from 2005.

## Amrutanjan Limited

### 3. PLANNING FOR THE FUTURE

#### Chemical Research

- a. Introduction of new products for sustained growth.
- b. Contract research.
- c. Import substitution.

#### Herbal Research

- a. Establishing a state of art OTC Herbal Research Centre.
- b. cGMP compliance analytical protocols for new products.
- c. Diversifying into allopathic segment of pharmaceuticals.

#### Bio-technology Research

- a. Work towards the establishment of a Molecular Diagnostics Laboratory will be initiated.
- b. The production of an animal vaccine against ticks.
- c. Bioinformatics and Biotechnology Custom Training Services for corporate sources.

<b>4. EXPENDITURE ON R&amp;D</b>	(Rs. in lakhs)
Capital	4.81
Recurring	110.65
<b>Total</b>	<b>115.46</b>

Total R&D expenditure as a percentage of total turnover 1.49%

### 5. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

#### Chemical Research

The technology for majority of the products that are being produced in our Fine Chemicals Division were all developed by the R&D centre. The adaptation of the lab process for the commercial production will always be preceded with a trial at the plant level. The process parameters will be adjusted by R&D to make the process easily adoptable.

#### Herbal Research

Successful scale up studies from lab level to plant level manufacture are done.

Innovative OTC Products in the Health Care Sector are expected to bring in higher sales turnover.

Products on specific ailments like obesity, arthritis, uterine and skin problems are being developed. Marketing of such products will help in the overall growth of the company.

#### Bio-technology Research

Indigenous technology is under development for the purification of recombinant proteins.

The domain expertise gained from the R&D activities has led to offer custom contract services for biotechnology research at the International level.

### II. FOREIGN EXCHANGE EARNINGS AND OUTGO

	(Rs. in lakhs)
Total foreign exchange earnings	266.87
Total foreign exchange outgo	140.48