

OCTTANTIS NOBEL LABS PVT LTD.,

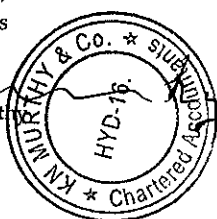
Balance Sheet as at 31st March, 2014

Particulars	Note No	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	2,30,00,000	2,50,000
(b) Reserves and Surplus	2	(5,89,51,716)	(4,75,96,227)
© Share application money		-	2,27,50,000
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	13,78,67,251	9,26,25,430
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions	4	-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	3,11,58,344
(b) Trade payables		69,43,058	1,00,18,172
(c) Other current liabilities	5	2,07,751	3,50,745
(d) Short-term provisions	6	26,89,738	31,77,581
Total		11,17,56,082	11,27,34,045
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7 & 8	66,87,046	66,87,046
Less : Depreciation		8,80,586	4,91,908
(ii) Intangible assets	7 & 8	58,06,460	61,95,138
Less : Depreciation		3,97,818	3,97,818
(iii) Capital work-in-progress		2,12,692	1,33,128
(iv) Intangible assets under development	7 & 8	1,85,126	2,64,690
(b) Non-current investments		7,75,38,949	7,75,38,949
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets	9	29,55,833	19,93,834
(f) Long term deposits		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	10	20,53,335	58,90,067
(c) Trade receivables	11	1,78,70,791	1,55,59,984
(d) Cash and cash equivalents	12	129	9,868
(e) Other bank balances	12	3,95,721	74,471
(e) Short-term loans and advances	13	49,49,737	52,07,044
(f) Other current assets		-	-
Total		11,17,56,082	11,27,34,045

AS PER OUR REPORT OF EVEN DATE

For K N Murthy & Co.,
Chartered Accountants
Firm No. 0068235

KSVL Narasimha Murthy
Partner
M.No. 203849



Place : Hyderabad

Date : 01/08/2014

For OCTTANTIS NOBEL LABS PVT. LTD.
For OCTTANTIS NOBEL LABS PVT. LTD.

Director

Director
Director

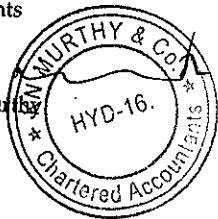
Profit and Loss statement for the year ended 31st March, 2014

Particulars	Note No	Year Ending 31-03-2014	Year Ending 31-03-2013
		Rs.	Rs.
I. Revenue from operations	14	80,98,088	3,03,72,397
II. Other Income	15	7,820	-
III. Total Revenue (I + II)		81,05,908	3,03,72,397
IV. Expenses:			
Cost of materials consumed		6,28,287	1,40,71,950
Changes in inventories of Finished goods, WIP and Stock-in-Trade		38,36,732	35,71,417
Employee benefit expense	16	74,17,348	2,53,45,506
Financial costs	17	25,79,410	39,46,558
Depreciation and amortization expense		4,68,241	4,31,458
Other expenses		45,31,379	1,47,20,128
Total Expenses	18	1,94,61,397	6,20,87,017
V. Profit before exceptional and extraordinary items and tax (III - IV)		(1,13,55,489)	(3,17,14,620)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(1,13,55,489)	(3,17,14,620)
VIII. Extraordinary Items		-	-
IX. Profit Before Tax (VII - VIII)		(1,13,55,489)	(3,17,14,620)
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from Continuing Operations (VII - VIII)		(1,13,55,489)	(3,17,14,620)
XII. Profit/(Loss) from Discontinuing Operations		-	-
XIII. Tax expense of Discounting Operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		(1,13,55,489)	(3,17,14,620)
XVI. Earning per equity share:			
(1) Basic			
(2) Diluted			

AS PER OUR REPORT OF EVEN DATE

For K N Murthy & Co.,
Chartered Accountants
Firm No. 0068235

KSVL Narasimha Murthy
Partner
M.No. 203849



Place : Hyderabad

Date :

01/08/2014

For OCTTANTIS NOBEL LABS PVT LTD.,
For OCTTANTIS NOBEL LABS PVT. LTD.

Director

Director

OCTTANTIS NOBEL LABS PVT LTD.,

NOTES TO BALANCE SHEET

NOTE NO. 1 : SHARE CAPITAL

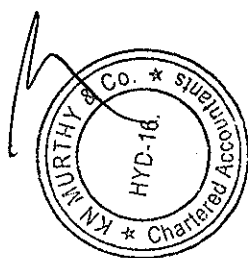
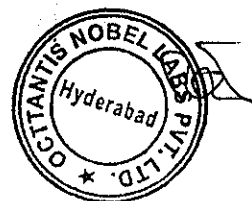
S.No.	Particulars	No. of Shares	As on 31-03-2014	No. of Shares	As on 31-03-2013
			Rs.		Rs.
a	Share Capital (For each class of capital)				
	(a) Authorised	2500000	2,50,00,000		50,00,000
	(b) Issued and paid up	2300000	2,30,00,000		2,50,000
b	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period		-		-
			-		-

Reconciliation of the number of Equity shares Outstanding is set out below

S. No.	Particulars	As on 31/03/2014 Numbers	As on 31/03/2013 Numbers
i	Shares outstanding at the beginning of the year		25,000
ii	Shares issued during the year	25,000	-
iii	Shares outstanding at the end of the year	22,75,000	25,000
		23,00,000	

The details of shareholders Holding more than 5 percent Equity shares is set out below

S. No.	Particulars	As on 31/03/2014		As on 31/03/2013	
		No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
i	VIVIMED LABS LIMITED	23,00,000	100%	25,000	100%

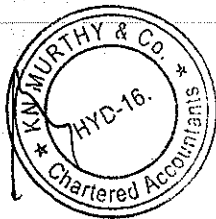
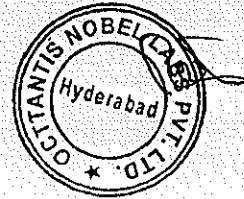


OCTTANTIS NOBEL LABS PVT LTD.,

NOTES TO BALANCE SHEET

NOTE NO. 2 : RESERVES AND SURPLUS

S. No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	RESERVES AND SURPLUS		
	a) Capital reserve	-	-
	b) Capital Redemption reserve	-	-
	c) Securities premium reserve	-	-
	d) Debenture redemption reserve	-	-
	e) Revaluation reserve	-	-
	f) Share options outstanding account	-	-
	g) Other Reserves	-	-
	h) Surplus :	-	-
	i) Profit and Loss account opening balance	(4,75,96,227)	(1,58,81,607)
	Add : Loss for the year	(1,13,55,489)	(3,17,14,620)
	iii) Bonus shares	-	-
	iv) Transfer to/from reserves.	-	-
II	A Reserve specifically represented by earmarked investments	-	-
III	Negative balance of reserves and surplus account	-	-
	Total Reserves and Surplus	(5,89,51,716)	(4,75,96,227)



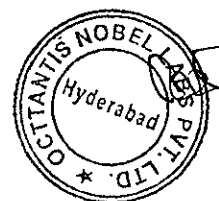
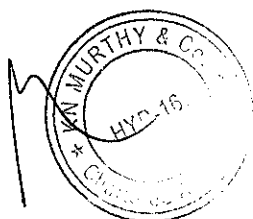
OCTTANTIS NOBEL LABS PVT LTD.,

NOTE NO. 3 : LONG TERM BORROWINGS

S.No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	Long Term borrowings		
	a) Bonds/debentures	-	-
	b) Term loans/CC Limits		
	- From banks	-	-
	- from other parties	-	-
	c) Deffered payment liabilities	-	-
	d) Security deposit taken from Jyothirmoy	-	10,00,000
	Un Secured Loans		
	e) Loans and advances from related parties (Holding Company)	10,98,06,814	9,16,25,430
	f) Loans and advances from : Klar Sehen Pvt Ltd.,	2,37,00,437	
	Creative Health Care Pvt Ltd.,	35,00,000	
	Actavis Pharma Mfg	8,60,000	
	f) loan term maturities of finance lease obligations	-	-
	g) other loans and advances	-	-
	Total Long Term Borrowings	13,78,67,251	9,26,25,430

NOTE NO. 4 : SHORT TERM BORROWINGS.

S.No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	Short term borrowings		
	a) Loans repayable on demand:		
	- from banks	-	3,11,58,344
	- from other parties	-	-
	b) Loans and advances from other parties	-	-
	c) Loans and advances from Related parties	-	-
	d) Deposits.	-	-
	f) Other loans and advances	-	-
	Total Short Term Borrowings	-	3,11,58,344



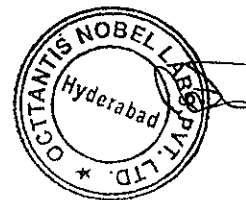
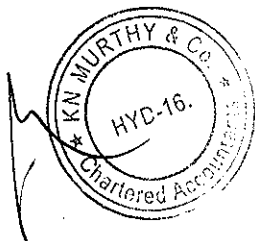
OCTTANTIS NOBEL LABS PVT LTD.,

NOTE NO. 5 : OTHER CURRENT LIABILITES

S.No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	a) Current maturities of long term debt	-	-
	b) Current maturities of finance lease obligation	-	-
	c) interest accrued but not due on borrowings	-	-
	d) Interest accrued and due on borrowings.	-	-
	e) Income received in advance.	-	-
	f) Unpaid dividend.	-	-
	g) Application money due for refund and interest on the same.	-	-
	h) Unpaid matured deposits and interest accrued thereon.	-	-
	i) Unpaid matured debentures and interest accrued thereon.	-	-
	j) Other Payables - VIVIMED LABS - Haridwar	1,94,926	2,97,978
	- Ankur Sharma	12,825	-
	k) Interest Payable	-	52,767
	Total Other Current Liabilites	2,07,751	3,50,745

NOTE NO. 6 : SHORT TERM PROVISIONS

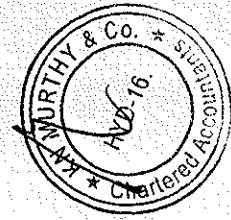
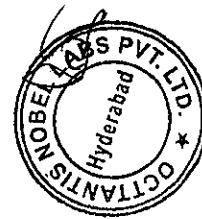
S.No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	a) Provisions for employee benefits	16,35,627	10,21,935
	b) Others		
	TDS payable	38,208	86,632
	Outstanding Liabilities (Brake up given in sheet no. 1)	10,15,903	20,69,014
	Other Liabilities (Brake up given in sheet no. 1)	-	-
	Total Short Term Provisions	26,89,738	31,77,581



OCTANTIS NOBEL LABS PVT LTD.,

NOTE NO 7 & 8: TANGIBLE & INTANGIBLE ASSETS AS AT 31-03-2014

Sl. No.	Particulars	%	Gross Block			As on 31.03.2014	Depreciation/Amortization				Net Block as on 31.03.2014	Net Block as on 31.03.2013
			As on 01.04.2013	Additions during the year	Additions through Business acquisitions		Sale / Deletions during the year	Dep As on 01.04.2013	Dep. For the year 2013-14	Impairment Loss/ Reversal		
1	LAND		-	-	-	-	-	-	-	-	-	-
2	BUILDING		-	-	-	-	-	-	-	-	-	-
3	PLANT & MACHINERY	4.75	-	-	-	-	-	-	-	-	-	-
4	ELECTRICAL EQUIPMENT		-	-	-	-	-	-	-	-	-	-
5	LABORATORY EQUIPMENT		-	-	-	-	-	-	-	-	-	-
6	OFFICE EQUIPMENT	4.75	60,67,123	-	-	60,67,123	4,05,277	2,88,188	-	6,93,465	53,79,688	
7	COMPUTERS	16.21	6,19,923	-	-	6,19,923	86,631	1,00,490	-	1,87,121	4,32,802	
8	FURNITURE		-	-	-	-	-	-	-	-	-	-
9	VEHICLES		66,87,046	-	-	66,87,046	4,91,908	3,88,678	-	8,80,586	58,06,460	
10	INTANGIBLE FIXED ASSETS		-	-	-	-	-	-	-	-	-	-
	BRANDS/ TRADE MARKS	5 years	3,97,818	-	-	3,97,818	1,33,128	79,564	-	2,12,692	1,85,126	
	GOODWILL		-	-	-	-	-	-	-	-	-	-
	PATENTS/COPY RIGHTS		-	-	-	-	-	-	-	-	-	-
			3,97,818	-	-	3,97,818	1,33,128	79,564	-	2,12,692	1,85,126	
11	CAPITAL WORK IN PROGRESS		7,75,38,949	-	-	7,75,38,949	-	-	-	-	7,75,38,949	
			7,75,38,949	-	-	7,75,38,949	-	-	-	-	7,75,38,949	
	TOTAL		8,46,23,813	-	-	8,46,23,813	6,25,036	4,68,241	-	10,93,277	8,35,30,536	
	PREVIOUS YEAR		66,07,964	7,80,15,849	-	8,46,23,813	1,93,578	4,31,453	-	6,25,036	8,39,98,777	



OCTTANTIS NOBEL LABS PVT LTD.,

NOTE NO. 9 : OTHER NON - CURRENT ASSETS

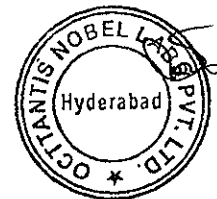
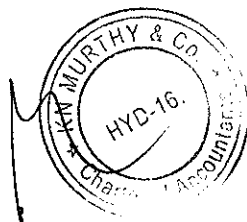
S. No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	Long term Trade Receivables	-	-
II	Others (Advance given to Octtans Nutra)	19,39,655	19,39,655
	Advance given to Octtantis Factory	9,78,752	-
	Other advances given to suppliers	37,426	54,179
	Total Other Non - Current Assets	29,55,833	19,93,834

NOTE NO. 10 : INVENTORIES

S. No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	Inventories :		
	a) Raw materials	-	-
	b) Work - in - progress	-	-
	c) finished goods - Opening Stock	-	-
	d) Closing stock as on 31st March 14	20,53,335	35,71,417
	e) stores and spares	-	-
	f) Loose tools	-	-
	g) Others	-	-
	Total Inventories	20,53,335	35,71,417.00

NOTE NO. 11 : TRADE RECEIVABLES

S. No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	a) Outstanding more than 6 months	-	-
	b) Outstanding less than 6 months	1,78,70,791	1,55,59,984
	Total Trade Receivables	1,78,70,791	1,55,59,984



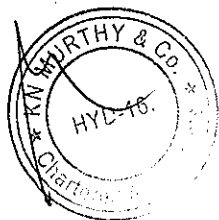
OCTTANTIS NOBEL LABS PVT LTD.,

NOTE NO. 12 : CASH AND CASH EQUIVALENTS

S. No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	Cash and cash equivalents :		
	a) Balances with banks :	-	-
	1) Unpaid Dividend	-	-
	2) Margin Money	-	-
	3) Bank deposits with more than 12 months maturity	-	-
	b) Cheques, draft on hand	129	9,868
	c) Cash on hand	61,330	61,330
	Balances with SBH - Current Account	41,525	13,141
	Balances with AXIS - Current Account	2,92,866	-
	Balances with YES Bank - CC Account		
	Total Cash and Cash Equivalents	3,95,850	84,339

NOTE NO. 13 : SHORT TERM LOANS AND ADVANCES

S. No.	Particulars	As on 31-03-2014	As on 31-03-2013
		Rs.	Rs.
I	a) Loans and advances to related parties	-	-
	b) others	-	-
	Advance given Hezen Inc	47,99,336	47,99,336
	Advance given Hezen Inc (against supplies)	-	-
	CRM advance given	-	-
	Deposit with Sales Tax	25,000	25,000
	Deposit for Depot at Haridwar	-	50,000
	Employee Advance	1,25,401	1,21,472
	Prepaid Expenses	-	11,236
	Packing Material Deposit with Zaneke Health Care	-	2,00,000
		-	-
	Total Short Term Loans and Advances	49,49,737	52,07,044



OCTANTIS NOBEL LABS PVT LTD.,

NOTES TO STATEMENT OF PROFIT & LOSS

NOTE NO. 14 : REVENUE FROM OPERATIONS

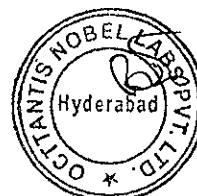
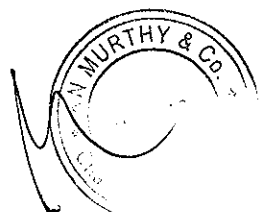
S.No.	Particulars	Year Ended 31-03-2014	Year Ended 31-03-2013
		Rs.	Rs.
(i)	Revenue from operations in respect of non-finance company		
	(a) Sale of Products	83,44,525	4,09,66,697
	(b) Sale of Services	-	-
	(c) Other Operating Revenues	-	-
	Less: Sales Returns	2,46,437	1,05,94,300
		80,98,088	3,03,72,397
(ii)	Revenue from operations in respect of Finance company		
	(a) Interest	-	-
	(b) Other Financial Services	-	-
		-	-
	Notes:		
	Total Revenue from Operations	80,98,088	3,03,72,397

NOTE NO. 15 : OTHER INCOME

S.No.	Particulars	Year Ended 31-03-2014	Year Ended 31-03-2013
		Rs.	Rs.
I	(a) Interest income (Other than a finance company)	-	-
	(b)(i) Dividend from subsidiary companies	-	-
	(ii) Dividend Income	-	-
	(c) Net Gain/Loss on sale of Investments	-	-
	(d) Other non-operating income (net of expenses directly attributed to such income)	7,820.00	-
	(e) Adjustments to the carrying value of investments (Write-back)	-	-
	(f) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	-	-
	(g) Lease amount	-	-
	Total Other Income	7,820.00	-

NOTE NO. 16 : EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	Year Ended 31-03-2014	Year Ended 31-03-2013
		Rs.	Rs.
I	(a) Salaries & Wages	68,03,656	2,32,95,721
	(b) Contribution to Provident & Other Funds	6,13,692	20,49,785
	(c) Expenses on employee stock option scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-	-
	(d) Staff Welfare Expenses	-	-
	Notes :		
	Total Employee Benefit Expenses	74,17,348	2,53,45,506

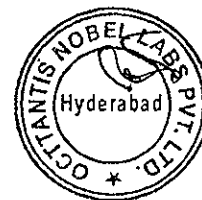
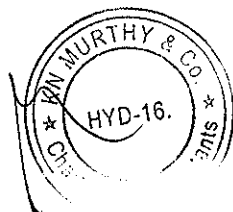


NOTE NO. 17 : FINANCE COST

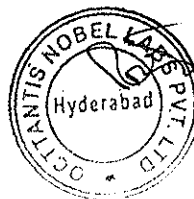
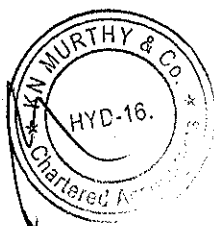
S.No.	Particulars	Year Ended 31-03-2014	Year Ended 31-03-2013
		Rs.	Rs.
I	(a) Interest Expenses	25,79,410	38,93,791
	(b) Other Borrowing costs	-	52,767
	(c) Applicable net gain/loss on foreign currency translations & transactions	-	-
	Total Finance Cost	25,79,410	39,46,558

NOTE NO. 18 : OTHER EXPENSES

S.No.	Particulars	Year Ended 31-03-2014	Year Ended 31-03-2013
		Rs.	Rs.
I	(a) Consumption of Stores & Spares	-	-
	(b) Power & Fuel	13,940	1,01,350
	(c) Rent	2,70,836	15,50,202
	(d) CRM Expenditure	8,134	23,04,786
	(e) Courier charges	7,021	11,212
	(f) Insurance	40,742	57,252
	(g) Rates & Taxes (excluding Income Tax)	-	7,500
	(h) Miscellaneous Expenditure	91,137	5,89,079
	(i) Security	19,655	2,73,862
	(j) Business Development Expenditure	4,91,374	17,54,555
	(k) Commission paid to Consignee Agents & Taxes	12,97,575	50,85,849
	(l) Discount	-	-
	(m) Freight Outward	2,11,544	13,72,075
	(n) Travelling Expenses	59,106	12,17,686
	(o) Printing and Stationery	604	39,457
	(p) Bank charges	15,093	5,698
	(q) Telephones, Internet & Courier charges	89,974	2,61,565
	(r) Professional Charges	-	20,000
	(s) VAT Disallowed	-	-
	(t) Field Staff Expenses	18,64,644	-
	(u) Payment to Auditors:	-	-
	(i) As Auditor	50,000	68,000
	Notes:	-	-
	(o)(i) The aggregate, if material, of any amounts set aside, to provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance sheet is made up	-	-
	(ii) The aggregate, if material of any amounts withdrawn from such reserves.	-	-
	(p)(i) The aggregate, if material of the amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments.	-	-
	(ii) The aggregate if material of the amounts withdrawn from such provisions, as no longer required	-	-
	Total Other Expenses	45,31,379	1,47,20,128



EXPENDITURE DETAILS	AMOUNT	RS
Salaries		
Salaries	68,03,656	
Field Staff Expenses		68,03,656
Mics., Expenditure		
Computer Maintenance	6,500	
Local conveyance	41,830	
General Charges	42,807	
		91,137
Business Development Expenditure		
Business Development Expenditure	4,91,374	
Incentive	-	4,91,374
Commission, Taxes & Freight paid to Consignee Agents		
Commission	4,00,675	
Freight and Taxes	8,96,900	12,97,575
Telephones, Internet and Courier Charges		
Telephones	13,081	
Internet Charges	16,215	
Cloud Server charges	60,678	89,974



KN Murthy & Co
Chartered Accountants

A-418, Majestic Mansion, Shyamlal Buildings, Begumpet, Hyderabad-500016
Phone : 040-27761185, Email: knmurthy_gv@yahoo.co.in

Independent Auditor's Opinion

To the Members of Octtantis Nobel Labs Private Limited

Report on the financial statements

We have audited the accompanying financial statements of **Octtantis Nobel Labs Private Limited**, which comprise the Balance Sheet as at 31st March 2014, and the statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

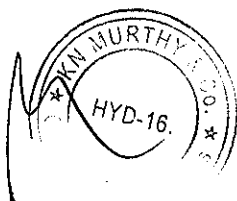
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performances of the Company in accordance with accounting principles generally accepted in India including accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of 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 conducted our auditing in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

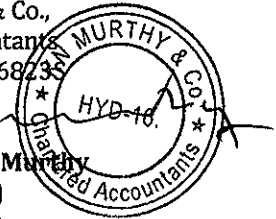
2. As required by Section 227(3) of the Act, we report that :

- a) We have 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 appears from our examination of those books.
- c) The Balance Sheet and Statement of Profit and Loss Statements dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

Place : Hyderabad
Date : August 01, 2014

For KN Murthy & Co.,
Chartered Accountants
Firm Regn. No. 0068238

KSVL Narasimha Murthy
(Proprietor)
M.No.203849



Annexure referred to in paragraph 1 under the heading "Report on Other legal and regulatory requirements" of our report on even date

Re: Octantis Nobel Labs Private Limited

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) We are informed that the management of the Company has physically verified during the year all its fixed assets and no material discrepancies were noticed on such verification.

(c) The Company has not disposed of its fixed assets so as to affect the going concern status.

(ii) According to the information & explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence reporting under clause-4 (iii) (b) to (g) of the Companies (Auditor's Report) Order 2003 does not arise.

(iii) The Company has taken unsecured loans from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 amounting to Rs. 10,98,06,814 from Vivimed Labs Ltd., Rs. 2,37,00,437 from Klar Sehen Pvt Ltd., Rs. 35,00,000 from Creative health Care Pvt Ltd., and Rs. 8,60,000 from Actavis Pharma Manufacturing Pvt Ltd.,

(iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business, for the purchase of fixed assets and for collection of toll. In our opinion, and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.

(v) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contract or arrangements referred to in section 301 of the Act, have been entered in the register required to be maintained under the section.

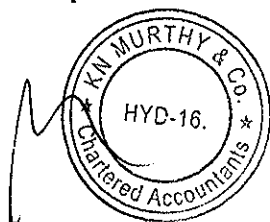
(v)(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (v)(a) above and exceeding the value of Rs 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) The Company has not accepted deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act 1956. Hence Clause 4 (vi) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.

(vii) In our Opinion, the Company has an internal audit system commensurate with its size and nature of its business.

(viii) The Central Government has not prescribed for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the company.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues, Income tax, and other statutory dues during the year with the appropriate authorities. As at 31st March 2014, Rs. 10,21,935/- outstanding is to be payable to Provident Fund account. Other than this there is no undisputed statutory dues payable for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us, there are no dues which have not been deposited on account of any dispute of income tax and cess.

(x) The accumulated losses of Rs. 1,13,55,489/- brought forward from previous year. The Company has accumulated losses of Rs. 5,89,51,716/- at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xi) The Company has not defaulted in repayment of dues to any banks or financial institutions.

(xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures.

(xv) The Company has given the corporate guarantee to Axis Bank for its holding company.

(xvi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

(xvii) According to the information and explanation given to us, the Company has not raised funds on short term basis. Hence, the provisions of

clause 4 (xvii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the year.

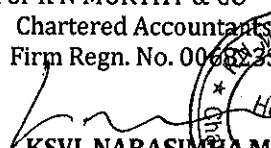
(xix) The Company has not issued debentures during the year. Accordingly, no security or charge needs to be created.

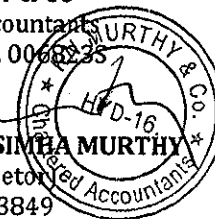
(xx) The Company has not raised any money by public issue during the year.

(xxi) During the course of our examination of the books and the records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by management.

Place: Hyderabad
Date: August 01, 2014

For K N MURTHY & CO
Chartered Accountants
Firm Regn. No. 0068835


KSVL NARASIMHA MURTHY
(Proprietor)
M.No.203849



OCTTANTIS NOBEL LABS PRIVATE LIMITED

ACCOUNTING POLICIES & NOTES FORMING PART OF FINANCIAL STATEMENTS:

1. SIGNIFICANT ACCOUNTING POLICIES:

2.1 BASICS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared under the historical cost convention as a going concern on accrual basis and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) comprising the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

2.2 GENERAL:

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting policies.

2.3 USE OF ACCOUNTING ESTIMATES:

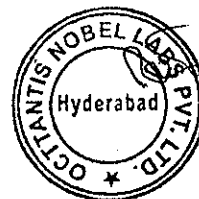
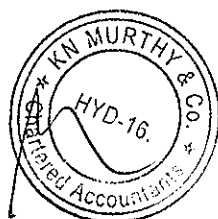
The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize

2.4 FIXED ASSETS:

Fixed Assets are stated at their cost less accumulated depreciation. Cost includes freight, duties, taxes and other incidental expenses relating to acquisition and installation.

2.5 DEPRECIATION:

Depreciation on fixed assets is provided on Written down Value Method as per the classification and at the rates specified in Schedule XIV to the Companies Act, 1956.



2.6 IMPAIRMENT OF ASSETS:

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets..

2.7 INVENTORIES:

- a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- c) The company has maintained proper records of its inventories. The discrepancies noticed on verification between physical and the book records were not material.

2.8 EMPLOYEE BENEFITS:

Defined contribution Plans:

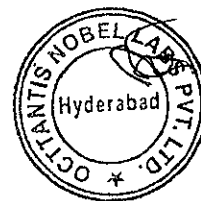
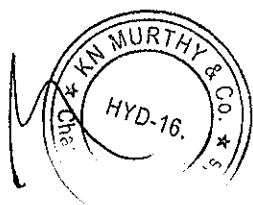
Provident Fund: Contribution to Provident Fund is made at the prescribed rates to the employees Provident Fund Scheme by Central Government and is charged to the statement of profit and loss.

State Plans: Employer's contribution to employee's state insurance is charged to statement of profit & loss.

2.9 RECOGNITION OF INCOME & EXPENDITURE:

Income and expenses are recognized on accrual basis and provision is made for all known losses and liabilities.

Revenue from business is recognized when the amounts received from concern.



2.10 BORROWING COST:

Borrowing costs attributable to acquisition and construction of a qualifying asset are capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to the profit and loss account.

2.10 FOREGIN EXCHANGE TRANSACTIONS:

There are no foreign exchange transactions during the year.

2.11 TAXES ON INCOME:

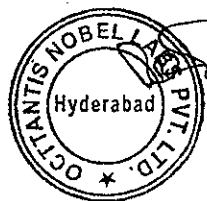
Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

2.12 PROVISIONS & CONTINGENT LIABILITIES:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

2.13 MISCELLANEOUS EXPENDITURE:

Preliminary expenses are written off over the period of 5 years starting from the First Year of commercial operations.

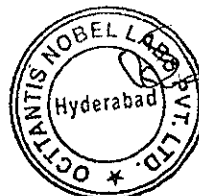
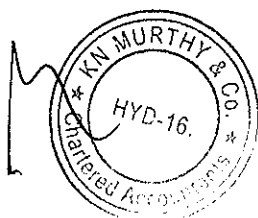


B: NOTES FORMING PART OF ACCOUNTS

1. All amounts in the financial statements are presented in Rupees except as otherwise stated.
2. As per the available information with the Company, there are no dues to micro, small and medium scale undertakings, exceeding sixty days as on the balance sheet.
3. Contingent Liabilities and commitments are nil.
4. Information as required to be disclosed under Schedule VI of companies Act, 1956 with reference to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) as given in Note as given in Note .8 are determined to the extent such parties have been identified on the basis of information available with the company and relied on by the auditors.
5. In the opinion of the Board, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business not less than the amount at which they are stated.
6. Information on employee benefits as required under accounting standard 15(revised):

Particulars	2013-2014	2012-2013
Defined Contribution Plans:		
Contribution to Provident Fund & ESI	16,35,627	10,21,935

7. Segment Reporting: The Company is running only one Trading Business of Pharmaceuticals so segment reporting is not applicable.
8. Transactions with related parties as per Register of Contract u/s 301
In our opinion and according to the information and explanations given to us, the company has not made any transactions with parties for purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 5,00,000 or more in respect of each party.
9. Earnings Per Share (EPS). The numerator and denominator used to calculate Earnings Per Share:



Particulars	2013-2014	2012-2013
A. Earnings		
Profit/Loss attributable to Equity Share Holders (Rs.)	(1,13,55,489)	(3,17,14,620)
B. No. of Shares		
Number of Equity Shares outstanding during the year	23,00,000	25,000
C. Earnings Per Share		
Earnings/Loss Per Share of Par Value – Basic	-4.94	-1268.58

12. Provision for Taxation :

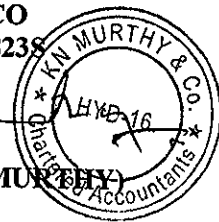
- The provision for taxation is made based on an estimate of assessable income determined by the Company under the Income Tax Act, 1961.
- The Company estimates the deferred tax charge/(Credit) using the rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year.

13. Auditors Remuneration

Particulars	(Rs. In Lakhs)	
	Period ended 31.03.2014	Period ended 31.03.2013
Statutory Auditors Remuneration:		
Audit Fees	0.40	0.40
Tax Audit Fees	0.05	0.05
Taxation / Other Services	0.00	0.00
Service tax	0.05	0.05
Total	0.50	0.50

As per our report of even date
For K N MURTHY & CO
Firm Reg. No. 0068238

(KSVL NARASIMHA MURTHY)
Proprietor
Membership No: 203849



for and on behalf of the Board
OCTTANTIS NOBEL LABS PVT LTD.
For OCTTANTIS NOBEL LABS PVT. LTD.

Director

Director
Director

Place: Hyderabad.
Date: 01-08-2014