

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEQUENT PENEMS PRIVATE LIMITED (And Reduced)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SEQUENT PENEMS PRIVATE LIMITED (And Reduced)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



SEQUENT PENEMS PRIVATE LIMITED (And Reduced)

Auditor's report (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

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

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



SEQUENT PENEMS PRIVATE LIMITED (And Reduced)

Auditor's report (continued)

(e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

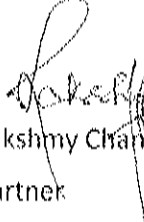
(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M/s P.Chandrasekar

Chartered Accountants

Firm Registration No. FRN 000580S


Lakshmy Chandrasekaran
Partner



Membership No. 028508

Place: Bangalore

Date: 23 April 2015

SEQUENT PENEMS PRIVATE LIMITED (And Reduced)

Auditor's report (continued)

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- i. The Company has not capitalized its Fixed Assets and hence this clause is not applicable.
- ii. The Company does not hold any inventory and hence this clause is not applicable.
- iii. The Company during the year granted loan to companies covered in the register maintained under section 189 of the Companies Act, 2013 amount outstanding as at the year end the outstanding balance was Rs 44.23 Lakhs.

In our opinion, the rate of interest and the interest free nature where applicable and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the Company.

In respect of loans given, the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, receipt of the principal amount is regular.

- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services.
- v. The company has not accepted any deposits accordingly this clause is not applicable.
- vi. As per the information and explanations given to us the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- vii. The company is generally regular in depositing, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, wherever applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.

- viii. The company has accumulated losses as at the end of the current financial year and incurred cash losses in the current and in the immediately preceding financial year. The company based on the High court order has reduced its share capital and securities premium towards adjustment of accumulated losses.



SEQUENT PENEMS PRIVATE LIMITED (And Reduced)

Auditor's report (continued)

- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- x. As per the information and explanation given to us the company has not given any guarantee for loans taken by others from banks, the terms and conditions whereof are prejudicial to the interest of the company.
- xi. The company had not availed any term Loan during the year accordingly this clause is not applicable.
- xii. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For M/s P.Chandrasekar

Chartered Accountants

Firm Registration No. FRN 0005805


Lakshmi Chandrasekaran

Partner

Membership No. 028508

Place: Bangalore

Date: 23 April 2015

SEQUENT PENEMS PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH, 2015

		(Amount in Rs.) As at March 31, 2015	(Amount in Rs.) As at March 31, 2014
	Note No.		
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
a) Share capital	1	45,258,260	90,516,531
b) Reserve and Surplus	2	(19,774,124)	(23,013,718)
		<u>25,484,136</u>	<u>67,502,813</u>
2. Share application money pending allotment			
		<u>1</u>	<u>1</u>
3. Non-Current Liabilities			
a) Long term borrowings		-	-
b) Other long term liabilities		-	-
		<u>-</u>	<u>-</u>
4. Current Liabilities			
a) Short- term borrowings	3	156,937,709	36,300,000
b) Trade Payables	4	810,800	352,571
c) Other Current liabilities	5	12,496,276	231,500,969
d) Short Term Provisions		0	72,159
		<u>170,244,784</u>	<u>268,225,700</u>
Total		<u>195,728,922</u>	<u>335,728,514</u>
II. ASSETS			
1. Non-Current Assets			
a) Fixed assets			
Capital work-in-progress		180,392,656	266,124,508
b) Long term loans and advances	6	4,078,490	49,302,400
		<u>184,471,146</u>	<u>315,426,908</u>
2. Current Assets			
a) Cash and Cash equivalents	7	213,818	5,152,221
b) Short- term loans and advances	8	10,914,308	15,149,385
c) Other current assets	9	129,650	-
		<u>11,257,776</u>	<u>20,301,606</u>
Total		<u>195,728,922</u>	<u>335,728,514</u>

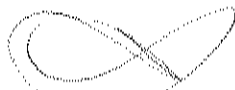
Significant Accounting policies
Notes on Financial Statements

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In terms of our report attached
For M/s P.CHANDRASEKAR
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

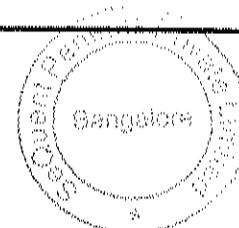
Mrs. Lakshmi Chandrasekaran
Partner
Membership no. 28508
Bengaluru, 23 April 2015



Shridhar Kela
Director



J.S. Ram Prasad
Director



SEQUENT PENEMS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015

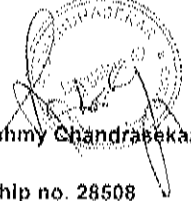
	Note No.	(Amount in Rs.) Year Ended March 31, 2015	(Amount in Rs.) Year Ended March 31, 2014
1 Revenue from operations		-	-
2 Other Income	10	1,811,031	157,830,445
3 Total Revenue(1+2)		1,811,031	157,830,445
4 Expenditure		43,829,707	539,115,622
Total Expenses	11	43,829,707	539,115,622
Profit Before Exceptional And Extraordinary Items And Tax(3-4)		(42,018,676)	(381,285,177)
6 Exceptional items		-	-
7 Profit Before Extraordinary Items And Tax(5-6)		(42,018,676)	(381,285,177)
8 Extraordinary items		-	-
9 Profit Before Tax(7-8)		(42,018,676)	(381,285,177)
10 Tax Expense		-	-
-Current tax		-	-
11 Profit After tax(9-10)		(42,018,676)	(381,285,177)
12 Earning Per Equity Share (of Rs.10/- each)			
Basic EPS(In Rs.)		(5.05)	(47.05)
Diluted EPS (In Rs.)		(5.05)	(47.05)

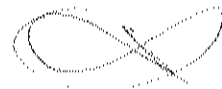
Significant Accounting policies
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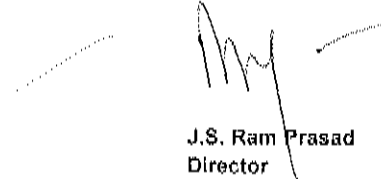
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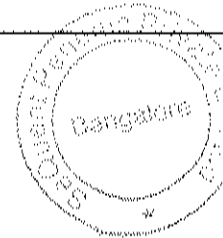
In terms of our report attached
For M/s P.CHANDRASEKAR
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


Mrs. Lakshmy Chandrasekaran
Partner
Membership no. 28508
Bengaluru, 23 April 2015


Shridhar Kela
Director


J.S. Ram Prasad
Director



SEQUENT PENEMS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	(Amount in Rs.) Year ended 31 March 2015	(Amount in Rs.) Year ended 31 March 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax:	(42,018,676)	(381,285,177)
Adjustments for:		
Sundry Balances written back	(1,220,000)	(157,830,445)
Fixed Assets Written Off	-	450,290,609
Bad Loans and advances written off	40,336,998	76,757,013
(Profit)/Loss on sale of investment	-	12,068,000
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(2,901,678)	-
Changes in working capital		
Adjustment for (Increase)/Decrease in operating assets:		
Short Term loans and advances	4,235,077	(34,559,832)
Other Current assets	(129,650)	24,650,183
Change in balance in margin money and unpaid dividend accounts	4,980,385	(152,475)
Adjustment for Increase/(Decrease) in operating liabilities		
Trade payables	458,229	(317,028)
Short Term provisions	(72,159)	-
Other Current liabilities	(1,040,193)	(40,789,682)
NET CHANGE IN WORKING CAPITAL	8,431,689	(51,168,844)
CASH GENERATED FROM OPERATIONS	5,530,011	(51,168,844)
Taxes paid	-	-
NET CASH FROM OPERATING ACTIVITIES	5,530,011	(51,168,844)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances and proceeds from sale of fixed assets	91,838,764	10,192,364
Proceeds from Invctsmont-Quest HealthCare Pvt Ltd	-	4,000,000
Purchases of long-term investments	-	-
Current investments not considered as Cash and Cash equivalents	-	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	91,838,764	14,192,364
CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Long term borrowings(Including term loans)	(217,964,501)	-
Proceeds from issue of equity shares:		
Share Application Money received	-	1
Short term borrowings(net)	120,637,709	36,980,800
NET CASH GENERATED FROM FINANCING ACTIVITIES	(97,326,793)	36,980,801
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	41,983	4,321
CASH AND CASH EQUIVALENTS AS AT APRIL 01,2014	168,836	154,515
Net Cash Flow as above	41,983	4,321
CASH AND CASH EQUIVALENTS AS AT MARCH 31, 2015	200,817	158,836
Reconciliation of cash and cash equivalents with the Balance sheet		
Reconciliation of cash and cash equivalents as per Balance Sheet	213,818	5,152,221
Less: Balances not considered as cash and cash equivalents as defined in AS 3 "Cash Flow Statements"		
- Margin money against working capital facilities with banks	13,000	4,993,385
Net Cash and cash equivalents at the end of the year	200,817	158,836

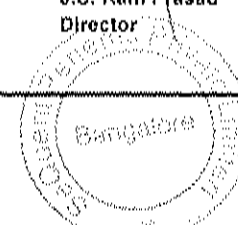
As per our report of even date
For M/s P.CHANDRASEKAR
Chartered Accountants

Mrs. Lakshmy Chandrashekar
Partner
Membership no. 28508
Bengaluru, 23 April 2015

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Shridhar Kela
Director

J.S. Ram Prasad
Director



SEQUENT PENEMS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	(Amount in Rs.)	(Amount in Rs.)
	As at March 31, 2015	As at March 31, 2014
NOTE NO. 1'		
SHARE CAPITAL		
a) Authorised Equity		
10,000,000 equity shares of Rs.10 each	100,000,000	100,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
b) Issued, subscribed and fully paid-up Equity		
45,25,826 Equity shares of Rs.10 each fully paid. (Previous Year 90,51,653 equity shares of Rs.10 each)	45,258,260	90,516,531
	<u>45,258,260</u>	<u>90,516,531</u>
Of the above:-		
i) 10,000 Equity shares of Rs.10 each fully paid are held by SeQuant Specialty Chemicals Private Limited.(Previous Year 20,000)		
ii) 40,38,328 Equity shares of Rs.10 each fully paid are held by the Holding Company SeQuant Scientific Limited. (Previous Year 80,76,654)		
iii) 4,50,000 Equity shares of Rs.10 each fully paid are held by Chayadeep Properties Pvt. Ltd. (Previous Year 9,00,000)		
iv) 13,750 Equity shares of Rs.10 each fully paid are held by Mr.Arun Kumar (Previous Year 27,500)		
v) 13,750 Equity shares of Rs.10 each fully paid are held by Mr.K.R.Ravishankar (Previous Year 27,500)		

c) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	(in Rs.)	No. of Shares	(in Rs.)
Equity Shares at the beginning of the year	9,051,653	90,516,530	5,756,712	57,567,120
Shares Issued during the year	-	-	3,294,941	32,949,410
Capital Reduction during the year	4,525,827	45,258,270	-	-
Equity Shares at the end of the year	<u>4,525,826</u>	<u>45,258,260</u>	<u>9,051,653</u>	<u>90,516,530</u>

d) Details of shares held by the holding Company, the ultimate holding company, their subsidiaries and associates

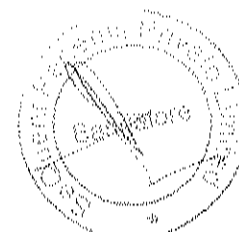
Class of Shares	As at 31st March, 2015		As at 31st March, 2014	
	Holding Company	Associates of the holding company	Holding Company	Associates of the holding company
	Number of Shares			
Equity Shares with voting rights	4,038,328	460,000	8,076,653	920,000

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

Class of shares/Name of the shareholder	As at 31st March, 2015		As at 31st March, 2014	
	Number of Shares held	% age of holding	Number of Shares held	% age of holding
	Equity shares			
Sequent Scientific Limited	4,038,328	89.2%	8,076,653	89.2%
Chayadeep Properties Pvt. Ltd.	450,000	9.9%	900,000	9.9%

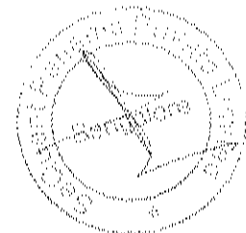
f) Capital reduction of share capital

Based on the high court order dated February 2, 2015 the paid up share capital of the company has been reduced from Rs.90,516,530 to Rs.45,258,270 and the share capital reduction has been adjusted to the Profit and loss account.



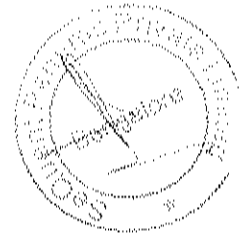
SEQUENT PENEMS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	(Amount in Rs.)	(Amount in Rs.)
	As at	As at
	March 31, 2015	March 31, 2014
NOTE NO.'2'		
RESERVE AND SURPLUS		
a) Surplus in Statement of Profit and Loss		
Opening balance	(381,079,838)	205,339
(+) On Account of Capital reduction(Refer Note 16.22)	381,079,843	-
(+)Profit/(Loss) for the year	(42,018,676)	(381,285,177)
Closing Balance	<u>(42,018,671)</u>	<u>(381,079,838)</u>
b) Securities Premium Account		
Opening balance	358,066,120	226,268,480
(+) On Account of Capital reduction(Refer Note -16.22)	(335,821,573)	-
(+)Premium on shares issued during the year	-	131,797,640
Closing Balance	<u>22,244,547</u>	<u>358,066,120</u>
Grand Total	<u>(19,774,124)</u>	<u>(23,013,718)</u>



SEQUENT PENEMS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	(Amount in Rs.)
	As at March 31, 2015	As at March 31, 2014
NOTE NO.'3'		
SHORT TERM BORROWINGS		
Loans and advances from related parties		
Unsecured		
SeQuent Scientific Limited	151,625,709	-
Chayadeep Properties Pvt Ltd	5,312,000	36,300,000
Total	156,937,709	36,300,000
NOTE NO.'4'		
TRADE PAYABLES		
Micro,Small and Medium Enterprises		
Others	810,800	352,571
Total	810,800	352,571
The details of amounts outstanding to Micro,Small and Medium		
Particulars		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
NOTE NO.'5'		
OTHER CURRENT LIABILITIES		
a) Current Maturities of Long term debt		
From banks(Secured)		
State Bank of Hyderabad	-	142,971,959
State Bank of Travancore	-	74,992,542
	-	217,964,501
b) Interest accrued and due on Borrowings		
	-	(204,461)
c) Other Payables		
TDS Related	73,844	117,152
VAT Output Sales	1,271,272	-
Service Tax Payable	-	865
Labour welfare fund	186	186
State cheques	1,734	1,734
ESIC Payable-Staff	12,075	12,075
Outstanding Liabilities	170,203	12,000
Total	1,529,314	144,012
d) Sundry Creditors-Others		
	10,966,962	13,596,917
Grand Total	12,496,276	231,500,969



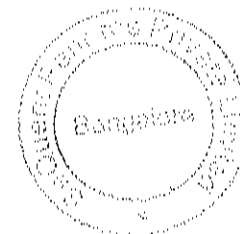
SEQUENT PENEMS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	(Amount in Rs.)
	As at March 31, 2015	As at March 31, 2014
NOTE NO.'6'		
CAPITAL WORK IN PROGRESS		
Opening balance	266,124,508	673,872,662
Personnel Cost	-	10,961
CWIP Purchase	(85,731,852)	(438,254,771)
Legal & Professional Fees	-	614,286
Finance Charges	-	30,964,582
Pre Operative Expense	-	43,913
Rates & Taxes	-	52,721
Other Expenses	-	(1,179,846)
Total	180,392,656	266,124,508
NOTE NO.'7'		
LONG TERM LOANS AND ADVANCES (Unsecured and considered good)		
a) Capital Advances	4,050,715	41,170,186
b) Security deposits		
Karnataka Industrial Areas Development Board	-	8,029,391
Sales tax deposit	10,000	10,000
Total	10,000	8,039,391
c) Deposits with & Due from Govt Department		
TDS-Receivable	17,775	92,823
Grand Total	4,078,490	49,302,400
NOTE NO.'8'		
CASH AND CASH EQUIVALENTS		
a) Cash on hand	-	-
b) Balance with banks	200,817	158,836
c) Fixed Deposit with Banks	13,000	2,513,000
d) Margin money with banks	0	2,480,385
Total	213,817	5,152,221



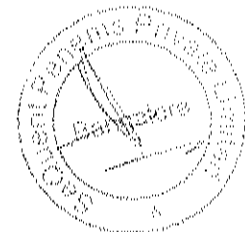
SEQUENT PENEMS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	(Amount in Rs.)
	As at March 31, 2015	As at March 31, 2014
NOTE NO.'9'		
SHORT TERM LOANS AND ADVANCES		
(Un-Secured, Considered good)		
a) Loans and advances to related parties		
Latitude Projects Pvt. Ltd.	125,000	-
SeQuent Pharmaceuticals Private Limited (Formerly Sequent Oncolytics Pvt Ltd)	80,735	57,252
Alivira Animal Health Limited	4,217,270	-
Total	4,423,005	57,252
b) Security deposits		
Rental Premises-Co.	575,000	575,000
Electricity Deposit-KSEB	858,136	2,923,636
Deposit With Suppliers	35,000	35,000
Total	1,468,136	3,533,636
c) Loans and advances to employees		
Employee Loans -Personal	22,500	22,500
Total	22,500	22,500
d) Loans and advances to Others		
Quest Healthcare Pvt Ltd	5,000,000	5,000,000
Advance Income Tax	-	65,890
Total	5,000,000	5,065,890
e) Balances with government authorities		
VAT Input	-	6,176,336
Central Excise	-	83,096
Total	-	6,259,432
f) Other Advances to Vendors	667	210,675
Grand Total	10,914,308	15,149,385
NOTE NO.'10'		
OTHER CURRENT ASSETS		
a) Receivables on Sale of Assets	129,650	-
Total	129,650	-
b) Accruals		
Interest accrued on deposits	-	-
Total	-	-
Grand Total	129,650	-



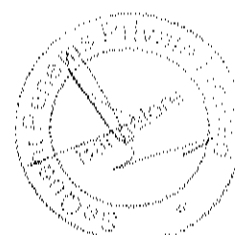
SEQUENT PENEMS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	(Amount in Rs.)
	As at March 31, 2015	As at March 31, 2014
NOTE NO. '11'		
OTHER INCOME		
Other Income	2,826	-
Miscellaneous Income	588,205	-
Sundry Balances written back	1,220,000	157,830,445
Total	1,811,031	157,830,445
NOTE NO. '12'		
EXPENDITURE		
Finance Cost	1,228,871	-
Legal And Professional Expenses	908,828	-
Loss on Investment	"	12,068,000
Advances Written Off	40,336,998	76,757,013
CWIP Written Off	-	430,290,609
Other Expenses	1,328,497	-
Rates & Taxes	10,289	-
Travelling & Conveyance	1,000	-
Net Loss on foreign currency transaction & translations	15,224	-
Total	43,829,707	539,115,622



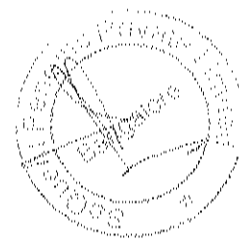
SEQUENT PÉNEMS PRIVATE LIMITED
GROUPING SHEET

PARTICULARS	(Amount in Rs.)	(Amount in Rs.)
	As on March 31, 2015	As on March 31, 2014
Share Capital		
Share Capital - SeQuent Scientific Limited	40,383,260	80,766,531
Share Capital - SeQuent Speciality Chemicals P.Ltd	100,000	200,000
Share Capital - Arun Kumar	137,500	275,000
Share Capital - K R Ravishankar	137,500	275,000
Share Capital - Chayadeep Properties Pvt. Ltd	4,500,000	9,000,000
Total	45,258,260	90,516,531
Balance With banks in current accounts		
Corporation bank-IFB	68,785	55,654
State Bank of Travancore	9,868	9,868
State Bank of Hyderabad-182	108,214	13,150
State Bank of Hyderabad-372	-	24
Axis bank - 533	13,950	80,140
Total	200,817	158,836
Receivables on Sale of Assets		
Alivica Animal Health Limited	129,650	-
Total	129,650	-
Sundry Creditors		
Sundry Creditors-Capital Goods		
Aqua Tech Enviro Engineers	12,810	12,810
Shanghai Tofflon Science & Technology Co Ltd	6,384,262	-
De Dietrich Process Systems AG	3,894,506	-
Retention Money-Capital	66,079	66,079
S V Associates	18,843	18,843
Seacon Freight Logistics Pvt Ltd	56,779	56,779
Sri Yallamadevi Water Suppliers	20,200	20,200
Suraj Electric Services	13,483	13,483
SBH LC Capital Vendor	-	10,893,811
Gajanand Industrial Corporation	-	610,000
Vyshakh Constructions	500,000	1,439,742
ABC Techno Labs India Private Limited	-	465,170
Total	10,966,962	13,596,917
Sundry Creditors-Others		
D B Sajjanar & Company	19,462	16,428
Himabindu	-	4
P.CHANDRASHEKAR	76,770	-
T.P & Associates	3,500	3,500
Maxsimuz Partners LLP	-	19,551
BMR & Associates LLP	711,068	-
Uniq Detective & Security Services(P) Ltd.	-	313,088
Total	810,800	352,571
Grand Total	11,777,762	13,949,488



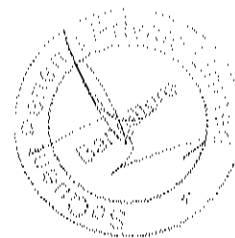
SEQUENT PENEMS PRIVATE LIMITED
GROUPING SHEET

PARTICULARS	(Amount in Rs.)	(Amount in Rs.)
	As on March 31, 2015	As on March 31, 2014
Advances to Vendors		
Capital advances:		
Accure Power Technologies Pvt Ltd	228,735	228,735
Adam Fabriwerk Pvt Ltd	-	1,120,000
Aim Industries	410,000	410,000
Anatech Laboratory And Research Centre	-	67,305
Aqua Engineering Services	-	243,994
Atlas Copco (India) Ltd,	-	4,891,036
Bangalore Biotech Labs Pvt Ltd	-	5,860,000
Bifriends Engineering Works	-	1,950,000
Charge Point Technology	-	3,454,464
Design & Project Engineers	-	145,000
Dipesh Engineering Works	669,570	669,570
Flowline Engineers	-	874,763
Gastek Engineering (P) Ltd.	-	90,000
Hrs Process Systems Ltd.	-	185,000
Integrated Cleanroom Technologies Ltd	-	5,007,938
Ius Equipments Private Limited	-	1,000,000
Kone Elevator India Pvt Ltd	330,000	330,000
Machinfabrik	-	2,199,000
MRC Iclean Systems Pvt Ltd	-	3,532,061
Monsters India Humidity Control Pvt. Ltd.	-	2,160,000
Palmon Vesner Pvt Ltd	-	710,000
Powerica Limited	-	135,270
Powerica Limited - E.O.U	-	2,592,000
Pure And Pristine Solutions	-	660,000
Safex Electromech Pvt Ltd	-	495,000
Samtech Engineering Services	137,050	137,050
Shilpi Process Equipments Private Limited	(1)	-
Splrax Marshall Pvt. Ltd.	-	100,000
Sri Sai Refrigeration	803,700	978,700
Steriline	-	12,088,580
Suvidha Engineers India Pvt. Ltd.	-	3,880,048
Thermax Limited	-	352,619
Toshniwal Instruments (Madras) Pvt Ltd	520,000	520,000
Universal Air Control System	335,866	335,866
Universal Power Transformer Pvt. Ltd.,	350,000	350,000
Volvox Engineering Pvt. Ltd	265,795	265,795
MRC Transolutions	-	-
Less: Impaired value of capital advances	-	(16,849,609)
Total	4,050,715	41,170,186
Other Advances		
Credit Analysis & Research Ltd.	-	210,675
Trishul Communications	667	-
Total	667	210,675
Grand Total	4,051,382	41,380,861



SEQUENT PENEMS PRIVATE LIMITED
GROUPING SHEET

PARTICULARS	(Amount in Rs.)	(Amount in Rs.)
	As on March 31, 2015	As on March 31, 2014
Employee benefits expenses		
Contribution to PF and other funds		
Admin charges	-	10,961
Total	-	10,961
Other Expenses		
Carraige outward	-	46,400
Carriage In & Handling-Others	46,225	128,845
Clearing & forwarding Expenses	-	10,000
General Expenses	258,205	36,761
Insurance- Assets	-	314,608
Power Charges	-	44,762
R & M. charges-Electrical	9,500	-
R & M charges-Others	-	14,890
Round off adjustment	-	(1)
Security Expenses	948,791	766,357
Telephone Expense	-	14,823
Income Tax Expenses	68,776	-
Water Charges	-	11,047
Total	1,328,497	1,388,492
Legal & Professional		
Payment to auditors	75,000	12,000
(Refer Note No.-16.14)		
Prof. and Consult. Charges	833,828	602,286
Total	908,828	614,286
Rates & Taxes	10,289	52,721
Travelling & Conveyance		
Travel - Domestic	-	10,000
Local Conveyance	1,000	33,913
Total	1,000	43,913
Finance Cost		
Interest exp on:		
)Borrowings		
From Bank	1,182,811	78,902,257
From Others	45,634	1,926,551
Bank Charges	426	135,774
Total	1,228,871	30,964,582
Miscellaneous Income		
Misc Income	0	-
Refund from Stat. Authority	45,804	-
Int. on Bank Deposits	542,401	212,361
Net gain on foreign currency transaction & translations	0	2,355,978
	588,205	2,568,339
GRAND TOTAL	2,889,280	30,506,616



SEQUENT PENEMS PRIVATE LIMITED
NOTE NO.-12-ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

16.1 Significant Accounting Policies

Basis of Accounting & Revenue Recognition

The financial statements of Sequent Penems Private Limited ('the Company') have been prepared, in accordance with Generally Accepted Accounting principles in India (Indian GAAP), to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), except where otherwise stated. The company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

16.2 Fixed Assets

Fixed Assets are recorded at their acquisition cost and subsequent improvements thereto. Cost includes interest on borrowings attributable to the funds borrowed in respect of qualifying assets, for the period up to the completion of construction or when the assets are ready to be put to use, as applicable. Capital work in progress is stated in cost and includes advances paid to acquire fixed assets.

16.3 Investments

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

16.4 Impairment of Assets

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

- a) in the case of an individual asset, at the higher of the net selling price and value in use.
- b) in the case of Cash generating units, at the higher of the unit's net selling price and the value in use.

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

16.5 Taxes On Income

Income Tax comprises the current tax provision and the net change in the deferred tax asset or liability during the year. Deferred tax assets and liabilities are recognised for the future tax consequences arising out of temporary differences between the carrying values of the assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates applicable on the Balance sheet dates.

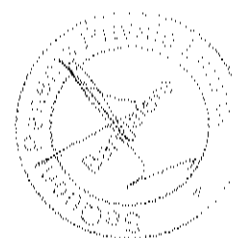
Deferred tax assets are recognised and carried forward to the extent there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset will be realised. The effect on deferred tax assets and liabilities resulting from change in tax rates is recognised in the income statement in the period of enactment of the change.

16.6 Earning Per Share

In determining the earning per share, the company considers the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing Diluted Earnings per share comprises of the weighted average number of equity shares considered for deriving Basic earnings per shares.

16.7 Foreign Currency Transactions

The transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies at year end are translated at the exchange rate prevailing on the date of balance sheet. Exchange differences on settlement are adjusted in the profit and loss account.



SEQUENT PENEMS PRIVATE LIMITED
NOTE NO.-12-ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

16.8 Provision and Contingencies

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

16.9 Use of Estimates

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

16.10 Revenue recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection.

16.11 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss Account.

16.12 Contingent liabilities and commitments	As at 31 March 2015	As at 31 March 2014
i) Contingent liabilities		
Claims against the Company not acknowledged as debt	-	-
ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Related to Purchase Orders	-	-
Related to Service Orders	-	-
Total	-	-

16.13 Payment to the auditors (Net of Service Tax)	As at 31 March 2015	As at 31 March 2014
As auditors	75,000	75,000
Total	75,000	75,000

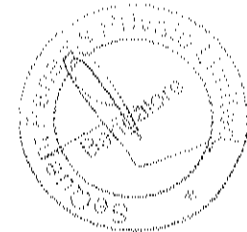
The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such enterprises as at 31st March, 2014 is made in the financial statements based on information. Further in view of management, the impact of interest, if any, that may be payable in accordance with provision of the said Act is not expected to be material.

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956 (Company accounting standard rules 2006).

Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

16.16 Exposure in Foreign Currency

Particulars	As at 31 March 2015 Receivable/ (Payable)	As at 31 March 2014 Receivable/ (Payable)
EURO	41,834	188,226
USD	(102,000)	(102,000)
EURO	(57,688)	(57,688)



SEQUENT PENEMS PRIVATE LIMITED
NOTE NO.-12-ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

16.17	Earning per Share(EPS)	For the Year ended March,2015	For the Year ended March,2014
i)	Net profit after tax as per statement of Profit and Loss account attributable to Equity Shareholders(In Rs.)	(42,018,676)	(381,285,177)
ii)	Weighted Average number of equity shares used as denominator for calculating EPS	8,370,081	8,103,793
iii)	Basic Earnings per share(In Rs.)	(5.05)	(47.05)
iii)	Diluted Earnings per share(In Rs.)	(5.05)	(47.05)
iv)	Face value per Equity Share(In Rs.)	10.00	10.00

16.18 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

NAME OF THE RELATED PARTY

Holding Company

Sequent Scientific Limited

Associates

Alivira Animal Health Limited

Sequent Speciality Chemicals Pvt Limited

Sequent Research Limited

Chayadeep Properties Pvt Ltd

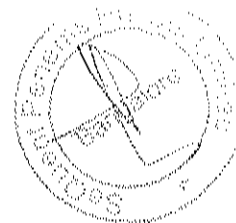
Sequent Antibiotics Private Limited

SeQuent Pharmaceuticals Private Limited(Formerly Sequent Oncolytics Pvt Ltd)

Elysian Life Sciences Private Limited

Details of related party transactions during the year ended 31st March,2015 and outstanding balances as at 31st March,2015

Nature of Transaction	Holding Company	Associates	Key Management Personnel	Total
Sale of Machinery/Assets				
Sequent Scientific Limited	98,882,165 (2,170,406)	-	(-)	98,882,165 (2,170,406)
Alivira Animal Health Limited	-	129,650 (-)	-	129,650 -
Interest paid				
Sequent Scientific Limited	-	-	-	-
	(1,923,139)	(-)	(-)	(1,923,139)
Loans & Advances Written back by the Company				
Sequent Scientific Limited	-	-	-	-
	(-)	(37,942,493)	(-)	(37,942,493)
Amount payables Written back by the Company				
Sequent Scientific Limited	-	-	-	-
	(-)	(119,887,952)	(-)	(119,887,952)



SEQUENT PENEMS PRIVATE LIMITED
NOTE NO.- 12-ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

Nature of Transaction	Holding Company	Associates	Key Management Personnel	Total
Loan/Advances repaid to Company				
Elysian Life Sciences Private Limited	-	-	-	-
	(-)	(1,890,542)	(-)	(1,890,542)
Sequent Speciality Chemicals Pvt Limited	-	-	-	-
	(-)	(79,000)	(-)	(79,000)
Sequent Antibiotics Private Limited	-	-	-	-
	(-)	(882,693)	(-)	(882,693)
Loan/Advances repaid by Company				
Sequent Scientific Limited	7,725,000	-	-	7,725,000
	(17,887,338)	(-)	(-)	(17,887,338)
Chayadeep Properties Pvt Limited	-	30,988,000	-	30,988,000
	-	(-)	(-)	-
Loan/Advances taken by Company				
Sequent Scientific Limited	227,344,873	-	-	227,344,873
	(54,099,006)	(-)	(-)	(54,099,006)
Loan/Advances given by company				
Limited (Formerly Sequent Oncolytics Pvt Ltd)	-	23,483	-	23,483
	(-)	(10,000)	(-)	(10,000)
Allvira Animal Health Limited	-	4,217,270	-	4,217,270
	(-)	-	(-)	-
Balance outstanding as the end of the year				
Loans and Advances-Payables				
Chayadeep Properties Pvt Ltd	-	5,312,000	-	5,312,000
	(-)	(36,300,000)	(-)	(36,300,000)
Sequent Scientific Limited	151,625,709	-	-	151,625,709
	-	(-)	(-)	-
Debtors Receivable				
Allvira Animal Health Limited	-	129,650	-	129,650
	(-)	-	(-)	-
Loans and Advances-receivables				
SeQuent Pharmaceuticals Private Limited (Formerly Sequent Oncolytics Pvt Ltd)	-	80,735	-	80,735
	(-)	(57,252)	(-)	(57,252)
Allvira Animal Health Limited	-	4,217,270	-	4,217,270
	(-)	-	(-)	-
Subscription to Equity - Pending Allotment				
Sequent Scientific Limited	1	-	-	1
	(1)	(-)	(-)	(1)

(Figures in brackets pertain to previous year)



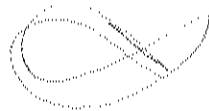
SEQUENT PENEMS PRIVATE LIMITED
NOTE NO.-12-ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

- | | | As at
31 March 2015 | As at
31 March 2014 |
|-------|---|------------------------|------------------------|
| 16.19 | Details of Borrowing costs capitalised
Borrowing costs capitalised during the year
- as capital work in progress | - | 30,964,582 |
| 16.20 | The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 on "Cash Flow Statements" issued under Section 211 (3C) of Companies Act, 1956. | | |
| 16.21 | Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management based on enquiries made by the Management with the creditors which have been relied upon by the auditors. | | |
| 16.22 | Pursuant to the Order of the Hon'ble High Court of Karnataka dated February 2, 2015 the paid up share capital of the company has been reduced by Rs.45,258,270 from Rs.90,516,530 to Rs.45,258,270 and securities premium has been reduced by Rs.335,821,573 and the above reduction has been adjusted to the debit balance in Profit and loss account. | | |
| 16.23 | The company has not started its operations as planned and has being incurring losses. The accounts of the Company has been prepared on going concern basis based on the confirmation and continued support of SeQuant Scientific Limited('the holding company'). | | |
| 16.24 | The company has assessed the recoverability of capital advances and has written off advances of Rs.40,336,097 to the Profit and Loss Account. The Management confirms that balance capital advances are recoverable. | | |
| 16.25 | Deferred tax has not been computed at the company is yet to start its operations | | |
| 16.26 | Previous year figures have been recasted/restated wherever necessary to confirm to the current year classifications. | | |

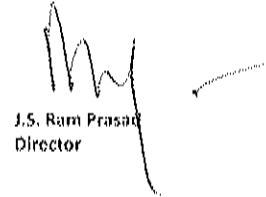
As per our report of even date
For M/s P.CHANDRASEKAR
Chartered Accountants

MRS. LAKSHMI CHANDRASEKARAN
Partner
Membership no. 28508
Bengaluru, 23 April 2015.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Shridhar Kela
Director



J.S. Ram Prasad
Director

