

Connecting the dots



SeQuent Scientific Limited
Annual Report 2012-13

Forward-looking Statements

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

NAVIGATING this report

The winds beneath our wings	4
The dots that define us	6
The year of smaller steps and larger impact	8
Financial snapshots	10
From the Management's desk	12
Connecting the dots	14
Board of Directors' profiles	18
Our product pipeline	19
Directors' report	20
Equity history	29
Management discussion & analysis	30
Corporate governance report	44
Financial statements	
Standalone	55
Consolidated	82
Key financial parameters & Ratios	106
Key information pertaining to subsidiary companies	107
Corporate information	109



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



- Simon Sinek





ONE CAN'T CONNECT THE DOTS LOOKING FORWARD.

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



THE YEAR 2012-13 WAS EQUALLY CHALLENGING.

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



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

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

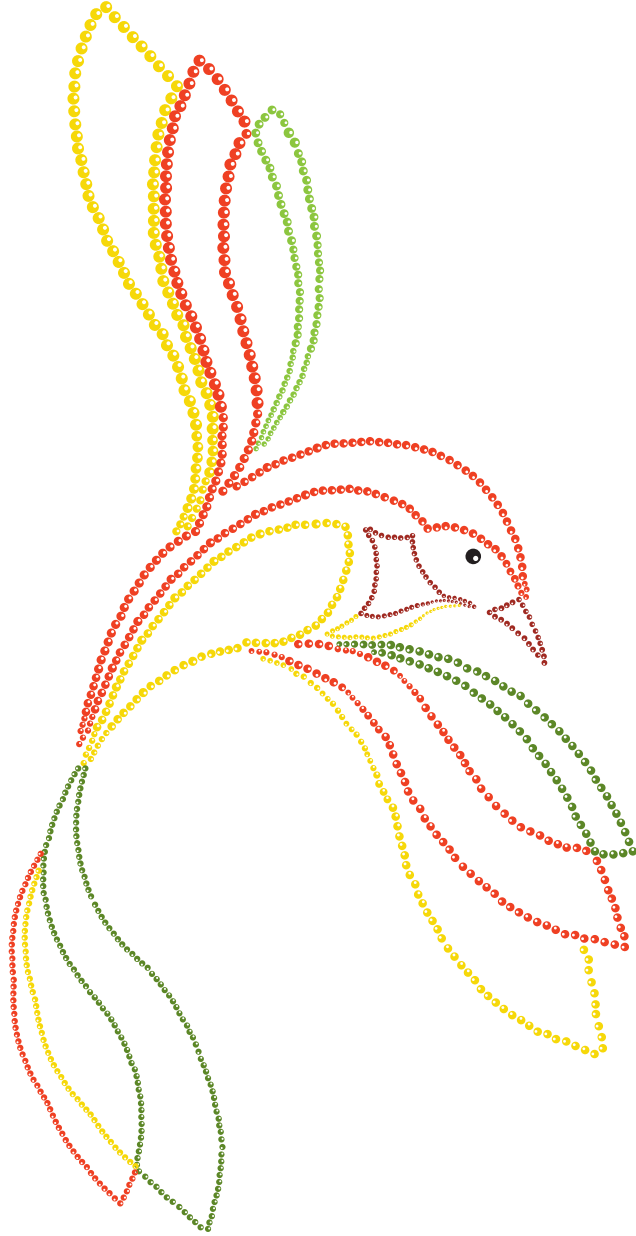


HAVING LAID
A STRONG
FOUNDATION,
WE REMAIN
CONFIDENT AND
OPTIMISTIC.

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



The WINDS BENEATH





our **wings.**

OUR VISION

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

OUR MISSION

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

OUR QUALITY POLICY

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

OUR PEOPLE

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

OUR INPUTS

Through strict adherence to Quality standards prescribed for the respective inputs

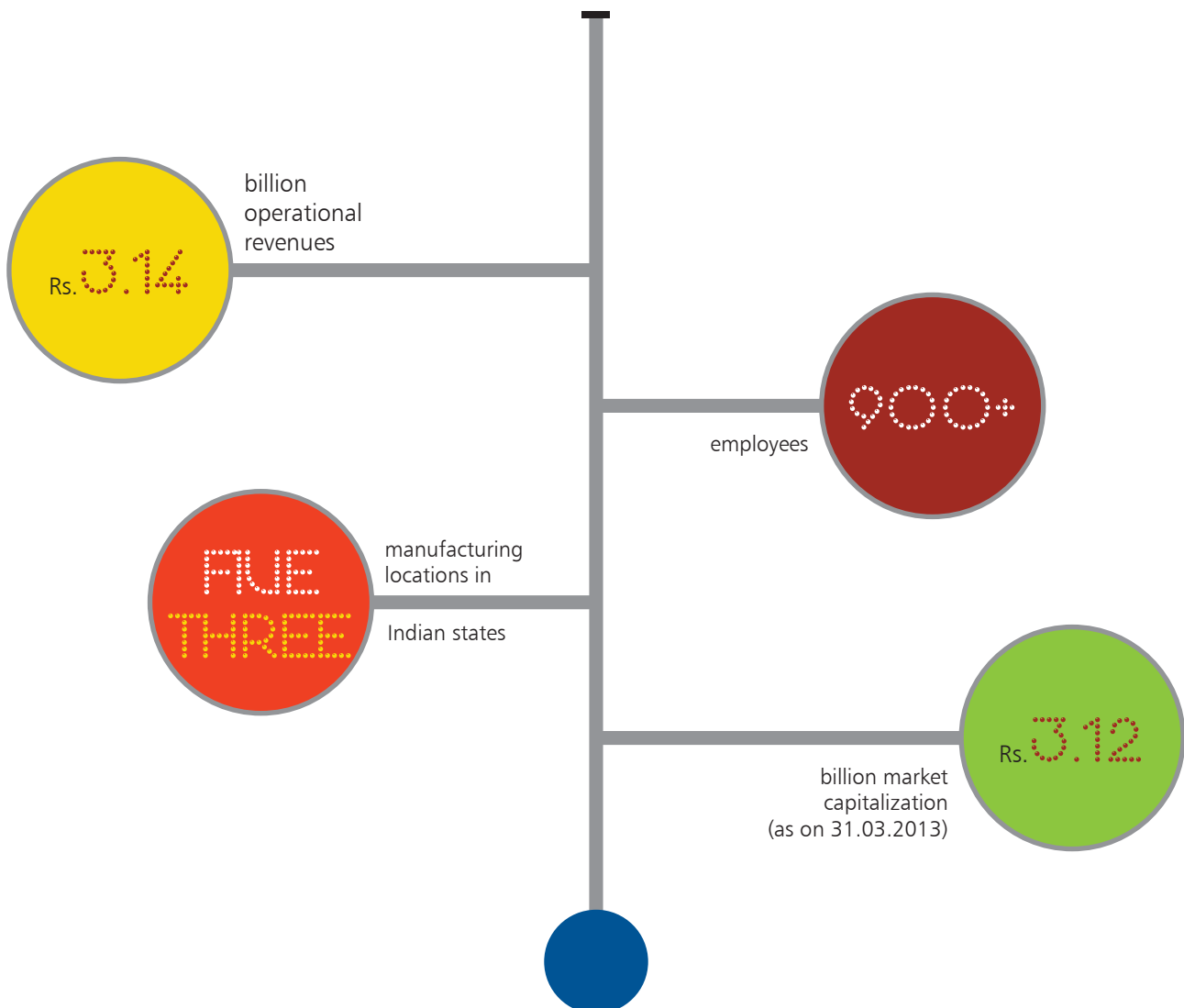
OUR FACILITIES

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



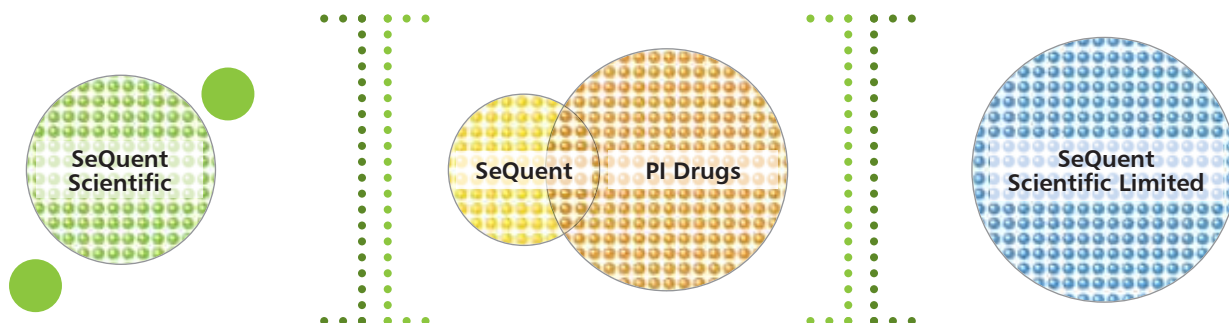
The D.O.T.S. that define us.

THE FIGURES THAT DEFINE US





OUR GENESIS



Acquired by first generation entrepreneurs in 2007

Merged into PI Drugs in February, 2008

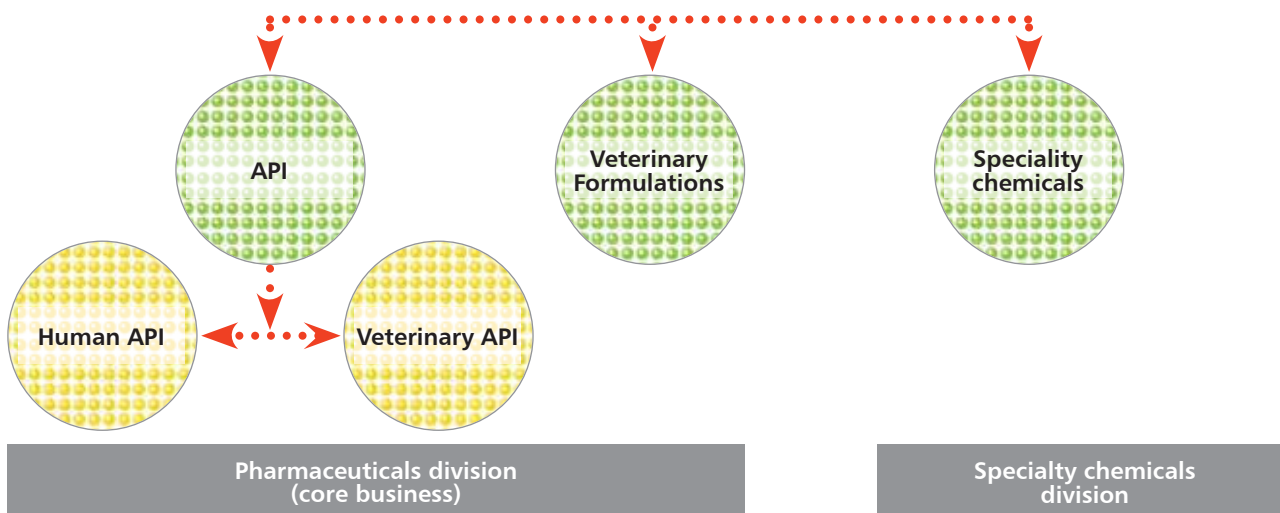
Name changed post merger from PI Drugs to Sequent

OUR REPUTATION

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

OUR BUSINESSES

Sequent
Proven Ability In Life Sciences



OUR PRESENCE

Registered office - Thane, Maharashtra

Corporate office - Bengaluru, Karnataka

Manufacturing plants -

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



The YEAR OF SMALLER STEPS AND LARGER IMPACT

