

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEQUENT PENEMS PRIVATE LIMITED

Opinion

We have audited the accompanying Standalone financial statements of **M/S. SEQUENT PENEMS PRIVATE LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”)

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 March 31, 2023, and its Profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SA's) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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

Bangalore * Chennai

SEQUENT PENEMS PRIVATE LIMITED

Auditor's report (continued)

of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern concept basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



SEQUENT PENEMS PRIVATE LIMITED

Auditor's report (continued)

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow 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.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting and
- (g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- (h) 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, as amended, 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.



SEQUENT PENEMS PRIVATE LIMITED

Auditor's report (continued)

- iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. No dividend has been proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s P.CHANDRASEKAR LLP

Chartered Accountants

Firm Registration No. 000580S/S200066

S.Rajagopalan

Partner

Membership No. 025349

UDIN: 23025349BGRWLO2084



Place: Bangalore

Date: 04th May 2023

SEQUENT PENEMS PRIVATE LIMITED

Auditor's report (continued)

Annexure "A" 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 2023, we report that:

- i. a) The Company has maintained proper record showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals.

c) The title deeds of immovable properties are in the name of the company

(b) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(c) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii. The Company has not granted any loan to companies (other than trading advance in the normal course of business) covered in the register maintained under section 189 of the Companies Act, 2013 during the year hence this clause is not applicable
- iv. The company has not granted any of loans, investments, guarantees, and security during the year under provisions of section 185 and 186 of the Companies Act, 2013 hence this clause is not applicable.
- v. The company has not accepted any deposits during the year accordingly this clause is not applicable.
- vi. As per the information and explanations given to us Having regard to the nature of the Company's business / activities, reporting under clause (vi) of Order is not applicable.
- vii. The company is generally regular in depositing, undisputed statutory dues including Goods and Services Tax 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 disputed amounts payable in respect of Goods and Services Tax, income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2023 for a period of more than six months from the date they became payable.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.



SEQUENT PENEMS PRIVATE LIMITED

Auditor's report (continued)

- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company has not made any investment in or given any new loan or advances to any of its associates during the year and hence, reporting under clause (ix)(e) of the Order is not applicable. The Company does not have any subsidiaries or joint ventures.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- x. (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As per the information provided and represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. The Company is not required to have internal audit as per section 138 of the Companies Act, 2013, hence reporting under clause (xiv)(a) and (b) are not applicable.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its director and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



SEQUENT PENEMS PRIVATE LIMITED

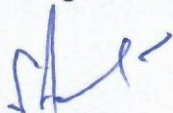
Auditor's report (continued)

- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For M/s P. CHANDRASEKAR LLP

Chartered Accountants

Firm Registration No. 000580S/S200066



S. Rajagopalan

Partner

Membership No.025349

UDIN: 23025349BGRWLO2084



Place: Bangalore

Date: 04th May 2023

SEQUENT PENEMS PRIVATE LIMITED

Auditor's report (continued)

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **SEQUENT PENEMS PRIVATE LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting



SEQUENT PENEMS PRIVATE LIMITED

Auditor's report (continued)

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

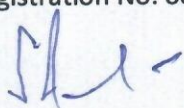
Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s P.CHANDRASEKAR LLP

Chartered Accountants

Firm Registration No. 000580S/S200066



S.Rajagopalan

Partner

Membership No.025349

UDIN: 23025349BGRWLO2084



Place: Bangalore

Date: 04th May 2023

Sequent Penems Private Limited
CIN: U24233KA2010PTC053548
BALANCE SHEET AS AT 31 MARCH 2023

			(Amount in Rs.)
	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Non-current assets			
(a) Investment Property	3	15,14,53,925	15,45,45,486
(b) Other Financial Assets	4	5,46,300	5,46,300
(c) Income tax assets (net)	5	14,349	4,52,304
Non-current assets		15,20,14,574	15,55,44,090
2 Current assets			
(a) Financial Assets			
(i) Trade receivables	6	72,30,715	69,68,515
(ii) Cash and cash equivalents	7	5,10,348	1,12,114
(iii) Loans & Advances	8	19,39,938	40,40,000
Current assets		96,81,001	1,11,20,629
TOTAL ASSETS		16,16,95,575	16,66,64,719
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	9	4,52,58,260	4,52,58,260
(b) Other Equity	10	(73,15,537)	(76,29,793)
		3,79,42,723	3,76,28,467
2 Current liabilities			
(a) Financial Liabilities			
(i) Short-term borrowings	11	12,35,70,852	12,88,82,852
(ii) Trade payables	12	1,12,000	85,000
(b) Other current liabilities	13	70,000	68,400
		12,37,52,852	12,90,36,252
TOTAL EQUITY AND LIABILITIES		16,16,95,575	16,66,64,719
Significant Accounting Policies & Notes on financial statements	2		
In terms of our report attached			
For M/s P.CHANDRASEKAR LLP Chartered Accountants Firm Registration No. 000580S/S200066		FOR AND ON BEHALF OF THE BOARD OF	
 MR. S RAJGOPALAN Partner Membership No. 25349		 Ramesh Swaminathan Director DIN: 08449996	 M. Sathish Kumar Director DIN: 08210524
Place: Bangalore Date: 04-05-2023			

Sequent Penems Private Limited

CIN: U24233KA2010PTC053548

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

			(Amount in Rs.)	
		Note No	Year ended 31 March 2023	Year ended 31 March 2022
1	Other Income	14	62,83,042	45,60,000
	Total Income (1)		62,83,042	45,60,000
2	Expenses			
	Finance costs	15	1,416	79,181
	Depreciation and amortization expense	16	30,91,561	30,91,564
	Other expenses	17	27,65,021	6,55,657
	Total Expenses (2)		58,57,998	38,26,402
3	Profit before tax (1- 2)		4,25,044	7,33,598
4	Tax expense:			
	Current tax	18	3,48,199	8,17,383
	Previous year		(2,37,411)	-
	Total tax expense (4)		1,10,788	8,17,383
5	Profit / (Loss) for the period (3-4)		3,14,256	(83,785)
6	Other Comprehensive Income		-	-
7	Total Comprehensive Income for the period (5+6)		3,14,256	(83,785)
8	Earnings per equity share: (Face Value of Rs. 10/- each)			
	(1) Basic		0.07	(0.02)
	(2) Diluted		0.07	(0.02)

Significant Accounting Policies & Notes on financial statements

2

In terms of our report attached

For M/s P.CHANDRASEKAR LLP

Chartered Accountants

Firm Registration No. 000580S/S200066

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Ramesh Swaminathan

M. Sathish Kumar

MR. S RAJGOPALAN

Partner

Membership No. 25349

Ramesh Swaminathan

Director

DIN: 08449996

M Sathish Kumar

Director

DIN: 08210524

Place: Bangalore

Date: 04-05-2023



Sequent Penems Private Limited
CIN: U24233KA2010PTC053548

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

Particulars	(Amount in Rs.)	
	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Net Profit before tax:	4,25,044	7,33,598
Adjustments for:		
Depreciation	30,91,561	30,91,564
Finance Cost	1,416	79,181
Liabilities no longer required written back	(53,12,000)	-
Operating profit before working capital changes	(17,93,979)	39,04,343
Changes in working capital		
Adjustment for (Increase)/Decrease in operating assets:		
Trade receivable	(2,62,200)	(31,41,866)
Other Current assets	25,38,017	(2,05,356)
Adjustment for Increase/(Decrease) in operating liabilities		
Trade payables	27,000	3
Other Current liabilities	1,600	(2,30,040)
Net change in working capital	23,04,417	(35,77,259)
Cash generated from operations	5,10,438	3,27,084
Taxes paid	(1,10,788)	(8,17,383)
Net cash from operating activities	3,99,650	(4,90,299)
Cash flow from investing activities		
Capital expenditure on fixed assets, including capital & Long term advances and proceeds from sale of fixed assets	-	-
Net cash generated from investing activities	-	-
Cash flow from financing activities		
Net Proceeds from Long term borrowings(Including term loans)	-	-
Finance Cost paid	(1,416)	(79,181)
Short term borrowings(net)	-	-
Net cash generated from financing activities	(1,416)	(79,181)
Net increase / (decrease) in cash and cash equivalents during the year	3,98,234	(5,69,480)
Cash and cash equivalent at the beginning of the year	1,12,114	6,81,594
Net cash flow as above	3,98,234	(5,69,480)
Cash and cash equivalent at the end of the year	5,10,348	1,12,114
Reconciliation of cash and cash equivalents with the Balance sheet		
Reconciliation of cash and cash equivalents as per Balance Sheet	5,10,348	1,12,114
Net Cash and cash equivalents at the end of the year	5,10,348	1,12,114

As per our report of even date
For M/s P.CHANDRASEKAR LLP
Chartered Accountants
Firm Registration No. 000580S/S200066

MR. S RAJGOPALAN
Partner
Membership No. 25349



Place: Bangalore
Date: 04-05-2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Ramesh Swaminathan
Director
DIN: 08449996

M Sathish Kumar
Director
DIN: 08210524



Sequent Penems Private Limited
CIN: U24233KA2010PTC053548

STATEMENT OF CHANGES IN EQUITY

(Amount in Rs.)

(a) Equity Share Capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	45,25,826	4,52,58,260	45,25,826	4,52,58,260
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	45,25,826	4,52,58,260	45,25,826	4,52,58,260

(b) Other Equity

Particulars	Reserves and Surplus		Items of Other Comprehensive Income	Total
	Securities Premium	Retained Earnings		
Balance at 31 March 2021	2,22,44,547	(2,97,90,555)	-	(75,46,008)
Profit for the year	-	(83,785)	-	(83,785)
Other comprehensive income for the year	-	-	-	-
Balance at 31 March 2022	2,22,44,547	(2,98,74,340)	-	(76,29,793)
Profit for the year	-	3,14,256	-	3,14,256
Other comprehensive income for the year	-	-	-	-
Balance at 31 March 2023	2,22,44,547	(2,95,60,084)	-	(73,15,537)

As per our report of even date

For M/s P.CHANDRASEKAR LLP

Chartered Accountants

Firm Registration No. 000580S/S200066

MR. S RAJGOPALAN
Partner
Membership No. 25349



Place: Bangalore
Date: 04-05-2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Ramesh Swaminathan
Director
DIN: 08449996



M Sathish Kumar
Director
DIN: 08210524

1 CORPORATE INFORMATION

The Company carry on the business of research and development, manufacture, produce, sell, import, export, distribute, trade and deal otherwise in all kinds of pharmaceutical drugs, medicines, beta lactam including penems, medical preparations, chemicals and allied solvents and other liquid drugs and medicines, injections, tablets, capsules, lotions, ointments, medical and Para medical preparations, formula and formulations for the manufacture of beta-lactam including penems in India or elsewhere in the world.

2 SIGNIFICANT ACCOUNTING POLICIES**2.1 Statement of Compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of Accounting

The financial statements for the year ended 31 March 2023 are prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The adoption of Ind AS was carried out in accordance with Ind AS 101, with 01 April 2015 as the transition date. Ind AS 101 requires that all the Ind AS standards and interpretations that are effective for the Ind AS financial statements for the year ended 31 March 2019 be applied consistently and retrospectively for all fiscal years presented. The resulting difference in the carrying amounts of assets and liabilities in the financial statements under both Ind AS and India GAAP as at the transition date have been recognised directly in equity at the transition date.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

2.4 Fixed Assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any.

The Company has elected to utilize the option under Ind AS 101 - First-time Adoption of Indian Accounting Standards by not applying the provisions of Ind AS 16 - Property, Plant and Equipment retrospectively and continue to use the Indian GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment at 1 April 2015, the Company's date of transition to Ind AS, according to the Indian GAAP were maintained in transition to Ind AS. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use.

The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

Capital work in progress is stated in cost and includes advances paid to acquire fixed assets.

2.5 Investments

Non current investments are carried individually at cost less provision for diminution, other than temporary in the value of the investments.

2.6 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.

2.7 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.

2.8 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.

2.9 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.

2.10 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.

2.11 Use of Estimates

The preparation of financial statements 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.

2.12 Revenue recognition

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

2.13 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 Statement of Profit and Loss.



Sequent Penems Private Limited

Notes to financial statements for the year ended 31st March, 2023

Note 3 Investment Properties

(Amount in Rs.)

Particulars	Gross Block			Depreciation				Net Block		
	Balance as on 1 April 2022	Addition	Deletion	Balance as on 31 March 2023	Balance as on 1 April 2022	For the year	Deletion during the year	Balance as on 31 March 2023	Balance as on 31 March 2023	Balance as on 31 March 2022
Freehold Land	8,24,25,000	-	-	8,24,25,000	-	-	-	-	8,24,25,000	8,24,25,000
Building	9,25,59,005	-	-	9,25,59,005	2,04,38,519	30,91,561	-	2,35,30,080	6,90,28,925	7,21,20,486
Total	17,49,84,005	-	-	17,49,84,005	2,04,38,519	30,91,561	-	2,35,30,080	15,14,53,925	15,45,45,486
Total (Previous Year)	17,49,84,005	-	-	17,49,84,005	1,73,46,955	30,91,564	-	2,04,38,519	15,45,45,486	15,76,37,050



Sequent Penems Private Limited
Notes to financial statements for the year ended 31st March, 2023
(Amount in Rs.)

Note no:	Particulars	As at 31 March 2023	As at 31 March 2022			
Note 4	Other Non Current Financial Assets					
	(Unsecured, considered good)					
	Security Deposit	5,46,300	5,46,300			
		5,46,300	5,46,300			
Note 5	Income tax assets (net)					
	Advance income tax (net of provisions)	14,349	4,52,304			
	Total	14,349	4,52,304			
Note 6	Trade receivables					
	(a) Unsecured, considered good	72,30,715	69,68,515			
	(b) Unsecured, considered doubtful	-	-			
		72,30,715	69,68,515			
	Less: Provision for doubtful debts	-	-			
		72,30,715	69,68,515			
	Other Debts					
		72,30,715	69,68,515			
Outstanding for the following period from due date of payments:						
	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	As at 31st March 2023
	(i) Undisputed Trade Receivables - Considered Good	-	18,86,015	53,44,700	-	72,30,715
	Total as at 31st March 2023	-	18,86,015	53,44,700	-	72,30,715
Outstanding for the following period from due date of payments:						
	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	As at 31st March 2022
	(i) Undisputed Trade Receivables - Considered Good	32,48,415	24,62,400	12,57,700	-	69,68,515
	Total as at 31st March 2022	32,48,415	24,62,400	12,57,700	-	69,68,515
Note 7	Cash and Cash Equivalents					
	Balances with banks					
	- In current accounts				5,10,348	1,12,114
					5,10,348	1,12,114
Note 8	Loans & Advances					
	(Unsecured, considered good)					
	Loans & Advances to related parties				17,85,876	40,40,000
	Balances with Government authorities:					
	- GST credit & other receivable				1,54,062	-
					19,39,938	40,40,000



Sequent Penems Private Limited
Notes to financial statements for the year ended 31st March, 2023
Note no:
Note 9 Share Capital
(Amount in Rs.)

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
a) Authorised				
Equity shares of Rs.10 each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
b) Issued, subscribed and fully paid-up				
Equity shares of Rs.10 each	45,25,826	4,52,58,260	45,25,826	4,52,58,260
	45,25,826	4,52,58,260	45,25,826	4,52,58,260

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

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Equity Shares at the beginning of the year	45,25,826	4,52,58,260	45,25,826	4,52,58,260
Shares Issued during the year	-	-	-	-
Equity Shares at the end of the year	45,25,826	4,52,58,260	45,25,826	4,52,58,260

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

Class of Shares	As at 31 March 2023		As at 31 March 2022	
	Holding Company	Associates of the holding company	Holding Company	Associates of the holding company
	Number of Shares			
Equity Shares with voting rights	45,25,826	10	45,25,826	10

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

Name of the shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Solara Active Pharma Sciences Limited	45,25,816	99.9998%	45,25,816	99.9998%
Ram Prasad	10	0.0002%	10	0.0002%

As approved by Solara's Board meeting held on February 3, 2021 to acquire additional share capital in Sequent Penems Private Limited, subsidiary company of Solara, during the previous year end, the said transaction was completed and Sequent Penems Private Limited is wholly owned subsidiary of Solara with effect from April 27, 2021.

Note 10 Other Equity
As at 31 March 2023 As at 31 March 2022

a) Retained Earnings		
Opening Balance	(2,98,74,340)	(2,97,90,555)
(Loss)/ Profit for the year	3,14,256	(83,785)
Closing Balance	(2,95,60,084)	(2,98,74,340)
b) Securities Premium		
Closing Balance	2,22,44,547	2,22,44,547
	2,22,44,547	2,22,44,547
Other Equity (Total)	(73,15,537)	(76,29,793)



Sequent Penems Private Limited

Notes to financial statements for the year ended 31st March, 2023

(Amount in Rs.)

Particulars		As at 31 March 2023	As at 31 March 2022			
Note 11	Current Financial Liabilities					
	(Unsecured, considered good)					
	Loan from related parties	12,35,70,852	12,88,82,852			
		12,35,70,852	12,88,82,852			
Note 12	Trade Payable					
	Trade Payable	1,12,000	85,000			
		1,12,000	85,000			
Particulars		Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31st March 2023
(i) MSME		-	-	-	-	-
(ii) Others		1,12,000	-	-	-	1,12,000
Total as at 31st March 2023		1,12,000	-	-	-	1,12,000
Particulars		Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31st March 2022
(i) MSME		-	-	-	-	-
(ii) Others		85,000	-	-	-	85,000
Total as at 31st March 2022		85,000	-	-	-	85,000
Note 13	Other Current Liabilities					
	Statutory remittances				70,000	68,400
					70,000	68,400



Sequent Penems Private Limited
Notes to financial statements for the year ended 31st March, 2023

		(Amount in Rs.)	
Note no	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Note 14	Other Income		
	Rental Income from Property	9,50,000	45,60,000
	Interest Income	21,042	-
	Miscellaneous Income	53,12,000	-
		62,83,042	45,60,000
Note 15	Finance costs		
	Other borrowing costs	1,416	79,181
		1,416	79,181
Note 16	Depreciation and amortization expense		
	Tangible assets	30,91,561	30,91,564
		30,91,561	30,91,564
Note 17	Other expenses		
	Power and fuel	14,98,124	-
	Repairs and maintenance:		
	- Building	-	2,75,400
	Legal and Professional charges	7,79,598	38,500
	Payment to Auditors	85,000	85,004
	Insurance		
	Rates and taxes	4,02,299	2,56,753
		27,65,021	6,55,657
Note 18	Tax expense		
	Current tax	3,48,199	8,17,383
	Previous year	(2,37,411)	-
		1,10,788	8,17,383



Notes to financial statements for the year ended 31st March, 2023

Note 19 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

19.1 Contingent liabilities and commitments

There is NIL Contingent liabilities and commitments as on 31 March 2023 (NIL as on 31 March 2022).

19.2 Payment to the auditors (Excluding Goods and Service Tax)

	F.Y. 2022-23	F.Y. 2021-22
As auditors	85,000	85,000
Certification	-	-
Total	85,000	85,000

19.3 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, 2023 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.

19.4 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, 2013.

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

19.5 Earning per Share (EPS)

	Year ended 31 March 2023	Year ended 31 March 2022
i) Net (Loss) / Profit after tax as per statement of Profit and Loss attributable to Equity	3,14,256	(83,785)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	45,25,826	45,25,826
iii) Basic Earnings per share(In Rs.)	0.07	(0.02)
iv) Diluted Earnings per share(In Rs.)	0.07	(0.02)
v) Face value per Equity Share(In Rs.)	10.00	10.00

19.6 Related Party Disclosures

Name of the Related party

Holding Company

Solara Active Pharma Sciences Limited

Details of related party transactions during the year ended 31 March 2023 and outstanding balances as at 31 March 2023

Nature of Transaction	Holding Company	Associates	Key Management Personnel	Total
Rental Income				
Solara Active Pharma Science Limited	9,50,000 (45,60,000)			9,50,000 (45,60,000)

Nature of Transaction	Holding Company	Associates	Key Management Personnel	Total
Balance outstanding as the end of the year				
Loans and Advances-Payables				
Solara Active Pharma Sciences Limited	12,35,70,852 (12,35,70,852)			12,35,70,852 (12,35,70,852)
Chayadeep Properties Pvt Ltd		- (53,12,000)		- (53,12,000)
Trade Receivable				
Solara Active Pharma Sciences Limited	72,30,715 (69,68,515)			72,30,715 (69,68,515)

* Previous year figures have been given in brackets



Notes to financial statements for the year ended 31st March, 2023

19.7 The Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flow.

19.8 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

19.9 The Deferred tax on account of depreciation and carry over business losses is resulting in deferred tax Assets. In view of the prudence and huge accumulated loss carried over, the same is not been recognized and accounted for as the company is not reasonably certain that such deferred tax assets can be realized against future taxable income.

19.10 Other Statutory information

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company does not have any transactions with companies struck off.
- (c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Company has no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (f) The Company does not have borrowings from banks
- (g) The Company has not been declared willful defaulter by any bank or financial Institution or other lender.
- (h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (A) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (B) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (A) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (B) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

19.11 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 LLP
Chartered Accountants
Firm Registration No. 000580S/S200066

MR. S RAJGOPALAN
Partner
Membership No. 25349

Place: Bangalore
Date: 04-05-2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Ramesh Swaminathan
Director
DIN: 08449996

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