

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

Review Report to
The Board of Directors
SeQuent Scientific Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of SeQuent Scientific Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the **Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity"** issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



SRBC & COLLP

Chartered Accountants

6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:

- Thirteen subsidiaries, whose unaudited interim financial results include total assets of Rs. 1,04,519 lakhs as at September 30, 2020, total revenues of Rs 19,533 lakhs and Rs 39,197 lakhs, total net profit/(loss) after tax of Rs. (156) lakhs and Rs. 167 lakhs, total comprehensive loss of Rs. 1,771 lakhs and Rs. 1,513 lakhs, for the quarter ended September 30, 2020 and the period ended on that date respectively, and net cash (inflows) of Rs. 2,144 lakhs for the period from April 1, 2020 to September 30, 2020, as considered in the Statement which have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

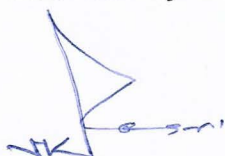
7. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

- Six subsidiaries, whose interim financial results and other unaudited financial information reflect total assets of Rs 2,951 lakhs as at September 30, 2020, and total revenues of Rs 81 lakhs and Rs 156 lakhs, total net loss after tax of Rs. 251 lakhs and Rs. 468 lakhs, total comprehensive loss of Rs. 258 lakhs and Rs. 563 lakhs, for the quarter ended September 30, 2020 and the period ended on that date respectively and net cash inflows of Rs. 22 lakhs for the period from April 1, 2020 to September 30, 2020.

The unaudited interim financial results and other unaudited financial information of the these subsidiaries have not been reviewed by any auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Vikas Kumar Pansari
Partner
Membership No.: 093649
UDIN: 20093649AAAACU5493



Place: Mumbai
Date: November 6, 2020

Annexure I to Auditor's Review Report

Name of the Entity

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

Including it's following subsidiary:

4. Alivira Animal Health Limited, Ireland

Including its following subsidiaries and sub subsidiaries:

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



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SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020

(₹ in Lakhs)

Sl. No.	Particulars	3 months ended 30-Sep-2020	Preceding 3 months ended 30-Jun-2020	Corresponding 3 months ended in previous period 30-Sep-2019	Year to date figure for current period ended 30-Sep-2020	Year to date figure for previous period ended 30-Sep-2019	Previous year ended 31-Mar-2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	34,627.20	31,026.50	28,422.30	65,653.70	56,224.00	1,17,924.40
II	Other income	263.50	154.70	597.00	418.20	728.20	1,008.90
III	Total income (I+II)	34,890.70	31,181.20	29,019.30	66,071.90	56,952.20	1,18,933.30
IV	Expenses						
	(a) Cost of materials consumed	13,726.30	14,266.50	12,253.80	27,992.80	24,256.50	50,869.20
	(b) Purchases of stock-in-trade	3,840.50	3,234.20	1,831.30	7,074.70	4,058.70	8,889.00
	(c) Changes in inventories of finished-goods, stock-in-trade and work-in-progress	503.20	(1,557.40)	990.90	(1,054.20)	1,072.10	746.90
	(d) Employee benefits expense	4,332.50	4,414.30	4,079.90	8,746.80	8,051.30	16,505.90
	(e) Finance costs	736.10	764.50	783.70	1,500.60	1,678.20	3,571.40
	(f) Depreciation and amortisation expenses	1,330.30	1,302.70	1,246.40	2,633.00	2,447.60	5,062.20
	(g) Other expenses	6,585.50	5,567.30	5,550.50	12,152.80	11,225.30	23,881.20
	Total expenses	31,054.40	27,992.10	26,736.50	59,046.50	52,789.70	1,09,525.80
V	Profit before tax and exceptional items (III-IV)	3,836.30	3,189.10	2,282.80	7,025.40	4,162.50	9,407.50
VI	Exceptional items (Refer note 7)	903.90	-	-	903.90	-	-
VII	Profit before tax (V-VI)	2,932.40	3,189.10	2,282.80	6,121.50	4,162.50	9,407.50
VIII	Tax expense / (credits)						
	(a) Current tax	988.10	856.30	470.50	1,844.40	861.60	2,274.40
	(b) Deferred tax	(100.40)	(114.20)	(622.90)	(214.60)	(664.20)	(1,048.30)
	(c) Current tax of prior period reversed	(91.70)	-	(11.40)	(91.70)	(11.10)	(23.20)
	Total tax expenses	796.00	742.10	(163.80)	1,538.10	186.30	1,202.90
IX	Profit after tax (VII-VIII)	2,136.40	2,447.00	2,446.60	4,583.40	3,976.20	8,204.60
X	Other comprehensive Income / (expenses)						
	Items that will not be reclassified to profit or loss						
	(a) Re-measurement gain / (loss) on defined benefits plans	(10.60)	(10.50)	(1.30)	(21.10)	(1.70)	(71.00)
	(b) Fair value gain / (loss) from investment in equity instruments (Refer note 5)	4,449.40	4,100.60	(3,423.40)	8,550.00	(5,704.60)	(4,835.80)
	(c) Income tax relating to items that will not be reclassified to profit or loss	(858.60)	-	-	(858.60)	-	-
	(d) Deferred tax relating to items that will not be reclassified to profit or loss	(184.60)	3.20	1.10	(181.40)	1.10	12.60
	Items that will be reclassified to profit or loss						
	(a) Exchange differences on translation of foreign operations	(882.80)	222.40	872.00	(660.40)	615.00	2,739.60
	(b) Exchange differences on net investment in foreign operations	(737.20)	(357.40)	30.40	(1,094.60)	(31.70)	(1,023.00)
	(c) Income tax relating to items that may be reclassified to profit or loss	-	-	-	-	-	-
	Total other comprehensive Income / (expenses) (net of tax)	1,776.60	3,958.30	(2,521.20)	5,733.90	(5,121.90)	(3,178.60)
XI	Total comprehensive income / (expenses), net of tax (IX+X)	3,912.00	6,405.30	(74.60)	10,317.30	(1,145.70)	5,026.00
	Profit attributable to:						
	- Owners of the Company	2,126.10	2,091.80	2,128.80	4,217.90	3,274.50	6,990.50
	- Non-controlling interest	10.30	355.20	317.80	365.50	701.70	1,214.10
	Other comprehensive income / (expenses) attributable to:						
	- Owners of the Company	1,936.60	3,968.60	(2,572.40)	5,905.20	(5,147.60)	(3,197.50)
	- Non-controlling interest	(161.00)	(10.30)	51.20	(171.30)	25.70	18.90
	Total comprehensive income / (expenses) attributable to:						
	- Owners of the Company	4,062.70	6,060.40	(443.60)	10,123.10	(1,873.10)	3,793.00
	- Non-controlling interest	(150.70)	344.90	369.00	194.20	727.40	1,233.00
XII	Equity share capital (face value of ₹ 2 each)	4,967.40	4,967.40	4,937.40	4,967.40	4,937.40	4,967.40
XIII	Other equity						69,308.60
XIV	Earnings per equity share: (face value of ₹ 2 each) (not annualised)						
	(1) Basic (in ₹)	0.86	0.85	0.88	1.71	1.35	2.87
	(2) Diluted (in ₹)	0.86	0.85	0.87	1.70	1.34	2.85
	See accompanying notes to the unaudited consolidated financial results						



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UNAUDITED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2020

(₹ in Lakhs)

Sl. No.	Particulars	As at	As at
		30-Sep-2020	31-Mar-2020
		Unaudited	Audited
(A) ASSETS			
1 Non-current assets			
(a) Property, plant and equipment		32,050.10	34,490.70
(b) Capital work-in-progress		1,695.60	1,106.50
(c) Goodwill		23,055.80	23,797.40
(d) Other Intangible assets		4,210.40	4,934.50
(e) Intangible assets under development		105.60	235.90
(f) Financial assets			
(i) Investments		5,944.40	13,128.80
(ii) Other financial assets		656.10	680.30
(g) Deferred tax assets (net)		2,228.90	2,324.00
(h) Income tax assets (net)		576.90	568.10
(i) Other non-current assets		273.90	150.30
Total non current assets		70,797.70	81,416.50
2 Current assets			
(a) Inventories		23,228.30	21,941.70
(b) Financial assets			
(i) Investments		17,118.80	4,017.90
(ii) Trade receivables		30,617.60	31,876.40
(iii) Cash and cash equivalents		12,100.80	6,809.60
(iv) Bank balances other than (iii) above		350.50	772.90
(v) Loans		33.00	34.80
(vi) Others financial assets		1,931.40	1,015.30
(c) Income tax assets (net)		31.30	72.70
(d) Other current assets		3,245.90	3,872.40
		88,657.60	70,413.70
Asset classified as held for sale (Refer note 9)		730.40	-
Total current assets		89,388.00	70,413.70
Total Assets		1,60,185.70	1,51,830.20
(B) EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital		4,967.40	4,967.40
(b) Other equity		69,859.90	69,308.60
(c) Non-controlling interest		4,780.80	4,473.70
Total equity		79,608.10	78,749.70
2 Liabilities			
I Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		12,940.00	15,005.90
(ii) Other financial liabilities		4,167.40	6,684.30
(b) Provisions		1,080.10	956.90
(c) Deferred tax liabilities (net)		735.30	832.20
(d) Other non-current liabilities		133.40	131.30
Total non-current liabilities		19,056.20	23,610.60
II Current liabilities			
(a) Financial liabilities			
(i) Borrowings		13,142.80	14,712.10
(ii) Trade payables		21,217.40	22,038.00
(iii) Other financial liabilities		21,634.70	8,814.00
(b) Provisions		257.40	254.90
(c) Current tax liabilities (net)		2,808.40	1,966.50
(d) Other current liabilities		2,460.70	1,684.40
Total current liabilities		61,521.40	49,469.90
Total Equity and Liabilities		1,60,185.70	1,51,830.20
See accompanying notes to the unaudited consolidated financial results			



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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW FOR SIX MONTHS ENDED 30 SEPTEMBER 2020

(₹ in Lakhs)

Particulars	Six months ended 30-Sep-2020	Six months ended 30-Sep-2019
	Unaudited	Unaudited
Cash flow from operating activities		
Net profit before tax and exceptional items	7,025.40	4,162.50
Adjustments for:		
Depreciation and amortisation expenses	2,633.00	2,447.60
Unrealised forex loss (net)	452.80	71.60
Bad trade receivables written off	249.60	0.80
Allowances for doubtful trade receivables	(219.00)	260.20
Finance costs	1,500.60	1,678.20
Dividend income	(77.40)	(526.50)
Interest income	(40.00)	(93.90)
Profit on sale of property, plant and equipment (net)	(9.90)	(18.90)
Profit on sale of investments (net)	(38.20)	(4.00)
Fixed assets written off	76.80	-
Lease liability written back (net)	(60.20)	-
Fair value gain on financial instruments at fair value through profit or loss	(110.50)	-
Share-based payments to employees	140.20	257.20
Operating profit before working capital changes	11,523.20	8,234.80
Changes in working capital		
(Increase) / decrease in trade receivables, loans and advances and other assets	(90.10)	(2,179.00)
(Increase) / decrease in inventories	(1,353.30)	(567.70)
Increase / (decrease) in margin money and unpaid dividend accounts	422.40	70.50
Increase / (decrease) in trade payables, other payables and provisions	(338.40)	(2,496.10)
Net changes in working capital	(1,359.40)	(5,172.30)
Cash generated from operations	10,163.80	3,062.50
Income taxes paid (net)	(1,730.60)	(279.90)
Net cash generated from operating activities (A)	8,433.20	2,782.60
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(1,779.50)	(1,936.60)
Proceeds from disposal of property, plant and equipment and intangible assets	103.00	56.10
Proceeds from sale of long term investments	15,734.40	-
(Purchase) / sale of current investments (net)	(13,055.50)	(247.50)
Interest received	29.30	87.00
Dividend received	71.20	526.50
Net cash generated from / (used in) investing activities (B)	1,102.90	(1,514.50)
Cash flow from financing activities		
Proceeds from issue of shares (including proceeds from stock options exercised by employees)	673.00	19.70
Proceeds from long-term borrowings	761.00	3,422.60
Repayment of long-term borrowings	(2,712.50)	(2,916.10)
Proceeds / (repayments) from / to short-term borrowings (net)	(1,570.90)	1,773.10
Interest and other borrowing cost paid	(1,350.20)	(1,640.60)
Dividend distributed to NCI	(46.70)	(94.20)
Equity contribution by NCI shareholders	1.40	3.90
Dividend paid	-	(485.60)
Dividend distribution tax paid	-	(97.00)
Net cash used in financing activities (C)	(4,244.90)	(14.20)
Net increase in cash and cash equivalents during the year (A+B+C)	5,291.20	1,253.90
Cash and cash equivalents at beginning of the year	6,809.60	6,778.90
Cash and cash equivalents at end of the year	12,100.80	8,032.80
See accompanying notes to the unaudited consolidated financial results		



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Notes:

1. The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 06 November 2020. The statutory auditors have carried out the limited review of the above results.

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

3. Information on Standalone Results:

(₹ in Lakhs)

Particulars	3 months ended 30-Sep-2020	Preceding 3 months ended 30-Jun-2020	Corresponding 3 months ended in previous period 30-Sep-2019	Year to date figure for current period ended 30-Sep-2020	Year to date figure for previous period ended 30-Sep-2019	Previous year ended 31-Mar-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	6,964.10	5,924.40	5,152.00	12,888.50	10,324.00	22,733.30
Profit before tax	1,103.20	879.70	664.20	1,982.90	806.50	2,281.30
Profit after tax	921.43	691.20	1,018.41	1,612.63	1,160.71	2,134.14
Total comprehensive income / (expenses)	4,319.00	4,786.50	(2,404.49)	9,105.50	(4,542.29)	(2,724.06)

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

5. Profit earned of ₹ 4,913.90 lakhs is transferred from other comprehensive income to reserves on sale of Investments classified at fair value through other comprehensive income.

6. Pursuant to Share Purchase Agreement (SPA) entered between Agnus Holdings Private Limited and other promoters and CA Harbor Investments (The Carlyle Group). The Carlyle Group has acquired 25.20% and 27.82% equity shares of the Company on 17 August 2020 and 08 September 2020 respectively. The above arrangement triggered an open offer and it was completed on 11 September 2020. The Carlyle Group currently holds 53.02% shareholding of the Company and has been classified as promoter of the Company.

7. During the quarter, the transfer of control to The Carlyle Group as explained in note 6 above, has resulted into following events --

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

(b) The Company has announced a one-time bonus to the existing employees not covered by ESOP Scheme of ₹ 212.00 lakhs.

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

8. During the quarter, the Company has acquired additional 15% stake from minority shareholders of Fendigo BV, Netherland through Alivira Animal Health Limited, Ireland, wholly owned step down subsidiary of the Company, Pursuant to which, Fendigo BV is now wholly owned step down subsidiary of the Company.

9. The Company has entered into definitive agreement with minority shareholders for the acquisition of 40% stake in Provet Veteriner Urunleri San. Ve Tic. A. S., Turkey (Provet) through Alivira Animal Health Limited, Ireland, wholly owned step down subsidiary of the Company and said transaction has been completed on 02 November 2020. Pursuant to which, Provet is now wholly owned step down subsidiary of the Company. The excess of purchase consideration paid over the carrying value of non controlling interest (NCI) of ₹ 11,285.20 lakhs has been adjusted to reserves.

Further, as part of this agreement, a manufacturing facility having a carrying value of ₹ 730.40 lakhs has been agreed to be transferred to NCI and hence it is classified as asset held for sale.

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

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

12. During the quarter, the Group has recognised deferred tax credit of ₹ 311.00 lakhs in one of the subsidiary company on reassessment of unrecognised tax credit by applying annual effective tax rate.

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



For Sequent Scientific Limited

Manish
Manish Gupta
Managing Director

Place : Thane

Date : 06 November 2020

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

Review Report to
The Board of Directors
SeQuent Scientific Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of SeQuent Scientific Limited (the "Company") for the quarter ended September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
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3. We conducted our review of the Statement in accordance with the **Standard on Review Engagements (SRE) 2410**, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Vikas Kumar Pansari
Partner
Membership No.: 093649
UDIN: 20093649AAAAC9666



Place: Mumbai
Date: November 6, 2020

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Prevent Ability in Life Sciences

SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020

(₹ In Lakhs)

SL No.	Particulars	3 months ended 30-Sep-2020	Preceding 3 months ended 30-Jun-2020	Corresponding 3 months ended In previous period 30-Sep-2019	Year to date figures for current period ended 30-Sep-2020	Year to date figures for previous period ended 30-Sep-2019	Previous year ended 31-Mar-2020
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
I	Revenue from operations	6,964.10	5,924.40	5,152.00	12,888.50	10,324.00	22,733.30
II	Other income	610.10	227.50	726.10	837.60	929.20	1,456.10
III	Total Income (I+II)	7,574.20	6,151.90	5,878.10	13,726.10	11,253.20	24,189.40
IV	Expenses						
	(a) Cost of materials consumed	2,897.00	2,482.50	2,531.91	5,379.50	5,084.95	10,869.10
	(b) Purchases of stock-in-trade	169.60	80.20	118.99	249.80	181.15	824.30
	(c) Changes in inventories of finished goods and work-in-progress	(268.40)	77.90	93.80	(190.50)	297.20	(389.20)
	(d) Conversion and processing charges	1,308.70	912.70	944.90	2,221.40	1,838.90	4,050.40
	(e) Employee benefits expense	550.10	525.70	428.60	1,075.80	771.60	1,709.70
	(f) Finance costs	72.70	110.10	119.10	182.80	261.10	503.50
	(g) Depreciation and amortisation expenses	216.40	216.40	222.80	432.80	445.40	895.00
	(h) Other expenses	1,260.10	866.70	753.80	2,126.80	1,566.40	3,445.30
	Total expenses	6,206.20	5,272.20	5,213.90	11,478.40	10,446.70	21,908.10
V	Profit before tax and exceptional items (III-IV)	1,368.00	879.70	664.20	2,247.70	806.50	2,281.30
VI	Exceptional items (Refer note 5)	264.80	-	-	264.80	-	-
VII	Profit before tax (V-VI)	1,103.20	879.70	664.20	1,982.90	806.50	2,281.30
VIII	Tax expense / (credits)						
	(a) Current tax	151.20	201.10	19.50	352.30	48.79	318.27
	(b) Deferred tax	122.30	(12.60)	(373.71)	109.70	(403.00)	(171.11)
	(c) Current tax of prior period reversed	(91.70)	-	-	(91.70)	-	-
	Total tax expenses	181.80	188.50	(354.21)	370.30	(354.21)	147.16
IX	Profit after tax (VII-VIII)	921.40	691.20	1,018.41	1,612.60	1,160.71	2,134.14
X	Other comprehensive Income / (expenses)						
	Items that will not be reclassified to profit or loss						
	(a) Re-measurements gain / (loss) on defined benefits plans	(7.50)	(7.40)	1.10	(14.90)	2.20	(29.70)
	(b) Fair value gain / (loss) from investment in equity instruments (refer note 6)	4,449.40	4,100.60	(3,423.40)	8,550.00	(5,704.60)	(4,836.80)
	(c) Income tax relating to items that will not be reclassified to profit or loss	(858.60)	-	-	(858.60)	-	-
	(d) Deferred tax relating to items that will not be reclassified to profit or loss	(185.70)	2.10	(0.60)	(183.60)	(0.60)	8.30
	Total other comprehensive Income/ (expenses) (net of tax)	3,397.60	4,095.30	(3,422.90)	7,492.90	(5,703.00)	(4,858.20)
XI	Total comprehensive Income / (expenses), net of tax (IX+X)	4,319.00	4,786.50	(2,404.49)	9,105.50	(4,542.29)	(2,724.06)
XII	Equity share capital (face value of ₹ 2 each)	4,967.40	4,967.40	4,937.40	4,967.40	4,937.40	4,967.40
XIII	Other equity						83,654.34
XIV	Earnings per equity share: (face value of ₹ 2 each) (not annualised)						
	(1) Basic (in ₹)	0.37	0.28	0.42	0.65	0.48	0.88
	(2) Diluted (in ₹)	0.37	0.28	0.42	0.65	0.47	0.87
	See accompanying notes to unaudited standalone financial results						



SEQUENT SCIENTIFIC LIMITED
UNAUDITED STANDALONE BALANCE SHEET AS AT 30 SEPTEMBER 2020

(₹ in Lakhs)

SL No.	Particulars	As at 30-Sep-2020	As at 31-Mar-2020
		Unaudited	Audited
A	ASSETS		
1.	Non-current assets		
(a)	Property plant and equipment	6,336.30	6,649.70
(b)	Capital work-in-progress	582.50	371.70
(c)	Intangible assets	226.60	291.50
(d)	Financial assets		
(i)	Investments		
(a)	Investments in subsidiaries	61,125.00	60,768.40
(b)	Other investments	5,942.30	13,126.80
(ii)	Loans	9,024.10	5,846.40
(iii)	Other financial assets	164.80	163.80
(e)	Deferred tax assets (net)	556.41	849.71
(f)	Income tax assets (net)	385.80	402.69
(g)	Other non-current assets	71.90	99.10
	Total non-current assets	84,415.71	88,569.80
2.	Current assets		
(a)	Inventories	3,243.20	3,141.90
(b)	Financial assets		
(i)	Investments	15,277.70	1,875.40
(ii)	Trade receivables	4,110.70	4,078.80
(iii)	Cash and cash equivalents	638.60	287.30
(iv)	Bank balances other than (iii) above	8.80	84.50
(v)	Loans	3.10	2.80
(vi)	Other financial assets	747.20	240.40
(c)	Other current assets	982.20	1,456.10
	Total current assets	25,011.50	11,167.20
	Total assets	1,09,427.21	99,737.00
B	EQUITY AND LIABILITIES		
I	Equity		
(a)	Equity share capital	4,967.40	4,967.40
(b)	Other equity	94,221.00	83,654.34
	Total equity	99,188.40	88,621.74
II	Liabilities		
1.	Non-current liabilities		
(a)	Financial liabilities		
(i)	Borrowings	1,240.60	1,516.50
(ii)	Other financial liabilities	36.00	44.10
(b)	Provisions	291.70	228.30
(c)	Other non current liabilities	22.30	30.10
	Total non-current liabilities	1,590.60	1,819.00
2.	Current liabilities		
(a)	Financial liabilities		
(i)	Borrowings	438.40	1,438.90
(ii)	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	678.90	417.02
	Total outstanding dues of creditors other than micro enterprises and small enterprises	5,466.21	6,016.64
(iii)	Other financial liabilities	644.50	825.10
(b)	Provisions	6.30	14.00
(c)	Current tax liabilities (net)	1,239.50	480.10
(d)	Other current liabilities	174.40	104.50
	Total current liabilities	8,648.21	9,296.26
	Total liabilities	10,238.81	11,115.26
	Total equity and liabilities	1,09,427.21	99,737.00
	See accompanying notes to unaudited standalone financial results		



Sequent

Proven Ability In Life Sciences

SEQUENT SCIENTIFIC LIMITED

UNAUDITED STANDALONE CASH FLOW STATEMENTS FOR SIX MONTHS ENDED 30 SEPTEMBER 2020

(₹ in Lakhs)

Particulars	Six months ended 30-Sep-2020	Six months ended 30-Sep-2019
	Unaudited	Unaudited
Cash flows from operating activities		
Net profit before tax and exceptional items	2,247.70	806.50
Adjustments for:		
Depreciation and amortisation expenses	432.80	445.40
Bad trade receivables written off	4.90	-
Allowances for doubtful trade receivables	(6.00)	-
Unrealised forex gain (net)	(112.80)	(3.20)
Finance costs	182.80	261.10
Dividend income	(77.30)	(526.40)
Fair value of corporate guarantee income	(4.50)	-
Interest income	(307.90)	(325.90)
Share-based payments to employees	65.00	62.20
Liabilities /provisions no longer required written back	-	2.60
Corporate guarantee commission	(26.30)	(25.90)
Fair value gain on financial instruments measured at fair value through profit or loss	(67.80)	-
Operating profit before working capital changes	2,330.60	696.40
Changes in working capital		
(Increase)/decrease in trade receivables, loans and advances and other assets	374.10	(73.00)
(Increase)/decrease in inventories	(101.30)	347.20
(Increase)/decrease in margin money and unpaid dividend accounts	75.70	(78.40)
Increase/(decrease) in trade payables, other payables and provisions	(386.00)	(570.60)
Net change in working capital	(37.50)	(374.80)
Cash generated by operations	2,293.10	321.60
Income taxes paid (net)	(336.80)	(95.50)
Net cash generated from operating activities (A)	1,956.30	226.10
Cash flows from investing activities		
Purchase of property, plant and equipments and intangible assets	(419.20)	(270.90)
Proceeds from disposal of property, plant and equipments and intangible assets	1.50	0.50
Purchase of current investments	(13,334.00)	-
Proceeds from sale of long term investments	15,734.40	-
Loan given to subsidiary company	(3,000.00)	-
Loan repaid by subsidiary company	96.00	500.00
Interest received	34.60	40.50
Dividend received	71.20	526.40
Net cash generated from / (used in) investing activities (B)	(815.50)	796.50
Cash flows from financing activities		
Proceeds / (repayment) from / to short-term borrowings (net)	(1,000.50)	171.90
Repayment of long-term borrowings	(296.70)	(127.20)
Proceeds from issue of shares (including proceeds from stock options exercised by employees)	673.00	19.70
Interest and other borrowing cost	(165.30)	(261.10)
Dividend paid	-	(485.60)
Dividend distribution tax paid	-	(97.00)
Net cash used in financing activities (C)	(789.50)	(779.30)
Net increase in cash and cash equivalents during the year (A+B+C)	351.30	243.30
Cash and cash equivalents at the beginning of the year	287.30	106.60
Cash and cash equivalents at the end of the year	638.60	349.90

See accompanying notes to unaudited standalone financial results



SEQUENT SCIENTIFIC LIMITED

Notes:

- 1 The above unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 06 November 2020. The statutory auditors have carried out limited review of the above results.
- 2 The Company has only one reportable segment viz. Pharmaceuticals. Accordingly, no separate disclosure of segment information has been made.
- 3 Following outbreak of COVID-19 pandemic globally and in India, the Company has adopted measures to curb the spread of infections in order to protect health of its employees and business continuity with minimal disruption. Considering that the Company is in business of Animal Health Care which is considered to be an essential service, the Company's operations have not been significantly impacted and its plants are operating at normal capacity. The impact of the global health pandemic may be different from that estimated as at the date of approval of these unaudited standalone financial results and the management will continue to closely monitor any material changes to future economic conditions.
- 4 Pursuant to Share Purchase Agreement (SPA) entered between Agnus Holdings Private Limited and other promoters and CA Harbor Investments (The Carlyle Group), The Carlyle Group has acquired 25.20% and 27.82% equity shares of the Company on 17 August 2020 and 08 September 2020 respectively. The above arrangement triggered an open offer and it was completed on 11 September 2020. The Carlyle Group currently holds 53.02% shareholding of the Company and has been classified as promoter of the Company.
- 5 During the quarter, the transfer of control to The Carlyle Group as explained in note 4 above, has resulted into following events –
(a) Accelerated vesting of unvested employee stock options and accordingly the Company has provided for this cost on an accelerated basis amounting to ₹ 128.00 lakhs.
(b) The Company has announced a one-time bonus to the existing employees not covered by ESOP Scheme of ₹ 136.80 lakhs.
- 6 Profit earned of ₹ 4,913.90 lakhs is transferred from other comprehensive income to reserves on sale of Investments classified at fair value through other comprehensive income.
- 7 The Code on Social Security, 2020 ('the Code') has been notified in the Official Gazette on 29 September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period in which the Code becomes effective and the rules framed thereunder are published.
- 8 The previous period figures have been regrouped wherever necessary to confirm to current period's presentation.



For Sequent Scientific Limited

Manish
Manish Gupta
Managing Director

Place : Thane

Date: 06 November 2020