

Independent Auditor's Report

To
The Members of
CHEMSYNTH LABORATORIES PRIVATE LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Opinion

We have audited the accompanying Financial Statements of **M/s. Chemsynth Laboratories Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024 and its total loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis of Opinion

We conducted our audit of the financial statements in accordance with the standards on auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



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3. Information other than the Financial Statements and Auditors' Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

4. 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act.

The 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.

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

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



5. Auditor's Responsibility for the Audit of the Financial Statements

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

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

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

6. Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With regard to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act and



h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 have any impact on its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were having any material foreseeable losses; and

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

iv.

a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend has been declared or paid during the year by the company.

vi. Based on our examination, which include test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated through out the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.



As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place : Chennai

Date : 25.05.2024



For R. SUNDARARAMAN & CO.,
Chartered Accountants
(FRN: 004219S)

A handwritten signature in blue ink, appearing to read "Sriram", written over the printed name.

S. SRIRAM
Partner

Membership No : 202813
UDIN NO : 24202813BKAJYL5169

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements"
Section of our report of even date)**

- 1) In respect of fixed assets :
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) The title deeds of immovable properties are held in the name of the Company.
 - d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- 2) In respect of Inventory and Working Capital :
 - a) As explained to us, the Company does not hold any stock of inventory and therefore the provisions of clause ii(a) of the Order is not applicable.
 - b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause ii(b) of the Order is not applicable.
- 3) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLPs or any other parties during the year, and hence reporting under clause iii of the Order is not applicable.



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- 4) The Company has not granted any loans or made any investments, or provided any guarantees or securities and hence reporting under clause iv of the Order is not applicable.
- 5) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause v of the Order is not applicable.
- 6) The maintenance of the cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause vi of the Order is not applicable.
- 7) In respect of statutory dues :
 - a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess, goods and services tax and other material statutory dues applicable to it.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, custom duty, excise duty, goods and services tax and cess were in arrears, as at 31st March, 2024 for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, there are no amounts payable in respect of income tax, sales tax, custom duty, excise duty, goods and services tax and cess, which have not been deposited on account of any dispute.
- 8) According to the information and explanations provided to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- 9) The Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date and hence reporting under clause ix of the Order is not applicable.
- 10) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. The Company has also not made any preferential placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause x of the Order is not applicable.
- 11) In respect of Fraud and Whistle Blower Complaints :
 - a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.



- b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- 12) The Company is not a Nidhi Company and hence reporting under clause xii of the Order is not applicable.
- 13) In our opinion, the Company is in compliance with Sections 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- 14) The Turnover of the Company is less than Rs. 200 crores and the Company does not have any loans from Banks and Financial Institutions. Therefore, Internal Audit is not applicable to the Company under Section 138 of the Companies Act, 2013.
- 15) In our opinion, the Company has not entered in to any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause xvi (a), (b) and (c) of the Order is not applicable.
- 17) The Company has incurred cash losses in the financial year and the immediately preceding financial year. The cash losses for the current financial year is Rs. 1.33 Lakhs.
- 18) There has been no resignation of the Statutory Auditors of the Company during the year.
- 19) On the basis of the financial ratios, ageing and expected dated of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- 20) The provisions of clause xx of the Order with regard to obligations under Corporate Social Responsibility are not applicable to the Company.
- 21) The Company does not have any subsidiary or associate or joint venture and therefore consolidated financial statements are not prepared. Hence reporting under clause xxi of the Order with regard to consolidated financial statements are not applicable to the Company.

Place : Chennai

Date : 25.05.2024



For R. SUNDARARAMAN & CO.,
Chartered Accountants
(Firm Registration No : 004219S)

A handwritten signature in blue ink, appearing to read "S. SRIRAM".

S. SRIRAM
Partner

M. No : 202813

UDIN NO : 24202813BKAJYL5169

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

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 with reference to Financial Statements of **M/s. Chemsynth Laboratories Private Limited** ("the Company") as of March 31, 2024 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 with reference to Financial Statements 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. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements 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") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. 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 with reference to Financial Statements was established and maintained and if such controls operated effectively in all material aspects.

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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, 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 judgement, 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 with reference to Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal control with reference to Financial Statements 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.

Place : Chennai

Date : 25.05.2024



For R. SUNDARARAMAN & CO.,
Chartered Accountants
(Firm Registration No : 004219S)

S. SRIRAM
Partner

M. No : 202813
UDIN NO : 24202813BKAJYL5169

CHEMSYNTH LABORATORIES PRIVATE LIMITED
Balance Sheet as at March 31, 2024

Rs. In Thousands

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
A ASSETS			
I Non-current assets			
(a) Property, plant and equipment	2	65,982.08	65,982.08
Total Current Assets		65,982.08	65,982.08
II Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	3	21.94	21.94
(b) Other current assets	4	43.92	34.56
Total Current Assets		65.86	56.50
Total Assets		66,047.94	66,038.58
B EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	5	68,627.45	68,627.45
(b) Other Equity	6	(24,722.85)	(24,589.50)
Total Equity		43,904.60	44,037.95
II Liabilities			
I Non-current liabilities			
(a) Loan-liability	7	13,551.06	13,371.91
Current liabilities			
(a) Trade payables	8	30.00	30.00
(b) Other Current financial liabilities	9	8,562.28	8,562.28
(c) Other current liabilities	10	-	36.44
Total Current Liabilities		22,143.34	22,000.63
Total Equity and liabilities		66,047.94	66,038.58
See accompanying notes forming part of the Ind AS Financial Statements			

In terms of our report attached

For R. SUNDARARAMAN & CO

Chartered Accountants

Firm Reg No. 004219S

S. SRIRAM

Partner

Membership Number: 202813

Place : Chennai

Date : 25-05-2024



For and on behalf of the Board

Sd/-

Ramesh Swaminathan

Director

DIN: 08449996

Sd/-

M. Satish Kumar

Director

DIN: 08210524



CHEMSYNTH LABORATORIES PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March 2024

Rs. In Thousands

Particulars	Note No.	For the year April - March 2024	For the year April - March 2023
A Continuing Operations			
1 Revenue from operations		-	-
2 Other Income	11	-	31.63
2 Total Revenue		-	31.63
3 EXPENSES			
(a) Other expenses	12	133.35	49.20
(b) Finance costs	13	-	1,448.82
Total Expenses		133.35	1,498.02
4 Profit/(Loss) before exceptional items and tax (2 - 3)		(133.35)	(1,466.39)
5 Tax Expense			
(1) Current tax		-	-
(2) Deferred tax		-	25.08
Total tax expense		-	25.08
6 Profit for the year from continuing operations(4-5)		(133.35)	(1,491.47)
7 Other comprehensive income			
A (i) Items that will not be recycled to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that may be reclassified to profit or loss		-	-
(ii) Income tax on items that may be reclassified to profit or loss		-	-
8 Total comprehensive loss for the period (6+7)		(133.35)	(1,491.47)
9 Total comprehensive income for the period attributable to:			
Owners of the Company		-	-
Non controlling interests		-	-
10 Earnings per equity share (for continuing operation):			
(1) Basic		(0.02)	(0.22)
(2) Diluted		(0.02)	(0.22)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For R. SUNDARARAMAN & CO

Chartered Accountants

Firm Reg No. 004219S

S. Sriram

S. SRIRAM

Partner

Membership Number: 202813

Place : Chennai

Date : 25.05.2024.



For and on behalf of the Board

Sd/-

Ramesh Swaminathan

Director

DIN: 08449996

Sd/-

M. Satish Kumar

Director

DIN: 08210524



CIEMSYNTH LABORATORIES PRIVATE LIMITED**Cash flow statement for the year ended March 31, 2024****Rs. In Thousands**

Particulars	As at March 31, 2024	As at March 31, 2023
Cash flow from operating activities		
Profit before taxation	(133.35)	(1,491.47)
<i>Adjustments for:</i>		
Finance costs	-	1,448.82
Operating profit before working capital changes	(133.35)	(42.65)
<i>Adjustments for:</i>		
(Increase) / decrease in loans and advances	(9.36)	(8.64)
Increase / (decrease) in trade payables, other liabilities and provisions	(36.44)	1,271.95
(Increase) / decrease in Non Current Asset	-	-
Net cash flow from operating activities	(179.15)	1,220.66
Direct Taxes paid and others	-	25.08
Net cash from operating activities (A)	(179.15)	1,245.74
Cash flow from investing activities		
Purchase of fixed assets and changes in capital work-in-progress	-	-
Net cash used in investing activities (B)	-	-
Cash flow from financing activities		
Availment and repayment of borrowings	179.15	203.08
Interest and finance charges	-	(1,448.82)
Net cash from financing activities (C)	179.15	(1,245.74)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	-	-
Cash and cash equivalents at the beginning of the year	21.94	21.94
Cash and cash equivalents at the end of the year	21.94	21.94

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For R. SUNDARARAMAN & CO

Chartered Accountants

Firm Reg No. 004219S

S. SRIRAM

Partner

Membership Number: 202813

Place : Chennai

Date : 25.05.2024

**For and on behalf of the Board**

Sd/-

Ramesh Swaminathan

Director

DIN: 08449996

Sd/-

M. Satish Kumar

Director

DIN: 08210524



CHEMSYNTH LABORATORIES PRIVATE LIMITED
Statement of changes in equity

A. Equity share capital

Rs. In Thousands

Particulars	Amount
Balance as at March 31, 2022	68,627.45
Changes in equity share capital during the period	
- Issued during the year	-
Balance as at March 31, 2023	68,627.45
Changes in equity share capital during the year	
- Issued during the year	-
Balance as at March 31, 2024	68,627.45

B. Other equity

Particulars	Reserves and Surplus	Total equity attributable to equity holders of the company
	Retained earnings	
Balance as at March 31, 2022	(23,098.03)	(23,098.03)
Profit / (Loss) for the year	(1,491.47)	(1,491.47)
Balance as at March 31, 2023	(24,589.50)	(24,589.50)
Profit / (Loss) for the year	(133.35)	(133.35)
Balance as at March 31, 2024	(24,722.85)	(24,722.85)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For R. SUNDARARAMAN & CO

Chartered Accountants

Firm Reg No. 004219S

S. Sriram

S. SRIRAM

Partner

Membership Number: 202813



For and on behalf of the Board

Sd/-

Ramesh Swaminathan

Director

DIN: 08449996

Sd/-

M. Satish Kumar

Director

DIN: 08210524



Place : Chennai

Date : 25.06.2024

CHEMSYNTH LABORATORIES PRIVATE LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Note No. 2 Property, Plant and Equipment

Particulars	Rate	Gross Block				Depreciation				Net Block	
		As at	Additions	Disposal	As at	As at	For the year	Deletions	As at	As at	As at
		01 Apr 2023			31 Mar 2024	01 Apr 2023			31 Mar 2024	31 Mar 2024	31 Mar 2023
Tangible assets											
Land & Development	0.00%	65,982.08	-		65,982.08	-	-	-	-	65,982.08	65,982.08
Total		65,982.08	-	-	65,982.08	-	-	-	-	65,982.08	65,982.08
Previous year total		65,982.08	-	-	65,982.08	-	-	-	-	65,982.08	65,982.08



CHEMSYNTH LABORATORIES PRIVATE LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Note - 3: Cash and cash equivalents**Rs. In Thousands**

Particulars	As at March 31, 2024	As at March 31, 2023
Current Cash and bank balances		
Balance with banks:		
- In current account	21.94	21.94
Total cash and cash equivalent	21.94	21.94

Note - 4: Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Balances with government authorities:		
- GST credit receivable	43.92	34.56
Total other current assets	43.92	34.56



CHEMSYNTH LABORATORIES PRIVATE LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Note - 5: Equity share capital**Rs. In Thousands**

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
70,00,000 Equity shares of Rs. 10/- each with voting rights (March 31, 2023: 70,00,000 equity shares of Rs. 10/-)	70,000.00	70,000.00
	70,000.00	70,000.00
Issued, subscribed and fully paid-up		
68,62,745 Equity shares of Rs.10/- each with voting rights (March 31, 2023: 68,62,745 equity shares of Rs. 10/-)	68,627.45	68,627.45
Total	68,627.45	68,627.45

(i) Reconciliation of number of shares and amount outstanding

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Equity share capital	Number of Shares	Equity share capital
Equity share capital				
Equity share of Rs. 10/- each				
Opening balance	68,62,745	68,627.45	68,62,745	68,627.45
Issue of shares during the year	-	-	-	-
Closing balance	68,62,745	68,627.45	68,62,745	68,627.45

(ii) Detail of the rights, preferences and restrictions attaching to each class of shares outstanding equity shares of Rs. 10/- each:

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. Dividends proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the repayment of capital will be in the proportion to the number of equity shares held by the shareholders.

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	%	No. of Shares	%
Mr. Mohan Reddy Enaganuri	9,66,250	14.08%	9,66,250	14.08%
Mr. Vijender Medamoni	15,67,500	22.84%	15,67,500	22.84%
Mr. Pullinti Giridhara Gopal	9,66,250	14.08%	9,66,250	14.08%
Solara Active Pharma Sciences Limited	33,62,745	49.00%	33,62,745	49.00%
	68,62,745	100%	68,62,745	100%

Note - 6: Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Surplus in Statement of Profit and Loss		
Opening balance	(24,589.50)	(23,098.03)
Add: Profit/(loss) for the year	(133.35)	(1,491.47)
Closing balance	(24,722.85)	(24,589.50)
Total Other Equity	(24,722.85)	(24,589.50)



CHEMSYNTH LABORATORIES PRIVATE LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Note - 7: Loan - Liability

Rs. In Thousands

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured Loan		
Solara Active Pharma Sciences Limited	13,551.06	13,371.91
Rate of interest: Nil (PY- 10.9% p.a) repayable on demand		
Total other non-current liabilities	13,551.06	13,371.91

Note - 8: Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables:		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises	30.00	30.00
Total trade payables	30.00	30.00

Note - 9: Other Current financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Others:		
Interest Payable	8,562.28	8,562.28
Total other current financial liabilities	8,562.28	8,562.28

Note - 10: Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory remittances:		
TDS payable	-	36.44
Total other current liabilities	-	36.44



CHEMSYNTH LABORATORIES PRIVATE LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Note - 11: Other Income**Rs. In Thousands**

Particulars	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Liabilities/provisions no longer required written back	-	31.63
Total	-	31.63

Note - 12: Other expenses

Particulars	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Auditors remuneration (Refer i)	30.00	30.00
Professional fees	22.00	18.00
Rates & taxes	81.35	1.20
Total	133.35	49.20

(i) Payments to the statutory auditors of the company comprises

Particulars	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
- Audit of Standalone financial statements	30.00	30.00
Total	30.00	30.00

Note - 13: Finance cost

	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Interest	-	1,448.82
Total	-	1,448.82



M/s. Chemsynth Laboratories Private Limited
Notes to Financial Statements for the year ended 31.03.2024

1. Significant accounting policies:

a. Method of Accounting:

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013, Act") / Companies Act, 1956 ("the 1956, Act"), as applicable.

The company generally follows mercantile system of accounting and recognizes significant of income and expenditure on accrual basis.

b. Use of Accounting Estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires the company to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses during the period of account. Contingencies are recorded when it is probable that a liability will be incurred and the amount can be reasonably estimated. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

c. Fixed Assets:

Fixed assets are stated at cost, less accumulated depreciation and amortization. Direct costs inclusive of inward freight, duties and taxes and incidental expenses including interest relating to acquisition and cost of improvements thereon are capitalized until fixed assets are ready for use.

d. Revenue recognition:

Revenue from sale of goods is recognised when significant risks and rewards in respects of ownership of products are transferred to customers. Revenue is recognized on dispatch of products to the customers from factory premises or go downs. Revenue from sales is treated exclusive of returns and trade discounts.

e. Research and development:

Research and development costs are charged as an expense in the year in which they are incurred.

f. Employee benefits:

Defined Contribution Plan:

The number of employees employed by the company is less than statutory minimum; the company has not contributed any amounts towards provident fund.

Defined Benefit Plan:

No Gratuity was provided as none of the employees are eligible for gratuity as on the date of Balance sheet.



Other benefits:

Other long-term benefits are recognized on actual payment.

g. **Taxes on Income:**

Deferred tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods.

h. **Miscellaneous Expenditure:**

Miscellaneous expenditure is an incidental expense, not classified as manufacturing, selling, administrative, or general expense during the current period.

Note No. 9 – Other Current financial liabilities

The Company has not provided for Interest on Loan taken from Holding Company (Solara Active Pharma Science Limited) for FY 23-24. During the year, the Holding Company has made provision towards doubtful advances for the loan provided to the Company and has therefore not provided for interest in its books of accounts. Accordingly, no interest has been provided by the Company on the Loan taken from Holding Company.

In terms of our report attached

For R. SUNDARARAMAN & CO.

Chartered Accountants

Firm Reg No. 004219S



S. SRIRAM

Partner

Membership Number: 202813



For and on behalf of the Board

Sd/-

Ramesh Swaminathan

Director

DIN: 08449996

Sd/-

M. Satish Kumar

Director

DIN: 08210524

Place : Chennai

Date : 25.05.2024

