

# **Sandor**

Life Sciences Pvt. Ltd.

"erstwhile SANDOR PROTEOMICS PVT LTD"

Corporate Identity No : U85110TG2004PTC043672

8-2-326/5, 2nd Floor, Plot No. 1,

Road No. 3, Banjara Hills,

Hyderabad - 500 034, INDIA

Tel : 040-2335 7048, 2335 4824

Fax : 040-2335 7046

Email : info@sandorco.in

Website : www.sandor.co.in

## NOTICE

**NOTICE** is hereby given that the 10<sup>th</sup> Annual General Meeting of the Members of M/s. Sandor Life Sciences Private Limited (formerly Sandor Proteomics Private Limited) will be held on Monday, the 29<sup>th</sup> day of September 2014 at 11:00 A.M. at the registered office of the Company at # 8-2-326/5, 2nd Floor, Plot No.1, Road No.3, Banjara Hills, Hyderabad-34, Telangana to transact the following:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31<sup>st</sup> March 2014 and Balance Sheet as on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint auditors and to fix their remuneration:

To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. K. N. Murthy & Co., Chartered Accountants (FRN: 006823S), Hyderabad, who retires at the conclusion of this Annual General Meeting (AGM), be and are hereby appointed as statutory auditors of the company from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the company to be held in the year 2019 (subject to ratification of their appointment at every AGM to be held during the period), at such remuneration plus taxes and out of pocket expenses, if any as may be mutually agreed between the Board of Directors and Auditors."

Place: Mumbai

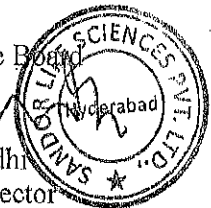
Date: 02.09.2014

By Order of the Board



Rajeev Sindhi  
Managing Director

DIN: 00184701



### NOTES:

1. A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxies in order to be effective must be filed with the Company at its registered office not later than forty-eight hours before the meeting.

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## DIRECTORS' REPORT

The Members of the Company,

Your Directors presents the 10<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March 2014.

### FINANCIAL RESULT & REVIEW OF OPERATIONS

Rs. in lakhs

Particulars for the year	2013-14	2012-13
Income from operations	8,99.78	11,67.86
Other income	39.75	30.31
Total Income	939.53	1198.17
Total Expenses	11,30.83	11,58.79
Depreciation	45.61	50.87
Finance cost	91.17	56.69
Profit/(Loss) before tax	(1,91.29)	39.38
Deffered Tax (Asset)	2.28	0.00
Profit/(Loss) after tax	(1,89.01)	39.38

The Company closed its FY 2013-14 with a revenue of Rs. 8.99 Cr with a net loss of Rs. 1.89 Cr and recorded a fall in total revenue substantially. The loss was also due to the huge investment being made in Plexision Inc., a wholly owned subsidiary of the company and the investments in development of new tests.

The Company had also changed its place of operation from the existing lab to the new premises owned by Sandor Medicaids Pvt. Ltd. (SMPL) which was a far better facility and close to the existing facility. DSIR approval also received with the new address.

The Company also tied up with SMPL to offer company services on the LC MS MS equipment that was procured by SMPL for the purpose. This will help in improving our offerings to the various scientists and also reduce dependence on other institutes which are used by us for outsourcing our work.

The Company has also launched many new tests including Karyotyping of neonates and prenatals. This has helped the company improve its revenues from diagnostic services which should touch about Rs. 3.5 Cr in the forthcoming FY.

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## **INVESTMENTS ABROAD**

The Company is making investment abroad in Plexision Inc. USA. The financial year of the said company ended on 31.12.2013 and the financial statements and other documents to the extent relevant and applicable are attached to the balance sheet of the Company.

The total investment made in Plexision Inc. was \$105,000 as equity and about \$674060.16. as loan. Due to the sudden change in policy by the RBI SLSPL could no longer invest any more money in Plexision Inc. and hence new investors had to be sought. Rajeev Sindhi, Managing Director of the Company and Gunjan Sindhi relative of Managing Director started investing from their personal sources into the company and as on 31.12.2013 invested about \$66000 Further investments will be now made from other investors since the limit on investment by Indian national was utilized till FY 2014-15. The assay being developed by Plexision Inc. was finally approved by the US FDA in the month of September and commercial sales also started in July 2014. The first transplant centre to come on Board was UPMC, Children's Hospital and the second centre was Children's Hospital, Cincinnati. Aggressive efforts are being made now to get funding from a Private Equity investor for Plexision in the US so that the pressure on Indian operations to fund the growth is reduced.

Auditors report and information given in notes to accounts forming part of financial statements for the year ending on 31.03.2014 are self explanatory and do not call for further explanation. The Board shall strengthen and ensure all applicable statutory compliances. There was no other major change in the activities of the company having impact on its financial status or its performance.

## **DIVIDEND**

The Board does not recommend any dividend for the year.

## **DEPOSITS**

The Company has not accepted any deposits from the public during the year in terms of provisions of section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules 1975.

## **DIRECTORS**

There was no change on the Board during the year under review.

# **Sandor**

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## **COMPLIANCE CERTIFICATE**

Pursuant to the provisions of section 383A of the Companies Act, 1956 the Company has obtained the Compliance Certificate from a Company Secretary in Practice.

## **AUDITORS**

M/s. K. N. Murthy & Co., Chartered Accountants present auditors of the Company retires at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Pursuant to Section 139 (1) of the Companies Act, 2013, it is proposed to appoint the auditors from the conclusion of this ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in 2019.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.**

The particulars as prescribed under sub-section (1) (e) of section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988, required to be disclosed and as applicable to the company are as follows:

### **Conservation of Energy:**

The Company is making its best efforts to conserve energy wherever possible. The disclosure in form A of the said rules is not applicable to the company.

### **R & D, Technical Absorption, adoption and innovation:**

Research & Development Expenditure: Rs. 22,07,808/-

Other details applicable to the company are as per annexure Form B annexed herewith.

### **Foreign Exchange**

Earnings : Rs. 59,14,264.00

Expenditure /outflow : Rs. 5,86,88,952.00

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Particulars	2013-14 Amount in Rs.	2012-13 Amount in Rs.
<b>A. Details of earning in foreign exchange</b>		
Interest and dividend	Nil	1728594
Other income	59,14,264	44996406
<b>Total Earning in Foreign Exchange</b>	<b>59,14,264</b>	<b>4,67,25,000</b>
<b>B. Details of expenditure in foreign exchange</b>		
Import of goods calculated on CIF basis:		
(i) raw material	4,01,99,681	6,07,23,543
(ii) component and spare parts	186,344	Nil
(iii) capital goods	8,61,282	Nil
Expenditure on account of other matters	74,19,454	15,60,307
<b>C. Investment Out flow (Plexision)</b>	<b>1,00,22,191</b>	
<b>Total Expenditure /outflow in foreign exchange</b>	<b>5,86,88,952</b>	<b>6,22,83,850</b>

## PARTICULARS OF EMPLOYEES

During the year under review, there were no employees drawing remuneration more than the limits prescribed as per the provisions of Sec 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217 (2A) of the Companies Act, 1956 your Directors hereby state that

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March 2014 and of the loss of the company for the year under review.
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
- the annual accounts are prepared for the year ended 31<sup>st</sup> March 2014 on a going concern basis.

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## ACKNOWLEDGEMENTS

The Directors take this opportunity to express their gratitude for the support from the Company's Bankers and various authorities and agencies of State and Central Government and wish to place on record the appreciation for the continued trust and confidence reposed in the operations of the Company by its members and employees of the Company.

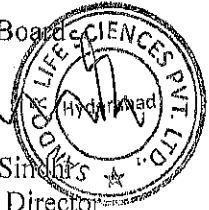
Place: Mumbai

Date: 02.09.2014

For and on behalf of the Board

M. S. Hingorani  
Chairman  
DIN: 00021284

Rajeev Srinivas  
Managing Director  
DIN: 00184701



Suresh Dhawan  
Director  
DIN: 01175807

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## Annexure to Directors' Report 2014

### FORM B

Form for disclosure of particulars with respect to absorption

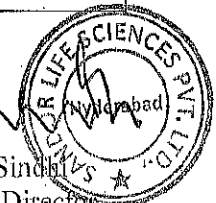
Research and development (R&D)	FY 2013-14
1. Specific areas in which R& D carried out by the company	During the year company has incurred Rs. 22.08 Lacs towards revenue expenditure towards New test initiation costs
2. Benefits derived from as a result of the above R&D	New tests like NBS, Molecular tests based on sequencing have increased our revenues substantially and will also help grow the business further
3. Future plan of action	Increase offerings for patients with different tests
4. Expenditure on R&D	
(a) Capital	--
(b) Recurring/ Revenue	Rs. 22,07,808/-
(c) Total	Rs. 22,07,808/-
(d) Total R&D expenditure as a percentage of total expenditure	1.91 %
<b>Technology Absorption, adoption and innovation</b>	
1. Efforts, in brief, made towards technology absorption, adoption and innovation.	N.A.
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	N.A.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	N.A.
(a) Technology imported.	N.A.
(b) Year of import	N.A.
(c) Has technology been fully absorbed?	N.A.
(d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action.	N.A.

For and on behalf of the Board

Place: Mumbai  
Date: 02.09.2014

M. S. Hingorani  
Chairman  
DIN: 00021284

Rajeev Sindhi  
Managing Director  
DIN: 00184701



Suresh Dhawan  
Director  
DIN: 01175807

**SANDOR PROTEOMICS PRIVATE LIMITED**  
8-2-326/5, Plot No.1, Road No.3, Banjara Hills, Hyderabad - 500034  
Balance Sheet as at 31st March 2014

	Note	As At 31st March, 2014 (Rupees)	As At March, 2013 (Rupees)
<b>I EQUITY AND LIABILITIES</b>			
1 Shareholders Funds			
a) Share Capital	1	32,264,290	32,264,290
b) Reserves & Surplus	2	(22,461,674)	(3,539,767)
2 Non- Current Liabilities			
a) Long-term borrowings	3	123,835,886	75,187,410
b) Deferred Tax Liability	4	-	7,380
c) Other long term liabilities	5	2,371,754	2,546,423
3 Current Liabilities			
a) Short-term borrowings	6	7,848,178	-
b) Trade payables	7	6,424,034	20,350,778
c) Other current liabilities	8	2,549,484	4,328,999
d) Short term provisions	9	3,397,050	2,729,434
<b>TOTAL</b>		<b>156,329,002</b>	<b>133,834,967</b>
<b>II ASSETS</b>			
1 Non - current assets			
a) Fixed assets	10		
Tangible assets		18,712,773	21,712,876
Intangible assets		233,138	-
b) Non-current investments	11	5,140,700	5,140,700
c) Long term Loans & Advances	12	38,710,649	24,732,647
d) Deferred Tax Assets (Net)	13	220,703	-
2. Current assets			
a) Inventories	20	18,233,323	23,193,498
b) Trade Receivables	14	43,906,500	34,025,627
c) Cash and cash equivalents	15	1,212,576	713,492
d) Short- term loans and advances	16	12,200,918	7,489,662
3. Miscellaneous Expenditure (to the extent not written off or adjusted)	17	17,737,718	16,844,466
<b>Total</b>		<b>156,329,002</b>	<b>133,834,967</b>
Accounting Policies & Notes on Accounts	25		

As per our report of even date for K.N.Murthy & Co Chartered Accountants Firm No. 8066235

K.S.V.L. Nandisinha Murthy  
Proprietor  
Mem No. 203849

Place : Hyderabad  
Date : 02-09-2014

*M. S. Hingorani*  
M.S. Hingorani  
Chairman

*Suresh Dhawan*  
Suresh Dhawan  
Director

*Rajeev Sindi*  
Rajeev Sindi  
Managing Director

*Dr. Sabariah*  
Dr. Sabariah  
Director



**SANDOR PROTEOMICS PRIVATE LIMITED**  
8-2-326/5, Plot No.1, Road No.3, Banjara Hills, Hyderabad - 500034

Profit and Loss Account for the year ended 31st March 2014

	Note	As At 31st March,2014 (Rupees)	As At 31st March,2013 (Rupees)
<b>INCOME</b>			
Revenue from operations	18	89,977,776	116,736,248
Other Income	19	3,975,446	3,031,179
<b>Total Revenue (I + II)</b>		<b>93,953,222</b>	<b>119,817,427</b>
<b>EXPENDITURE</b>			
Operative Expenditure	20	58,516,075	64,633,876
Employee benefits expense	21	20,012,341	16,823,129
Finance Costs	22	9,117,707	5,669,025
Depreciation	10	4,561,572	5,087,296
Amortisation of Preoperative Expenses	17	1,294,556	1,128,303
Other expenses	23	19,380,963	22,517,745
<b>Total Expenses</b>		<b>113,083,214</b>	<b>115,879,374</b>
<b>Profit / ( Loss) before Tax</b>		<b>(19,129,992)</b>	<b>3,938,053</b>
Deferred Tax(Asset)	24	228,085	
<b>Profit / (Loss) For the Period</b>		<b>(18,901,907)</b>	<b>3,938,053</b>


As per our report of even date  
for K.N.Murthy & Co  
Chartered Accountants  
Firm No.0068233



K.S.V.L. Narasimha Murthy  
Proprietor  
Mem No. 203849

  
M.S. Hingorani  
Chairman

  
Suresh Dhawan  
Director

  
Rajeev Sindhi  
Managing Director

Dr. Sahariah  
Director

Place : Hyderabad  
Date : 02-09-2014

**SANDOR PROTEOMICS PRIVATE LIMITED**

**NOTE FORMING PART OF THE ACCOUNTS**

	As At March 2014 (Rupees)	As At March, 2013 (Rupees)
<b>NOTE - 1</b>		
<b>SHARE CAPITAL</b>		
Authorised Capital		
3,134,000 (3,134,000) Equity Shares of Rs. 10/- each	31,340,000	31,340,000
266,000 (266,000) 10% Redeemable Cumulative Preference Shares of Rs. 10/- each	2,660,000	2,660,000
	<b>34,000,000</b>	<b>34,000,000</b>
Issued, Subscribed and Paid-up Capital		
2,960,429 (2,960,429) Equity Shares of Rs. 10/- each fully paid -up	29,604,290	29,604,290
2,66,000 (2,66,000) Redeemable Cumulative Preference Shares of Rs. 10/- each	2,660,000	2,660,000
	-	-
<b>Total</b>	<b>32,264,290</b>	<b>32,264,290</b>
<b>NOTE - 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
Profit & Loss Account		
At the commencement of the year	(3,559,767)	(7,497,820)
Add : Balance transferred from Profit & Loss Account	(18,901,907)	3,938,053
<b>Total</b>	<b>(22,461,674)</b>	<b>(3,559,767)</b>
<b>NOTE - 3</b>		
<b>LONG TERM BORROWINGS</b>		
Loans from Director (Rajeev Sindhi)	111,469,316	62,468,908
SP Infrastructure	8,475,521	8,527,453
S P Biosciences Pvt. Ltd.,	1,191,049	1,191,049
Loans from Govt Authorities (BCIL)	2,700,000	3,000,000
<b>Total</b>	<b>123,835,886</b>	<b>75,187,410</b>
<b>NOTE - 4</b>		
Deferred Tax Liability	-	7,380
	-	7,380
<b>NOTE - 5</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Plexision - Advance	2,371,754	2,546,423
	2,371,754	2,546,423

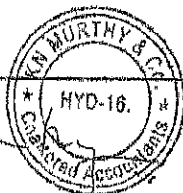


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NOTE FORMING PART OF THE ACCOUNTS

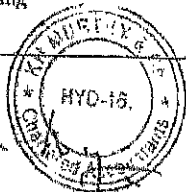
	As At March, 2014 (Rupees)	As At March, 2013 (Rupees)
<b>NOTE - 6</b>		
<b>SHORT TERM BORROWINGS</b>		
SBI Cash credit account	7,848,178	
<b>TOTAL</b>	<b>7,848,178</b>	<b>0.00</b>
<b>NOTE - 7</b>		
<b>TRADE PAYABLES</b>		
i) The names of the Small Scale Industrial Undertakings to whom the Company owe a sum exceeding Rs. 1 lakh which is outstanding for more than 30 days		
ii) Total outstanding dues of Small Scale Industrial Undertakings	1,039,332	2,143,366
iii) Total outstanding dues of creditors other than (ii)	5,384,702	18,207,412
	<b>6,424,034</b>	<b>20,350,778</b>
<b>NOTE - 8</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Advance recd from Clients	907,633	1,918,658
Other Liabilities	1,741,852	2,410,341
	<b>2,649,484</b>	<b>4,328,999</b>
<b>NOTE - 9</b>		
<b>SHORT TERM PROVISIONS</b>		
Statutory Dues	1,481,901	984,980
Salaries Payable	1,497,879	1,563,589
Expenses payable to Staff	38,070	
Professional charges payable	238,500	
Provisions for Expenses	140,700	180,885
	<b>3,397,050</b>	<b>2,729,454</b>
<b>NOTE - 11</b>		
<b>NON-CURRENT INVESTMENTS</b>		
Investment - Plexision Inc., (105000 Shares @ .30 Centa each)	5,140,700	5,140,700
	<b>5,140,700</b>	<b>5,140,700</b>
<b>NOTE - 12</b>		
<b>LONG TERM LOANS &amp; ADVANCES</b>		
Loan - PLEXISION	38,710,649	24,732,647
	<b>38,710,649</b>	<b>24,732,647</b>
<b>NOTE - 13</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
Opening Deferred Tax (Liability)	(7,380)	
Less: Deferred Tax (Asset) of current year	2,28,085	
	<b>220,705</b>	
	<b>220,705</b>	
<b>NOTE - 14</b>		
<b>TRADE RECEIVABLES</b>		
A. Receivables from Clients For More Than Six Months	12,460,152	7,632,562
B. Receivables from Debtors For Less Than Six Months	31,446,348	26,393,065
<b>TOTAL (A+B)</b>	<b>43,906,500</b>	<b>34,025,627</b>



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NOTE FORMING PART OF THE ACCOUNTS

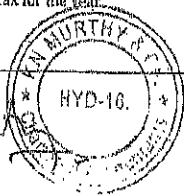
	As At March, 2014 (Rupees)	As At March, 2013 (Rupees)
<b>NOTE - 15</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash in Hand	856,914	80,929
Balance with Bank	385,661	632,562
<b>Total</b>	<b>1,242,575</b>	<b>713,491</b>
<b>NOTE - 16</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
Deposits	4,491,040	4,366,054
Advances paid to Creditors	2,306,354	425,502
Advances to Staff	1,015,884	170,797
Other Short Term Loans	14,583	-
Service Tax Input	487,792	26,364
Advances for which value to be received (TDS)	3,885,260	2,500,945
<b>Total</b>	<b>12,200,918</b>	<b>7,489,662</b>
<b>NOTE - 17</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
<b>Preliminary &amp; Pre-operative Expenses</b>		
Balance as at the beginning of the year	16,844,466	11,901,977
Less : Charge to the P&L A/c	1,294,556	1,128,303
	15,549,910	10,773,674
Add: Research Expenditure	3,207,808	6,070,792
<b>Total</b>	<b>17,757,718</b>	<b>16,844,466</b>
<b>NOTE - 18</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sales (Testing Charges) Income	83,683,848	110,409,199
Grant From ICMR	-	785,372
Man Power	5,920,493	5,290,648
Bench Fees	373,435	300,829
<b>Total</b>	<b>89,977,776</b>	<b>116,786,248</b>
<b>NOTE - 19</b>		
<b>OTHER INCOME</b>		
Interest Received	3,975,446	2,339,718
Sundry Balances Written Back	-	691,461
	<b>3,975,446</b>	<b>3,031,179</b>
<b>NOTE - 20</b>		
<b>OPERATIVE EXPENDITURE</b>		
<b>Consumables-</b>		
Opening Stock	23,195,498	17,294,049
Add : Purchased during the year net of discounts	33,435,474	60,758,379
	56,650,972	78,052,428
Less : Closing Stock	18,233,325	23,195,498
Consumables used in operations / testing	38,417,647	54,856,930
Clearing & Forwarding-Commission	142,644	47,201
Clearing & Forwarding-Refundment	77,335	124,129
Freight Charges	-	83,722
Delivery Order Fees	48,830	158,258
Customs Duty & Commission	1,216,679	2,952,667
Testing Charges	18,208,574	5,658,665
Packing & Forwarding	404,366	402,364
<b>Total</b>	<b>58,516,075</b>	<b>64,853,876</b>



*[Handwritten signatures and initials]*

NOTE FORMING PART OF THE ACCOUNTS

	As At March, 2014 (Rupees)	As At March, 2013 (Rupees)
<b>NOTE - 21</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries	19,685,847	16,578,838
PF Administration Charges	44,548	33,916
Staff Welfare Expenses	66,946	59,273
Bonus/Incentives	215,000	130,000
	<b>20,012,341</b>	<b>(16,802,027)</b>
<b>NOTE - 22</b>		
<b>FINANCE COST</b>		
Interest on lds	89,036	85,894
Interest Paid	8,622,257	4,736,707
Interest on term loans	160,812	-
Bank Charges	245,002	846,424
	<b>9,117,107</b>	<b>5,669,025</b>
<b>NOTE - 23</b>		
<b>OTHER EXPENSES</b>		
<b>Administration &amp; Establishment Expenses</b>		
Exchange Currency Fluctuation A/c	2,311,634	1,383,691
Conveyance	787,461	776,632
Concierge Charges	1,323,440	1,491,933
Electricity and Fuel Charges	1,997,479	1,856,763
General Expenses	158,326	83,404
Labour Charges	1,000	-
Travelling, Lodging & Boarding Exp.	404,866	565,168
Insurances	117,985	109,728
Computer maintenance	21,130	34,360
Computer peripherals & accessories	203,300	206,209
Printer Maintenance	35,919	42,311
Tender Fees	5,093	5,500
Miscellaneous Expenses	19,749	23,218
Sundry Balances Written Off	22,300	2,762,844
Office Expenses	118,081	170,996
Postage Expenses	14,811	6,940
Printing & Stationery	269,039	247,883
Professional Charges	3,432,108	2,977,253
Profession Tax	5,000	2,560
Internet Access Charges	149,313	261,364
Rates & Taxes	91,982	186,299
Rent and Maintenance	2,781,282	1,546,312
Nabl Expenses	47,979	-
Discount Allowed/Other Charges	761	17,423
Annual Meeting Expenses	17,605	42,228
Repairs & Maintenance	149,913	221,104
Lab Room expenses	163,642	107,337
Director's remuneration	1,200,000	1,200,000
Subscription Fee	20,500	10,955
Audit fee	45,000	45,000
Annual Maintenance charges	310,421	3,084,306
Security Charges	100,286	70,910
Vehicle Maintenance	4,400	3,150
Sav/ps Tax Expenses	329,989	638,538
Telephone Charges	204,301	273,580
Transportation	192,064	53,146
<b>Total (A)</b>	<b>17,078,393</b>	<b>20,750,492</b>
Sales Promotion Expenses		
Advertisement Expenses	248,749	72,000
Business Promotion	22,650	31,294
Conference Fees	974,711	309,720
Travelling Fee	26,500	37,250
Sales Commission	49,988	285,398
Membership Fee	7,923	33,708
Travelling Expenses	1,132,260	992,893
<b>Total (B)</b>	<b>3,502,573</b>	<b>1,767,853</b>
<b>Total (A+B)</b>	<b>20,580,966</b>	<b>22,518,345</b>
<b>NOTE - 24</b>		
<b>Deferred Tax (Asset)</b>		
Deferred Tax for the year	228,083	-
	<b>228,083</b>	

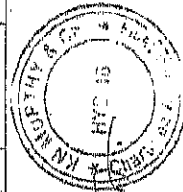


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SANDOR PROTEOMICS PRIVATE LIMITED

NOTE - 10

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK			
	ROI	As at 1.4.2013 Rs.	Additions Rs.	Deductions Rs.	As at 31.3.2014 Rs.	As at 31.3.2013 Rs.	For the Year Rs.	Deductions / Adjustments	As at 31.3.2014 Rs.	As at 31.3.2013 Rs.	As at 31.3.2012 Rs.
Land											
Improvement to leased premises	18.15%	1,249,812	-		1,249,812	799,311	81,504		480,815	368,797	549,818
Plant & Machinery	15.62%	196,875	-		196,875	105,144	14,328		319,472	77,403	108,712
Lab Equipments	20.00%	43,443,993	557,379		44,001,372	27,025,636	3,310,101		30,335,737	13,665,635	19,057,983
Metabolic Equipments	20.00%	1,110,297	110,250	15,000	1,205,547	700,272	93,018		793,290	412,257	498,177
Stoves	40.00%	20,882	-		20,882	12,823	3,294		16,047	4,835	2,416
Air conditioners/Refrigerators	13.91%	3,681,239	-		3,081,239	795,524	317,943		1,113,467	1,967,772	1,731,062
Computers & Printers	40.00%	2,821,410	374,770		3,196,180	2,159,382	367,681		2,527,063	649,117	601,169
Office Equipment	20.00%	762,230	45,178		807,598	319,451	91,156		410,607	396,791	553,461
Furniture & Fixtures	18.10%	2,693,202	84,950		2,778,152	1,749,311	172,193		1,921,504	856,648	943,891
Computer Software	40.00%		337,080		337,080		43,562		43,562	293,518	-
Intangible Assets											
Technical Knowhow	25.04%		300,000		300,000		66,862		66,862	233,138	-
Total		55,370,730	1,809,607	15,000	57,174,337	33,666,854	4,561,572	-	38,228,426	18,945,911	24,236,690



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**Note No.25 : Notes on Accounts for the year ended 31<sup>st</sup> March, 2014**

**I Significant Accounting Policies**

**(a) Accounting Convention & Basis of preparation of Financial Statements**

The accounts are prepared on historical cost convention and materially complies with the Accounting Standards issued by the Institute of Chartered Accountants of India.

**(b) Use of Estimates**

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

**(c) Fixed Assets**

Expenditure which are of capital nature capitalized at cost, which comprises purchase price (net of rebates and discounts), duties, levies and any directly attributable costs of bringing the assets to its working condition for the intended use.

**(d) Depreciation on Fixed Assets**

Depreciation on Fixed Assets has been provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956. Depreciation on additions and deletions to the assets during the year is provided on pro-rata basis.

**(e) Investments**

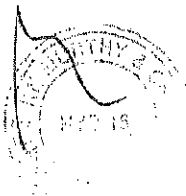
Current investments are stated at cost. Adjustment towards appreciation/diminution in the market value/intrinsic value of these investments are made at the time of redemption/disposal.

**(f) Inventory**

Inventory (consummables) are valued at cost price only.

**(g) Income Recognition**

Revenues from operations like testing/laboratory services are recognized on completion of particular test. Revenues from Intellectual property (IP) and licensing of the same is recognized on milestone receipts and other related royalty/license receipts and same are recognized in the year of receipt.



**(h) Foreign currency transactions**

Transactions in foreign currency are recorded at the applicable rates of exchange in force at the time of transaction effected. At the year end, monetary items denominated in foreign currency are reported using the closing rate of exchange. Exchange difference arising as realization/payment of foreign exchange are accounted in the year of realization/payment.

**(i) Employee Retirement Benefits**

Company's contribution to Provident Fund is charged to the Profit & Loss Account of the year when the contribution to the fund made.

**II. Notes to Accounts**


- a) During the year, the company has written off 10% of Pre-operative expenses.
- b) The balance under the head Loans, Advances and Deposits, Sundry Creditors & Debtors are shown as per books of accounts and are subject to confirmation and reconciliation, if any.
- c) Payment to Auditors :-

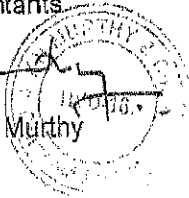
	2013-14	2012-13
Audit Fee	Rs. 45,000	Rs. 45,000


- d) Figures of the previous year have been regrouped/recast wherever necessary to make them comparable with current year figures.
- e) The Company had invested in M/s. Plexision Inc., an Equity of Rs 51,40,700 in the form of 105000 shares of .30 cents each which have been issued and also a Debt of Rs,3,87,10,649 also provided as at 31/03/2014
- f) The Company name has been changed as Sandor LifeSciences Pvt Ltd w.e.f 04/04/2014

As per our report of even date

For K.N.Murthy & Co  
Chartered Accountants

  
KSVL Narasimha Murthy  
Proprietor



  
Rajeev Sindhi  
Managing Director

Place : Hyderabad  
Date : 02.09.2014



**KN MURTHY & CO.**  
**Chartered Accountants**

A-418, Majestic Mansion, Shyamal Buildings, Begumpet, Hyderabad-500016  
Phone : 040-27761185, Email: [knmurthy\\_gv@yahoo.co.in](mailto:knmurthy_gv@yahoo.co.in)

**Independent Auditor's Opinion**  
**To the Members of Sandor Proteomics Private Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Sandor Proteomics Private Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit and Loss 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 Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the 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 the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

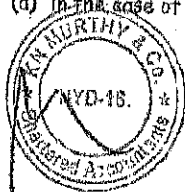
An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;



- (b) in the case of the Statement of Profit and Loss, of the of the Company for the year ended on that date, and

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the 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 purpose 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, Statement of Profit and Loss, 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, comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
  - (f) The Company name has been changed as Sander LifeSciences Pvt Ltd w.e.f 04/04/2014
  - (g) The Company had invested in M/s. Plexision Inc., an Equity of Rs 51,40,700 in the form of 108000 shares of ,30 cents each which have been issued and also a Debt of Rs,3,87,10,649 also provided as at 31/03/2014

For KN Murthy & Co  
Chartered Accountants  
Firm No. 0068235

KSVL Narasimha Murthy  
Proprietor  
Membership No 203849

Place : Hyderabad  
Date : 02-09-2014

**Annexure to the Auditors' Report**  
**Sandor Proteomics Private Limited for the year ended March 31, 2014)**

**(I) Fixed assets**

- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a regular programme of physical verification of its fixed assets by which fixed assets are verified once in a year. In accordance with this programme, all the fixed assets were verified during the year and no discrepancies were noticed on such verification have been revealed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) None of the fixed assets of the company have been disposed off during the year.

**(II) 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 stocks and the book records were not material.

**(III) Loans given / taken by the Company**

- (a) The Company has not granted loans, secured or unsecured, to bodies corporate, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 ('the Act').
- (b) The Company has unsecured loans from companies, firms or parties covered in the register maintained under section 301 of the Act amounting to Rs.111,469,316 Loan from Director, Rs. 8,475,521 from SP Infrastructure Pvt. Ltd and Rs. 1,191,049 from SP Biosciences Pvt. Ltd as on 31/03/2014. Accordingly, paragraphs 4(iii) (e) to 4(iii) (g) of the Order are not applicable.

**(IV) Internal control systems**

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets, purchase of inventory and sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.

**(V) 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

(vi) Deposits from the public

The Company has not accepted any deposits from the public.

(vii) Internal audit system

In our opinion, the Company has an internal audit system commensurate with the size of the company and nature of its business.

(viii) Cost records

To the best of our knowledge and according to the information and explanations given to us, the Central Government of India has not prescribed the maintenance of cost records under section 209(1) (d) of the Act for any of the products and services of the Company.

(ix) Undisputed / disputed statutory dues

(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.70606 /- to Provident Fund account, Rs. 9300/- of Profession Tax, Rs.1401995/- of TDS is outstanding to be payable. 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 disputed statutory dues as on the date of the Balance Sheet.

(x) Sick industry

The company has accumulated losses of Rs. 35,59,767 brought forward from previous year which forms part of the total loss as shown in the Balance Sheet.

(xi) Dues to financial institutions

The Company has Rs. 78,48,178/- outstanding due to State Bank of India and did not have any other dues to financial institution or debenture holders during the year.

(xii) Secured Loans and advances granted

In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) Chit fund, nidhi or mutual benefit company

In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/ society.



(xiv) Investment company

According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xv) Guarantees given by the company

According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) Term loans

The Company has a sum of Rs 27,00,000/- loan outstanding to BCIL at the end of the year.

(xvii) Short term funds

The Company has not raised any funds on short-term basis.

(xviii) Preferential issue

The company has not made any preferential allotment of shares to the parties and the companies covered in the register maintained under section 801 of the Companies Act, 1956 during the year.

(xix) Securities and debentures

The Company has not issued any debentures during the year.


(xx) End use of public issue funds

The Company has not raised any money by public issues during the year.

(xxi) Frauds

According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For KN Murthy & Co  
Chartered Accountants  
Firm No. 006823S

  
KSVL Narasimha Murthy  
Proprietor  
Membership No 203849



Place : Hyderabad  
Date : 02-09-2014