

Independent Auditor's Report

To
The Members
Krisani Bio Sciences Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Krisani Bio Sciences Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 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 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 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 there under.

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.

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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2017, 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure -A a statement on the matters specified in paragraphs 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 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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".
 - g. 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 does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

for Visweswara Rao & Associates
Chartered Accountants
Firm Registration No. 0057745


(Mahidhar.S.G.)
Partner

Membership No. 216463



Place: Hyderabad
Date: 03-05-2017

Annexure - A to the Independent Auditors' Report:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) A major portion of fixed assets have been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us, the company does not have any immovable property hence paragraph 3 (i)(c) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- ii. The inventory has been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification and have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal.
- vi. In our opinion and according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and no undisputed amounts payable were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or duty of customs or duty of excise or value added tax or cess as at 31st March, 2017 which have not been deposited on account of a dispute.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Companies (Auditor's Report) Order, 2017 is not applicable.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Companies (Auditor's Report) Order, 2017 is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for Visweswara Rao & Associates
Chartered Accountants
Firm Registration No.0057745


(Mahidhar.S.G)
Partner
Membership No. 216463



Place: Hyderabad
Date: 03-05-2017

Annexure - B to the Independent 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 Krisani Bio Sciences Private Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the 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.

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 unauthorised 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

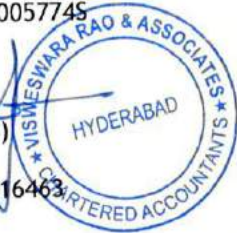
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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, 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 31st March 2017, 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 Visweswara Rao & Associates
Chartered Accountants
Firm Registration No.005774S


(Mahidhar.S.G)
Partner
Membership No. 216463



Place: Hyderabad
Date: 03-05-2017

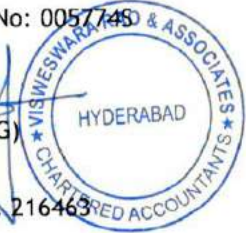
KRISANI BIO SCIENCES PRIVATE LIMITED
 63354/13/B2, Flat.No.B2, Suryateja Apartments
 Hindi Nagar, Punjagutta
 Hyderabad-500034
BALANCE SHEET AS AT 31st MARCH, 2017

(Amount in Rupees)

	PARTICULARS	Note No.	As At March 31, 2017	As At March 31, 2016
I	<u>EQUITY AND LIABILITIES:</u>			
1	Share holders funds			
	(a) Share Capital	2	114,332,000	114,332,000
	(b) Reserves and Surplus	3	(28,981,938)	(19,102,053)
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	4	65,009,985	52,329,985
	(b) Long-term provisions	5	281,400	281,400
4	Current Liabilities			
	(a) Other current liabilities	6	5,671,963	5,202,141
	TOTAL		156,313,410	153,043,473
II	<u>ASSETS:</u>			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	7	4,632,449	5,887,029
	(ii) Intangible assets under development		148,547,731	136,561,750
	(b) Non-current Investments	8	75,000	75,000
	(c) Deferred tax assets (net)		3,009,437	10,238,023
2	Current assets			
	(a) Inventories	9	13,033	95,233
	(b) Cash and bank balances	10	35,760	186,438
	(c) Other current assets		-	-
	TOTAL		156,313,410	153,043,473
Significant accounting policies and notes to accounts		1 to 21		

As per our report of even date
 for Visweswara Rao & Associates
 Chartered Accountants

Firm Registration No: 0057748


 (Mahidhar.S.G)
 Partner
 Membership No. 216463


 (K. Krishnam Raju)
 Director
 DIN No. 00874650

on behalf of the board
 for Krisani Bio Sciences Private Limited


 (K.S.V. Kumari)
 Director
 DIN No. 01870825


 (Shwetha R Anthapur)
 Company Secretary
 Membership No. A31416

Place: Hyderabad
 Date: 03-05-2017

KRISANI BIO SCIENCES PRIVATE LIMITED
63354/13/B2, Flat.No.B2, Suryateja Apartments
Hindi Nagar, Punjagutta
Hyderabad-500034


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017


(Amount in Rupees)

	PARTICULARS	Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
I	Income from Operations		-	-
II	Other Income		-	-
III	Total Revenue (I+II)		-	-
IV	Expenses:			
	a) Employee Benefits Expense	11	1,641,446	2,697,349
	b) Finance Costs	12	345	14,466
	c) Depreciation and amortisation expense	7	139,214	87,334
	d) Other Expenses	13	870,294	2,079,190
	Total Expenses		2,651,299	4,878,339
V	Profit / (loss) before tax (III-IV)		(2,651,299)	(4,878,339)
VI	Tax Expense:			
	(1) Current Tax		-	-
	(2) Deferred Tax		7,228,586	(1,491,522)
VII	Profit / (Loss) for the year (V-VI)		(9,879,885)	(3,386,817)
VIII	Earnings / (Loss) per equity share: (Equity shares of par value of Rs.10/- each)			
	(1) Basic		(0.86)	(0.30)
	(2) Diluted		(0.86)	(0.30)
	Significant accounting policies and notes to accounts	1 to 21		

As per our report of even date
for Visweswara Rao & Associates
Chartered Accountants
Firm Registration No: 005774S

on behalf of the board
for Krisani Bio Sciences Private Limited


(Mahidhar S.G)
Partner
Membership No. 216463


K. Krishnam Raju
Director
DIN No. 00874650


K.S.V. Kumari
Director
DIN No. 01870825


(Shwetha R Anthapur)
Company Secretary
Membership No. A31416

Place: Hyderabad
Date: 03-05-2017

KRISANI BIO SCIENCES PRIVATE LIMITED
63354/13/B2, Flat.No.B2, Suryateja Apartments
Hindi Nagar, Punjagutta
Hyderabad-500034

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2017

PARTICULARS	Year Ended 31-03-2017 Rupees	Year Ended 31-03-2016 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) before tax	(2,651,299)	(4,878,339)
Adjustment for:		
Depreciation	139,214	87,334
Investments written off	-	1,109,845
Cash Flows from Operations before changes in assets and liabilities	(2,512,085)	(3,681,160)
Adjustment for changes in:		
(Increase) / Decrease in inventories	82,200	65,217
(Increase) / Decrease in loans, advances & other assets	-	11,428
Increase / (Decrease) in liabilities and provisions	469,822	1,996,814
Net cash flow from / (used in) operating activities (A)	(1,960,063)	(1,607,701)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in fixed assets and capital work in progress	(10,870,615)	(11,689,300)
(Increase) / Decrease in investments	-	-
Net cash used in Investing activities (B)	(10,870,615)	(11,689,300)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Share Capital	-	-
Increase / (Decrease) in Borrowings	12,680,000	13,439,985
Net cash Flow from Financing Activities (C)	12,680,000	13,439,985
Net Increase/ (Decrease) in cash & cash equivalents [A+B+C]	(150,678)	142,984
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	186,438	43,454
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	35,760	186,438

As per our report of even date
for Visweswara Rao & Associates
Chartered Accountants

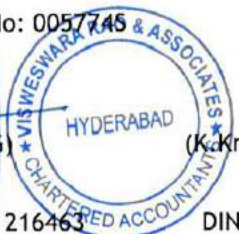
on behalf of the board
for Krisani Bio Sciences Private Limited

Firm Registration No: 0057745

(Mahidhar S.G.)

Partner

Membership No. 216463



(K. Krishnam Raju)

Director

DIN No. 00874650

K.S.V. Kumari

(K.S.V. Kumari)

Director

DIN No. 01870825

(Shwetha R Anthapur)

Company Secretary

Membership No. A31416

Place: Hyderabad

Date: 03-05-2017

NOTE NO: 1 - SIGNIFICANT ACCOUNTING POLICIES:

a. Basis for preparation of financial statements:

- i. The financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention and in accordance with the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable) and adopted consistently by the company.
- ii. Accounting policies not specifically referred to otherwise are in consonance with prudent accounting principles.
- iii. All Assets, Liabilities, Income and Expenditure items having material bearing on the financial statements are recognized on accrual basis.

b. Use Of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c. Fixed Assets:

- i. Fixed assets are stated at cost less accumulated depreciation. All costs, directly attributable to bringing the asset to the present condition for the intended use, are capitalized.
- ii. Expenditure relating to the development of product was grouped under Intangible assets under development and will be capitalised as on the date of commencement of commercial operations.

d. Depreciation:

- i. Depreciation on fixed assets has been provided based on the useful lives as prescribed under Part C of the Schedule II of the Companies Act, 2013.
- ii. The company has provided depreciation at 100% in respect of assets costing less than Rs. 5000/- each, depreciation on the assets acquired during the period is provided on pro-rata basis.

e. Investments:

Long term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

f. Inventories:

Inventories of stores and consumables are valued at cost.

g. Retirement Benefits:

Provision for Retirement benefits is accounted on estimated value by the management.

h. Foreign Currency Transactions And Balances:

Foreign currency transactions are recorded using the exchange rates prevailing on the date of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognized in the Statement of profit and loss. Non monetary assets are recorded at the rates prevailing on the date of transaction.

i. Leases:

Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognized as an expense in Statement of profit and loss over the lease term.

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

k. Taxation:

Current Tax:

Provision for current Income tax is made as per the provisions of the Income tax Act, 1961.

Deferred Tax:

Deferred Tax is calculated at applicable statutory Income Tax rate and is recognised on timing differences between taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods.

l. Earnings / (Loss) Per Share:

Basic & Diluted:

The Company reports Basic and Diluted earnings per share in accordance with AS-20 "Earnings per Share". The Basic earnings per share is computed by dividing the profit by the weighted average number of equity shares outstanding during the period. The Diluted earnings per share has been calculated by dividing the profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

m. Impairment Of Fixed Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds recoverable amount.

n. Provisions, Contingent Liabilities And Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires outflow of resources, which can be reliably estimated. Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources. Contingent Assets are neither recognized nor disclosed.

NOTE NO:2 - SHARE CAPITAL:

PARTICULARS	As At March 31, 2017		As At March 31, 2016	
	Number	Rupees	Number	Rupees
Authorised Equity Shares of Rs. 10/- each	15,000,000	150,000,000	15,000,000	150,000,000
Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up (Refer footnote (a) to (e) below)	11,433,200	114,332,000	11,433,200	114,332,000
Total	11,433,200	114,332,000	11,433,200	114,332,000

Footnote:

(a) Reconciliation of the number of shares (Rs. 10/- each fully paid up) outstanding as at March 31, 2017 and March 31, 2016:

PARTICULARS	As At March 31, 2017		As At March 31, 2016	
	Number	Rupees	Number	Rupees
Equity Shares outstanding at the beginning of the year	11,433,200	114,332,000	11,433,200	114,332,000
Equity Shares Issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	11,433,200	114,332,000	11,433,200	114,332,000

(b) Details of Shareholders holding more than 5% shares: (Rs. 10/- each fully paid up)

PARTICULARS	As At March 31, 2017		As At March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1 PC PRODUCTS INDIA LIMITED	5,868,200	51.33%	-	-
2 K.KRISHNAM RAJU	-	0.00%	3,091,000	27.04%
3 K.MAHESH	3,975,000	34.77%	3,975,000	34.77%
4 K.NIRUSHA	-	0.00%	840,000	7.35%
5 K.NEELIMA	-	0.00%	745,000	6.52%
6 K.S.V.KUMARI	-	0.00%	678,000	5.93%

(c) Details of Shareholding by Holding company:

PARTICULARS	As At March 31, 2017		As At March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1 PC PRODUCTS INDIA LIMITED	5,868,200	51.33%	-	-

(d) Number of Shares allotted as fully paid up pursuant to contract without payment being received in cash

For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
No. of Shares allotted	No. of Shares allotted	No. of Shares allotted	No. of Shares allotted	No. of Shares allotted
-	-	-	-	3,000,000

(e) Terms and rights attached to the equity shares:

The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled for one vote per share. Distribution of dividends and repayment of capital, if any, by the company, shall be subject to the provisions of applicable laws.

KRISANI BIO SCIENCES PRIVATE LIMITED

Notes to accounts

NOTE NO: 3 - RESERVES AND SURPLUS:

PARTICULARS	As At March 31, 2017	As At March 31, 2016
	Rupees	Rupees
a) Securities Premium account		
Opening Balance	2,313,000	2,313,000
Add:- During the year	-	-
Closing Balance	2,313,000	2,313,000
b) Surplus		
Opening Balance	(21,415,053)	(18,028,236)
(-) Net Loss for the current year	9,879,885	3,386,817
Closing Balance	(31,294,938)	(21,415,053)
Total (a+b)	(28,981,938)	(19,102,053)

NOTE NO: 4 - LONG TERM BORROWINGS:

PARTICULARS	As At March 31, 2017	As At March 31, 2016
	Rupees	Rupees
Unsecured		
(a) Loans from related parties		
- From Directors	65,009,985	52,329,985
	65,009,985	52,329,985

NOTE NO: 5 - LONG TERM PROVISIONS:

PARTICULARS	As At March 31, 2017	As At March 31, 2016
	Rupees	Rupees
(a) Provision for employee benefits	281,400	281,400
	281,400	281,400

NOTE NO: 6 - OTHER CURRENT LIABILITIES:

PARTICULARS	As At March 31, 2017	As At March 31, 2016
	Rupees	Rupees
(a) Statutory dues payable	140,945	278,552
(b) Employee Benefits Payable	139,050	1,232,985
(c) Expenses and other Payables	5,391,968	3,690,604
	5,671,963	5,202,141

KRISANI BIO SCIENCES PRIVATE LIMITED
Notes to accounts

NOTE NO: 7 FIXED ASSETS

PARTICULARS	Gross Block					Depreciation			Net Block	
	AS AT 01.04.2016	Additions during the Year	Deletions/ Adjustments during the Year	AS AT 31.03.2017	UPTO 01.04.2016	For the Period	Adjustments / (Deletions)	UPTO 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
I. TANGIBLE ASSETS										
1. Lab Equipments	8,942,338	-	-	8,942,338	3,463,147	1,115,366	-	4,578,513	4,363,825	5,479,191
2. Furniture and Fixtures	540,815	-	-	540,815	268,216	63,681	-	331,897	208,918	272,599
3. Office Equipment	335,939	-	-	335,939	293,873	42,066	-	335,939	-	42,066
4. Computers	690,649	-	-	690,649	597,476	33,467	-	630,943	59,706	93,173
II. INTANGIBLE ASSETS										
Total	10,509,741	-	-	10,509,741	4,622,712	1,254,580	-	5,877,292	4,632,449	5,887,029
Previous year	9,716,241	793,500	-	10,509,741	3,467,902	1,154,810	-	4,622,712	5,887,029	6,248,339

Note: Depreciation on Lab Equipments amounting to Rs.11,15,366/- (Previous Year Rs. 10,67,476/-) Included in Intangible Assets Under Development.

Rupees

KRISANI BIO SCIENCES PRIVATE LIMITED
Notes to accounts

NOTE NO: 8 - NON CURRENT INVESTMENTS:

PARTICULARS	As At March 31, 2017	As At March 31, 2016
	Rupees	Rupees
(Long Term Unquoted, at cost) Equity Shares in Companies		
(a) Krisani Innovations Private Limited (7,500 Equity Shares of 10/- Each)	75,000	75,000
	75,000	75,000

NOTE NO: 9- INVENTORIES:

PARTICULARS	As At March 31, 2017	As At March 31, 2016
	Rupees	Rupees
(a) Stores and consumables	13,033	95,233
	13,033	95,233

NOTE NO: 10 - CASH AND BANK BALANCES:

PARTICULARS	As At March 31, 2017	As At March 31, 2016
	Rupees	Rupees
(a)Cash and cash equivalent		
(i) In Deposit Accounts		-
(ii) In Current Accounts	34,328	174,826
(iii)Cash on hand	1,432	11,612
(b) Other bank balances	-	-
	35,760	186,438

KRISANI BIO SCIENCES PRIVATE LIMITED
Notes to accounts

NOTE NO: 11 - EMPLOYEE BENEFITS EXPENSE:

PARTICULARS	Year Ended March 31, 2017	Year Ended March 31, 2016
	Rupees	Rupees
Salaries, wages and other benefits	1,606,180	2,660,762
Workmen and staff welfare expenses	35,266	36,587
	1,641,446	2,697,349

NOTE NO: 12 - FINANCE COSTS

PARTICULARS	Year Ended March 31, 2017	Year Ended March 31, 2016
	Rupees	Rupees
Bank Charges	345	5,427
Interest - on others	-	9,039
	345	14,466

NOTE NO: 13 - OTHER EXPENSES

PARTICULARS	Year Ended March 31, 2017	Year Ended March 31, 2016
	Rupees	Rupees
Rent	300,000	300,000
Rates and Taxes	31,175	17,200
Office Maintainence	55,841	63,227
Printing and Stationery	22,824	24,198
Business promotion expenses	-	21,772
Repairs & maintenance	24,650	56,471
Travelling and Conveyance expenses	126,100	167,058
Communication expenses	110,394	109,733
Audit Fee	8,625	8,550
Electricity charges	93,055	77,431
Seminar and Membership expenses	59,766	44,483
Postage & Courier	14,864	9,474
Investment written off	-	1,109,845
Consultancy Charges	23,000	58,320
Insurance Charges	-	11,428
	870,294	2,079,190

KRISANI BIO SCIENCES PRIVATE LIMITED

Notes to accounts

14. Paise have been rounded off to the nearest rupee.

15. Previous year figures have been re grouped, reclassified and recast wherever necessary to conform to current year's classification.

16. There are no dues to Micro, Small or Medium size enterprises as on 31st March, 2017.

17. Auditors' Remuneration:

Particulars	2016-17 Rupees	2015-16 Rupees
Audit Fee	8,625	8,550
	-----	-----
Total	8,625	8,550
	=====	=====

18. Components of Deferred Tax Assets and Deferred Tax Liabilities:

PARTICULARS	As at 31-03-2017 Deferred Tax (Asset)/Liability (Rupees)	As at 31-03-2016 Deferred Tax (Asset)/Liability (Rupees)
Difference between book depreciation and tax depreciation	2,73,531	4,50,097
Carry forward losses*	(28,46,885)	(1,02,52,037)
Others	(4,36,083)	(4,36,083)
	-----	-----
Net Deferred Tax (Asset) / Liability	(30,09,437)	(1,02,38,023)
Less: Net Deferred Tax (Asset) / Liability at the beginning of the year	(1,02,38,023)	(87,46,501)
	-----	-----
Net incremental (Asset) / liability	72,28,586	(14,91,522)
	=====	=====

* During the year there has been a change in share holding in the company for more than 50%. Hence, losses before than change can't carry forward as per the provisions of the Income Tax Act, 1961.

KRISANI BIO SCIENCES PRIVATE LIMITED
Notes to accounts

19. Earnings Per Share:

Number of shares used in computing earnings per share

	As at 31-03-2017 (Face value of Rs.10 /- each)	As at 31-03-2016 (Face value of Rs.10 /- each)
Number of shares considered as weighted average shares for calculation of Basic and diluted Earnings per Share	1,14,33,200	1,14,33,200

20. Related party transactions as per Accounting Standard-18 is as follows:

a) Details of related parties:

Name of the Related Party	Nature of Relationship
PC Products India Ltd	Holding Company
K. Krishnam Raju	Director
K.S.V.Kumari	Director
Shwetha R Anthapur	Company Secretary

b) Transactions with related parties:

Name of the related Party	Nature of Transaction	2016-17 Rupees	2015-16 Rupees
K. Krishnam Raju	Remuneration	24,00,000	36,00,000
	Long Term loan taken	1,21,25,000	1,03,89,985
	Long Term loan repaid	10,00,000	---
	Rent expenses	1,50,000	1,50,000
K.S.V.Kumari	Rent expenses	1,50,000	1,50,000
	Long Term loan taken	15,55,000	30,50,000
Shwetha R Anthapur	Salary paid	1,80,000	1,80,000

KRISANI BIO SCIENCES PRIVATE LIMITED
Notes to accounts

c) Outstanding Balances with related parties:

Name of the related Party	Nature of Transaction	2016-17 Rupees	2015-16 Rupees
K. Krishnam Raju	Remuneration Payable	-	10,92,850 Cr
	Long term loan taken	5,63,09,985 Cr	4,51,84,985 Cr
	Rent payable	50,000Cr	75,000 Cr
K.S.V.Kumari	Rent payable	50,000Cr	75,000 Cr
	Long term loan taken	87,00,000 Cr	71,45,000 Cr
Shwetha R Anthapur	Salary payable	15,000 Cr	15,000 Cr

21. Disclosure on specified bank notes (SBNs):

The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification defined in the MCA notification G.S.R. 308(E) dated 30th March, 2017 are given below:

Particulars	SBNs*	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	--	12,917	12,917
(+) Permitted receipts	--	88,000	88,000
(-) Permitted payments	--	(91,390)	(91,390)
(-) Amount deposited in Banks	--	--	--
Closing cash in hand as on 30.12.2016	--	9,527	9,527

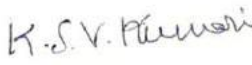
*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016."

As per our report of even date
for Visweswara Rao & Associates
Chartered Accountants
Firm Registration No: 005774S


(Mahidhar S. G.)
Partner
Membership No. 216463


(K. Krishnam Raju)
Director
DIN: 00874650

on behalf of the board
for Krisani Bio Sciences Private Limited


(K.S.V. Kumari)
Director
DIN: 01870825


(Shwetha R Anthapur)
Company Secretary
Membership No. A31416

Place: Hyderabad
Date: 03-05-2016

KRISANI BIO SCIENCES PRIVATE LIMITED
Notes to accounts

c) Outstanding Balances with related parties:

Name of the related Party	Nature of Transaction	2016-17 Rupees	2015-16 Rupees
K. Krishnam Raju	Remuneration Payable	-	10,92,850 Cr
	Long term loan taken	5,63,09,985 Cr	4,51,84,985 Cr
	Rent payable	50,000Cr	75,000 Cr
K.S.V.Kumari	Rent payable	50,000Cr	75,000 Cr
	Long term loan taken	87,00,000 Cr	71,45,000 Cr
Shwetha R Anthapur	Salary payable	15,000 Cr	15,000 Cr

21. Disclosure on specified bank notes (SBNs):

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(-) Permitted payments	--	(91,390)	(91,390)
(-) Amount deposited in Banks	--	--	--
Closing cash in hand as on 30.12.2016	--	9,527	9,527

*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016."


As per our report of even date
for Visweswara Rao & Associates
Chartered Accountants
Firm Registration No. 0057745


(Mahidhar S.G)
Partner
Membership No. 216463




(K. Krishnam Raju)
Director
DIN: 00874650

on behalf of the board
for Krisani Bio Sciences Private Limited


(K.S.V. Kumari)
Director
DIN: 01870825


(Shwetha R Anthapur)
Company Secretary
Membership No. A31416

Place: Hyderabad
Date: 03-05-2016