

NOTICE

(Pursuant to Section 101 of the Companies Act, 2013)

NOTICE is hereby given that the 12th (twelfth) **Annual General Meeting ("AGM")** of the Members of **R.L. Fine Chem Private Limited** will be held on **Wednesday, September 27, 2023 at 11:00 a.m. (IST)** at Registered Office of the Company, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, and reports of the Board of Directors and Auditors thereon

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

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended March 31, 2023, and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 and reports of Auditors thereon

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

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, and the report of Auditors, as circulated to the members, be and are hereby considered and adopted."

SPECIAL BUSINESS:

3. To ratify the remuneration payable to the Cost Auditors for financial year 2022-23

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

"RESOLVED THAT pursuant to the provision of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable taxes, conveyance and travelling and reimbursement of out of pocket expenses, payable to Mr. Vishwanath R Bhat, Proprietor of Vishwanath Bhat & Co., Cost Accountants (Membership No. 22986), appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records of the Company, for the financial year 2022-23, as approved by the Board of Directors, be and is hereby ratified and confirmed.

FURTHER RESOLVED THAT the Board of Directors of the Company, be and are hereby severally authorized to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Place: Bengaluru
Date: September 10, 2023

Registered Office:
#C-10, 1st Cross, KSSIDC Industrial Area, Yelahanka,
Bangalore – 560064, Karnataka
CIN: U24100KA2011PTC059846

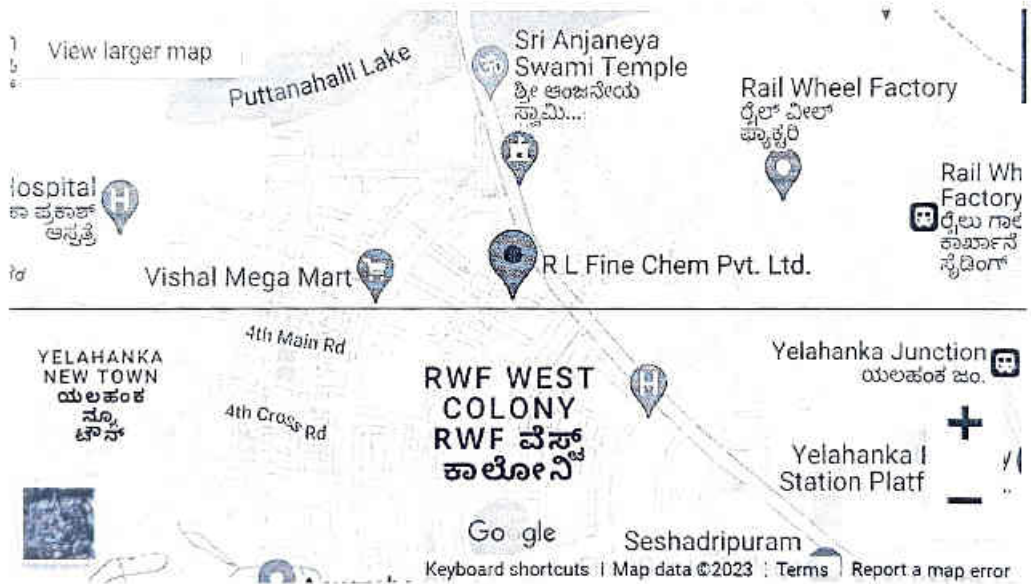
By Order of the Board
For R.L. Fine Chem Private Limited


C. Mahesha K M
Director
DIN: 09232951

Notes:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a member of the Company.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The instruments appointing proxy should reach the Registered Office of the Company at least 48 hours before the time fixed for the commencement of the meeting.
4. Members and Proxies should bring the attendance slip duly filled for attending the meeting.
5. All relevant documents referred in this Notice shall be open for inspection by the members at the Registered Office of the Company during the business hours on all working days up to the date of AGM.
6. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 and in accordance with the rules made there under, is annexed with this notice.
7. Members are requested to notify change in address, if any, immediately to the Company.
8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Notices, Circulars and other communications from the Company electronically.
9. Route map for the venue and prominent landmark is given herewith for easy location:

Route Map



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Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

The following statements sets out all the material facts relating to the item no.1 and 2 of the accompanying Notice dated September 10, 2023, for convening the Annual General Meeting of the Company (*Statement for item no.1 and 2 being ordinary business, not required under the Act, but provided as good governance practice*):

Item No. 1 & 2:

In terms of the provisions of Section 129 of the Companies Act 2013, the Company submits its audited standalone & consolidated financial statements for FY23 for adoption by members at the Annual General Meeting ("AGM").

The Board of Directors (the "Board"), in its meeting held on September 10, 2023, had approved audited standalone and consolidated financial statements for the financial year ended March 31, 2023. Detailed elucidations of the financial statements have been provided under various sections of the Annual Report, including the Board's Report.

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends resolutions set out at Item Nos. 1 & 2 for approval of the members of the Company as an ordinary resolution.

Item No. 3:

In accordance with the provisions of Section 148 of the Companies Act, 2013 ('Act') read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company at its meeting held on Mach 15, 2023, has approved the appointment Mr. Vishwanath R Bhat, Proprietor of Vishwanath Bhat & Co., Cost Accountants (Membership No. 22986) as the Cost Auditor of the Company, for the financial year 2022-23, for conducting the audit of the cost records of certain applicable businesses of the Company, at a remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses.

The remuneration payable to the Cost Auditor is required to be ratified by the members in annual general meeting every year.

Therefore, pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors Rules, 2014, as amended from time to time, approval of the member is being sought for ratification of remuneration of cost auditor by way of passing an ordinary resolution.

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends resolutions set out at Item Nos. 3 for approval of the members of the Company as an ordinary resolution.

Place: Bangalore
Date: September 10, 2023

Registered Office:
#C-10, 1st Cross, KSSIDC Industrial Area, Yelahanka,
Bangalore – 560064, Karnataka
CIN: U24100KA2011PTC059846

By Order of the Board
For R.L. Fine Chem Private Limited


Mallesha K M
Director
DIN: 09232951

DIRECTORS' REPORT

Dear Members,

Your Board of Directors has pleasure in presenting the 12th (twelfth) Annual Report on the business and operations of your Company together with the Audited Financial Statements for the financial year ended 31st March, 2023.

FINANCIAL HIGHLIGHTS

Your Company's financial performance for the financial year ended 31st March, 2023 is summarized below:

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
	(₹ in Lakh)			
Revenue from Operations (Net)	36,715.38	35,798.87	36,715.38	35,798.87
Other Income	809.96	420.58	748.30	420.58
Total Income	37,525.34	36,219.45	37,463.68	36,219.45
Expenditure (Other than Tax)	33,513.27	29,951.10	33,513.27	29,951.10
Profit/(Loss) before Tax (PBT)	4,012.07	6,268.35	3,950.41	6,268.35
Current Tax	1,285.27	1,624.71	1,285.27	1,624.71
Tax of earlier years	124.30	-	124.30	-
MAT Credit entitlement	-	306.79	-	306.79
Deferred Tax	(231.96)	220.30	(231.96)	220.30
Profit/Loss after Tax (PAT)	2,834.46	4,116.55	4,250.38	5,631.81
Other Comprehensive Income (net of taxes)	(3.39)	(28.49)	(3.39)	(28.49)
Other Comprehensive Income share in Associates	-	-	4.85	3.09
Total Comprehensive income for the year	2,831.07	4,088.06	4,215.84	5,606.42
Earnings per equity share:				
Basic	4,517.24	6,560.99	6,773.86	8,975.94
Diluted	2,659.45	3,861.71	3,986.86	5,282.26

INDIAN ACCOUNTING STANDARDS (IND-AS)

Financial Statements of your Company for the financial year ended 31st March, 2023, are prepared in accordance with Indian Accounting Standards (Ind-AS), as notified under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

FINANCIAL RESULTS AND OPERATIONS OF THE COMPANY

During the year under review, the Company achieved a standalone and consolidated turnover of ₹36,715.38/- lakh as against ₹35,798.87/- lakh each, during previous year.

The Company has reported a profit of ₹2,834.46 /- lakh as against a profit of ₹4,116.55/- lakh, during previous year, on standalone basis.

The Company has reported a profit of ₹4,250.38/- lakh as against a profit of ₹5,631.81/- lakh, during previous year, on consolidated basis.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Section 129 read with Schedule III to the Companies Act, 2013 (hereinafter referred to as the "Act") and the Companies (Accounts) Rules, 2014, and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the FY23, together with the Auditors' Report form part of this Annual Report.

TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserves, during the year under review.

DIVIDEND

In view of the future cash flow requirements, your Board of Directors has decided to retain the profits, during the year under review.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Your Company has not distributed any amount as dividend during the previous financial years, and hence no instance arises for unclaimed/unpaid dividend.

Therefore, no amounts and shares were required to be transferred to the Investor Education and Protection Fund ("IEPF") set up by the Government of India.

FIXED DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. There is no unclaimed or unpaid deposit lying with the Company.

CHANGE IN NATURE OF BUSINESS

During the year under review, there is no change in the nature of business of the Company.

SHARE CAPITAL AND CHANGES IN CAPITAL STRUCTURE

Authorized Share Capital

As on 31st March, 2023, the Authorized Share Capital of your Company stood at ₹2,00,00,000/- (Rupees Two Crore only) divided into 20,00,000 (Twenty Lakh only) equity shares of face value of ₹10/- (Rupees Ten only) each.

Paid-up Share Capital

As on 31st March, 2023, the Paid-up Share Capital of your Company stood at ₹6,27,450/- (Rupees Six Lakh Twenty-Seven Thousand Four Hundred and Fifty only) divided into 62,745 (Six Two Thousand Seven Hundred and Forty-Five only) equity shares of face value of ₹10/- (Rupees Ten only) each.

There is no change in Authorized Share capital and Paid-up Share Capital of the Company and your Company has not issued any equity shares with differential rights as to dividend, voting or otherwise, during the year under review.

Buy Back of Equity Shares

During the year and after the end of the financial year under review, the Company has proposed the buyback of equity shares two times but the same was not subscribed by the shareholders.

However, the Board of Directors at its meeting held on June 13, 2023, had approved the buy-back of up to 11,500 equity shares of face value of ₹10/- each, of the Company, at a buy-back price of ₹36,782 per equity share, having buy-back size of ₹42,29,93,000/- (Rupees Forty-Two Crore Twenty-Nine Lakh Ninety-Three Thousand only), being 18.33% of the total paid-up equity share capital of the Company, which was further approved by the shareholders by way of a special resolution passed at their extra-ordinary general meeting held on June 14, 2023.

Pursuant to the offer, the Company had bought back 11,419 equity shares that were tendered by eligible shareholders and extinguished the same, consequent to which the paid-up equity share capital was reduced by ₹1,14,190/- (Rupees One Lakh Fourteen Thousand One Hundred and Ninety only).

HOLDING COMPANY

As on 31st March, 2023, Anam Fine Chemicals Private Limited holds 32,000 Equity shares of face value of ₹10/- each in your Company, constituting to 51.00% of the total paid-up share capital, is a holding company for your Company.

Further, Anam Fine Chemicals Private Limited is a wholly-owned subsidiary entity of Sherisha Technologies Private Limited ("STPL") (formerly SunEdison Energy India Private Limited). Therefore, STPL is the ultimate holding company of your Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March, 2023, your Company does not have any Subsidiary or Joint Venture and the Company has an Associate Company, the details of which is mentioned below:

S. No.	Name of the Associate	Category	No. of shares held	% of holding
1.	Lee Pharma Limited	Associate	6,16,636	42.50

A statement containing the salient features of the financial statements of subsidiary company of the Company in the prescribed **Form AOC-1** is enclosed as **Annexure – A** to this report, in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, as amended as to the Board's Report.

The said Form also highlights the financial performance of the subsidiary, included in the Consolidated Financial Statements of the Company, pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

The Board of Directors of the Company comprised of following directors as on 31st March, 2023:

S. No.	Name of the Director	Designation
1.	Mr. Indupura Renuka Ravish	Director (Non-Executive)
2.	Mr. Mallesha Kagepura Mariyappa	Director (Non-Executive)

Re-Appointments / Appointments

There is no appointment or re-appointment of any of the Directors, during the year under review.

Cessation

There is no cessation of any of the Directors, during the year under review.

Key Managerial Personnel

Mr. Pasupathy Puthuseri Veedu has been appointed as Chief Executive Officer and Key Managerial Personnel of the Company, in accordance with the provisions of Section 203(1) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sitting Fees to Directors

The Company has paid sitting fees, to the following Directors as on 31st March, 2023:

S. No.	Name of the Director	Designation	Sitting Fees
1.	Mr. Indupura Renuka Ravish	Director (Non-Executive)	₹4,00,000/-
2.	Mr. Mallesha Kagepura Mariyappa	Director (Non-Executive)	₹4,00,000/-

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The provisions relating to Section 197(12) of the Act read with Rules 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 *(including any statutory modification(s) or re-enactment(s) thereof for the time being in force)* is not applicable to the Company.

BOARD MEETINGS

During the financial year under review, 11 (eleven) Board meetings were held on May 20, 2022, August 23, 2022, November 18, 2022, December 01, 2022, December 23, 2022, January 18, 2023, February 02, 2023, March 03, 2023, March 13, 2023, March 15, 2023 and March 29, 2023.

All the directors attended all the meetings held during the year under review.

The intervening gap between any two consecutive meetings of the Board was within the stipulated time frame prescribed under the Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) of the Act, the Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had 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 31st March, 2023 and of the loss of the Company for that year under review;
- (c) the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all the contracts/ arrangements/ transactions entered into by the Company with its related parties were in ordinary course of business and on arm's length basis and therefore, did not attract the provisions of Section 188 of the Companies Act, 2013.

The details of the related party transactions as per Indian Accounting Standards (IND-AS) - 24 are set out in Note no. 34 to the Audited Financial Statements of the Company.

Disclosure of transactions in form AOC-2 as per Section 134(1)(h) of the Act, is not applicable for the Company.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors & their Report

M/s K.S. Rao & Co., Chartered Accountants (FRN: 0031095), Bangalore, were appointed as the Statutory Auditors of the Company at the 10th Annual General Meeting ("AGM") held on 15th October, 2021 for a period of 05 (five) consecutive years till the conclusion of the 15th AGM to be held in the year 2026, for auditing the accounts of the Company from the financial year 2020-21 to 2024-25.

However, the Auditors' Report on Standalone Financial Statements contain qualification, which is detailed below along with Board's comment:

Qualification, reservation or adverse remark or disclaimer in the audit report:

Sl. No.	Auditor's Qualification	Board's Comment
1.	The Company did not have adequate internal control system related to material movements (i) issued to production, (ii) during the various stages of production, (iii) return from production to stores, and (iv) finished goods from production to Stores, are not integrated with the accounting software used by the Company. Consequently, as of the reporting date, finished goods and work in progress inventory have been determined through physical verification, with valuation of the same is arrived based on raw material procurement costs plus overheads, following the prior-period valuation methodology. Further, we have been informed that the Company is in the process of migrating to the new ERP system to overcome the above stated deficiencies	Due to complexity in process and number of stages involved in manufacturing of each product, it is difficult to maintain track in the existing in-house developed ERP system. However, we have entire control on the process, and we maintain all the records manually. Further, the Company has implemented SAP with effect from April 01, 2023 to ensure stringent internal control system over material movement.

Further, there were no frauds reported by the Statutory Auditor to the Audit Committee or the Board under Section 143(12) of the Act.

Secretarial Auditor & its Report

During the year under review, the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 *(as amended or re-enacted from time to time)*, with respect to Secretarial Audit are not applicable to your Company.

Internal Auditors

The Company has appointed M/s. Brahmayya & Co, Chartered Accountants (FRN: 000511S) as Internal Auditors of the Company, to ensure the effective functioning of internal controls in the organization.

The management based, on the internal audit observations, gives its comments to the Board.

Cost Record & Cost Audit

Your Company has duly maintained the cost accounts and records as specified by the Central Government under sub-section (1) of Section 148 of the Act and the Rules of the Companies (Cost Records and Audit) Rules, 2014.

Further, in compliance with Section 148 of the Act, the Board of Directors, in its meeting held on March 15, 2023 has appointed Mr. Vishwanath R Bhat, proprietor of M/s. Vishwanath Bhat & Co., Cost Accountants (Membership No. 22986), Bangalore as Cost Auditors for the financial year 2022-23 to conduct the audit of the cost accounting records maintained by the Company, at a remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes, conveyance and travelling and reimbursement of out of pocket expenses, which is placed for ratification by the members at the ensuing AGM as per Section 148(3) of the Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**(A) Conservation of energy & Technology absorption:**

The Company does not engage in manufacturing activity involving energy intensive processes. However, the Company has taken sufficient steps towards general energy saving techniques and conservation. Given the nature of process employed by the Company, there is no technology absorption involved.

(B) Foreign Exchange Earnings and Outgo:

S. No.	Particulars	As at March 31, 2023 (₹ in Lakh)	As at March 31, 2022 (₹ in Lakh)
1.	Foreign exchange earned in terms of actual inflows	24,585.85	24,970.16
2.	Foreign exchange outgo in terms of actual outflows	585.60	641.44

ANNUAL RETURN

The draft Annual Return of the Company as on 31st March, 2023, in prescribed e-form MGT-7 in accordance with Section 92(3) read with Section 134(3)(a) of the Act, is available on the Company's website at <https://www.rlfinechem.com/about-rlfc>.

Further, the Annual Return (e-form MGT-7) for FY23 shall be filed by the Company with the Registrar of Companies, Bengaluru, within the stipulated period and the same can also be accessed thereafter on the Company's website at: <https://www.rlfinechem.com/about-rlfc>.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Audited Financial Statements as at 31st March, 2023.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company is a responsible corporate citizen committed to fulfilling its Corporate Social Responsibility (CSR) obligations as mandated by the Companies Act, 2013 and in accordance with its CSR Policy. The CSR initiatives undertaken by the Company aim to contribute positively to society and the environment, aligning with the Company's values and principles.

In compliance with requirements of Section 135(1) of the Act, the Board has constituted a Corporate Social Responsibility Committee ('CSR Committee') which comprises of the following:

S. No.	Name of the Members	Designation
1.	Mr. Indupura Renuka Ravish	Director
2.	Mr. Mallesha Kagepura M. iyappa	Director

The Company is required to spend on CSR for the financial year 2022-23 as per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014.

Further, the Company has laid down a Corporate Social Responsibility (CSR) Policy as per Section 135(3) of the Act.

A brief outline of the CSR Policy of the Company, the CSR initiatives undertaken and the CSR amount spent, during the financial year 2022-23 is mentioned in the Annual Report on CSR as required under the Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in **Annexure - B** to this Report.

MATERIAL CHANGES AFFECTING THE COMPANY

A. Change in nature of business

The Company has not undergone any change in the nature of the business during the year under review.

B. Material changes and commitments, if any, affecting the financial position of the Company

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year 2022-23 and the date of this Report.

The impact on the financial results for the year ended 31st March, 2023 because of any events and developments beyond the date of this report may differ from that estimated as at the date of approval of this Report and will be recognized prospectively.

SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNALS AFFECTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no significant / material order passed by the Regulators, Courts, Tribunals affecting the going concern status and the Company's operations in future.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to maintaining a productive environment for all its employees at various levels in the organization, free of sexual harassment and discrimination on the basis of gender.

The Company has framed a Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules made thereunder ("POSH Act").

The Company has also set up Internal Complaints Committee ('ICCs'), at each workplace, which is in compliance with the requirement of the POSH Act, to redress the complaints received regarding sexual harassment, which has formalized a free and fair enquiry process with clear timeline.

All employees in the organization are being made to attend the POSH awareness sessions which also covers gender sensitization.

There was no complaint received from any employee, during the financial year 2022-23. The Annual Report on POSH has been filed by the Company.

INTERNAL FINANCIAL CONTROLS

Your Company has well-established process of internal control system to ensure an effective internal control environment that provides assurance on the efficiency of conducting business, including adherence to the 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 disclosures.

RISK MANAGEMENT

The Board of Directors regularly review risks and threats and takes suitable steps to safeguard its interest and that the Company faces some inevitable business risks such as unanticipated, market risks such as interest rates, operational risks such as supplier/ distributor problems and execution challenges, and changes in government regulations, no major risks are foreseen.

The assets of the company are adequately insured against the loss of fire, riot, earthquake, terrorism, loss of profit, etc. and other risk as may be considered necessary by the management. In addition to this coverage, a statutory public liability insurance policy has been taken to cover by company for providing against the public liability arising out of industrial accidents for employees working in factories.

INSOLVENCY AND BANKRUPTCY CODE, 2016

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there has been no one time settlement with the banks and financial institutions, hence no disclosure is required.

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118(10) of the Act, the Company has complied with the applicable provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

REPORTING PRINCIPLE

The Financial and Statutory Data presented in this Report is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards (Ind AS) and the Secretarial Standards (SS).

REPORTING YEAR

The Financial Information is reported for the year 01st April, 2022 to 31st March, 2023. Some parts of the Non-Financial Information included in this Board's Report are provided as on the date of this Report.

ACKNOWLEDGEMENTS

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions as well as efficient utilization of the Company's resources for sustainable and growth.

Your directors wish to place on record their appreciation for the valuable co-operation and support received from the Government of India, various State Governments, the Banks and other stakeholders such as, shareholders, customers and suppliers, among others. The Directors look forward to their continued support in future.

Your directors acknowledge the continued trust and confidence you have reposed in the Company.

Place: Bengaluru
Date: September 10, 2023


I R Ravish
Director
DIN: 09180669

On behalf of the Board of
For R.L. Fine Chem Private Limited


Manesha K M
Director
DIN: 09232951

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Not applicable since the company does not have any Subsidiary / Joint Venture

Part "B": Associate and Joint Ventures

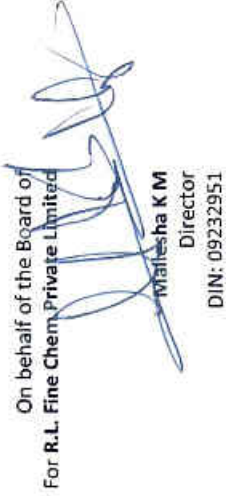
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

(₹. In Lakhs)										
S. No	Name of Associates or Joint Ventures	Latest audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate or Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year
				No.	Amount of Investment in Associates / Joint Venture	Extend of Holding (in percentage)				
1.	Lee Pharma Limited	March 31, 2023	February 23, 2018	6,16,636	26,332.21	42.50	Holding more than 20% of shareholding	N.A.	8,028.74	1,477.57
										4.85
										Not Considered in Consolidation

- Names of associates or joint ventures which are yet to commence operations: N.A.
- Names of associates or joint ventures which have been liquidated or sold during the year: N.A.

Place: Bengaluru
Date: September 10, 2023


J. R. Ravish
Director
DIN: 09180669


On behalf of the Board of
For R.L. Fine Chem Private Limited
Maithesha K M
Director
DIN: 09232951

ANNEXURE – B

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company	At R.L. Fine Chem Private Limited ("RLFC"), we are committed to the RLFC Group's 'Good & Green' vision of creating a more inclusive and greener India. We never lose sight of our responsibility to the environment and society. Our commitments towards Corporate Social Responsibility include but not limited to, promotion of education and healthcare, energy and climate change, and betterment of the society through respect for universal human rights and the environment, acting with integrity and accountability and operating responsibly and sustainably. RLFC's commitment to CSR will be manifested by investing resources in one or more of the following areas: • eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water. • promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. • promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups. • ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water • protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts; • measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows • training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports • rural development projects • slum area development. • disaster management, including relief, rehabilitation and reconstruction activities. • Contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation • Contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga • Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women • Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government • Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
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2.	Composition of CSR Committee	:	Your Company has constituted a Corporate Social Responsibility Committee (CSR) pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition of the CSR Committee, CSR Committee meetings and attendance during the financial year ended March 31, 2023, are as under:																		
			<table><tr><th>Sl. No.</th><th>Name of the Director</th><th>Designation</th><th>No. of meetings of CSR Committee held during the year</th><th>No. of meetings of CSR Committee attended during the year</th></tr><tr><td>1.</td><td>Mr. Mallesh K M</td><td>Director</td><td>02</td><td>02</td></tr><tr><td>2.</td><td>Dr. I R Ravish</td><td>Director</td><td>02</td><td>02</td></tr></table>				Sl. No.	Name of the Director	Designation	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year	1.	Mr. Mallesh K M	Director	02	02	2.	Dr. I R Ravish	Director	02	02
Sl. No.	Name of the Director	Designation	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year																	
1.	Mr. Mallesh K M	Director	02	02																	
2.	Dr. I R Ravish	Director	02	02																	
3.	Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company	:	https://www.rlfinechem.com/responsibility/CSR																		
4.	Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable	:	Not Applicable																		
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	:	<table><tr><th>Sl. No.</th><th>Financial Year</th><th>Amount available for set-off from preceding financial year (in ₹)</th><th>Amount required to be set-off for the financial year, if any (in ₹)</th></tr><tr><td colspan="4">NIL</td></tr></table>				Sl. No.	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)	NIL										
Sl. No.	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)																		
NIL																					
6.	Average net profit of the company as per section 135(5)	:	₹51,52,27,253/- (Rupees Fifty-One Crore Fifty-Two Lakh Twenty-Seven Thousand Two Hundred Fifty-Three Only)																		
7.																					
a.	Two percent of average net profit of the company as per section 135(5)	:	₹1,03,04,545/- (Rupees One Crore Three Lakh Four Thousand Five Hundred and Forty-Five Only)																		
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial year	:	NIL																		

c.	Amount required to be set off for the financial year, if any	:	NIL
d.	Total CSR obligation for the financial year (7a+7b-7c)	:	₹1,03,04,545/- (Rupees One Crore Three Lakh Four Thousand Five Hundred and Forty-Five Only)

8.

a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	Not Applicable				

b. Details of CSR amount spent against **ongoing projects** for the financial year: **NIL**

(1)	(2)	(3)	(4)	(5)		(6)	(7)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)
				State	District		
1.							
2.							
3.							
	Total						

(1)	(8)	(9)	(10)	(11)	
Sl. No.	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				Name	CSR Registration number
1.					
2.					
3.					

c. Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (In ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Drinking water by setting up a RO plant	Promoting Health Care Including Preventive Health care	Yes	Andhra Pradesh	Ananthapur	1,01,987	Yes	-	-
2.	Maintenance of Public Park	Environmental Sustainability	Yes	Andhra Pradesh	Ananthapur	14,179	Yes	-	-
3.	Construction of school building	Promoting Education	Yes	Karnataka	Chikkaballapur	77,40,644	Yes	-	-
4.	Drinking water by setting up a RO plant	Promoting Health Care Including Preventive Health care	Yes	Karnataka	Chikkaballapur	7,38,043	Yes	-	-
5.	Wellness Awareness program in local area	Promoting Health Care Including Preventive Health care	Yes	Karnataka	Chikkaballapur	4,44,422	Yes	-	-
6.	Donation	Promoting Education	No	Karnataka	Chikmagalur	10,00,000	No	S V G Education Trust	CSR00034468
7.	School Teacher Salary	Promoting Education	Yes	Karnataka	Chikkaballapur	37,200	Yes	-	-
8.	Transportation for Especially Abled children	Promoting Education	Yes	Karnataka	Chikkaballapur	3,29,851	Yes	-	-
9.	Maintenance of Public Park	Environmental Sustainability	Yes	Karnataka	Chikkaballapur	1,55,343	Yes	-	-
	Total					1,05,61,670			

d.	Amount spent in Administrative Overheads	:	Nil																					
e.	Amount spent on Impact Assessment, if applicable	:	Nil																					
f.	Total amount spent for the Financial Year (8b+8c+8d+8e)	:	₹ 1,05,61,670/- (Rupees One Crore Five Lakh Sixty-One Thousand Six Hundred and Seventy Only)																					
g.	Excess amount for set off, if any	:	<table><tr><th>Sl. No.</th><th>Particular</th><th>Amount (in ₹)</th></tr><tr><td>(i)</td><td>Two percent of average net profit of the company as per section 135(5)</td><td>₹1,03,04,545/-</td></tr><tr><td>(ii)</td><td>Total amount spent for the Financial Year</td><td>₹1,05,61,670/-</td></tr><tr><td>(iii)</td><td>Excess amount spent for the financial year [(ii)-(i)]</td><td>₹2,57,125/-</td></tr><tr><td>(iv)</td><td>Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any</td><td>Nil</td></tr><tr><td>(v)</td><td>Amount available for set off in succeeding financial year ₹ [(iii)-(iv)]</td><td>₹2,57,125/-</td></tr><tr><td colspan="2"></td><td></td></tr></table>	Sl. No.	Particular	Amount (in ₹)	(i)	Two percent of average net profit of the company as per section 135(5)	₹1,03,04,545/-	(ii)	Total amount spent for the Financial Year	₹1,05,61,670/-	(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹2,57,125/-	(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil	(v)	Amount available for set off in succeeding financial year ₹ [(iii)-(iv)]	₹2,57,125/-			
Sl. No.	Particular	Amount (in ₹)																						
(i)	Two percent of average net profit of the company as per section 135(5)	₹1,03,04,545/-																						
(ii)	Total amount spent for the Financial Year	₹1,05,61,670/-																						
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹2,57,125/-																						
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil																						
(v)	Amount available for set off in succeeding financial year ₹ [(iii)-(iv)]	₹2,57,125/-																						
9																								

a. Details of Unspent CSR amount for the preceding three financial year: Nil

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial year (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.							
2.							
3.							
	Total						

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1								
2								
3								
	Total							

10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year	: (a) Date of creation or acquisition of the capital asset(s): N.A. (b) Amount of CSR spent for creation or acquisition of capital asset: N.A. (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A. (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A. No capital asset was created / acquired for fiscal year 2022-23 through CSR spend.
11	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)	: Not Applicable

Place: Bengaluru
Date: September 10, 2023


T.R. Ravish
Director
DIN: 09180669

On behalf of the Board of
For R.L. Fine Chem Private Limited


Mallesha K M
Director
DIN: 09232951

FORM NO. MGT-7

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11of the Companies (Management and Administration) Rules, 2014]



Annual Return (other than OPCs and Small Companies)

Form language ☒ English ☐ Hindi

Refer the instruction kit for filing the form.

I. REGISTRATION AND OTHER DETAILS

(i) * Corporate Identification Number (CIN) of the company

U24100KA2011PTC059846

Pre-fill

Global Location Number (GLN) of the company

* Permanent Account Number (PAN) of the company

AAFCR4326L

(ii) (a) Name of the company

R.L.FINE CHEM PRIVATE LIMITE

(b) Registered office address

#C-10, 1st CROSS, KSSIDC INDUSTRIAL AREA, YELAHANKA NA
BANGALORE
Bangalore
Karnataka
560064

(c) *e-mail ID of the company

hemakumar@rlfinechem.com

(d) *Telephone number with STD code

08042488999

(e) Website

(iii) Date of Incorporation

02/08/2011

(iv)	Type of the Company	Category of the Company	Sub-category of the Company
	Private Company	Company limited by shares	Indian Non-Government company

(v) Whether company is having share capital

☒ Yes

☐ No

(vi) *Whether shares listed on recognized Stock Exchange(s)

☐ Yes

☒ No

(vii) *Financial year From date 01/04/2022 (DD/MM/YYYY) To date 31/03/2023 (DD/MM/YYYY)

(viii) *Whether Annual general meeting (AGM) held ☒ Yes ☐ No

(a) If yes, date of AGM 27/09/2023

(b) Due date of AGM 30/09/2023

(c) Whether any extension for AGM granted ☐ Yes ☒ No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

*Number of business activities 1

S.No	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1	C	Manufacturing	C6	Chemical and chemical products, pharmaceuticals, medicinal chemical and	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

*No. of Companies for which information is to be given

1

Pre-fill All

S.No	Name of the company	CIN / FCRN	Holding/ Subsidiary/Associate/ Joint Venture	% of shares held
1	LEE PHARMA LIMITED	U24230TG1997PLC028095	Associate	42.5

IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

(i) *SHARE CAPITAL

(a) Equity share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Total number of equity shares	2,000,000	62,745	62,745	62,745
Total amount of equity shares (in Rupees)	20,000,000	627,450	627,450	627,450

Number of classes

1

Class of Shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of equity shares	2,000,000	62,745	62,745	62,745

Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	20,000,000	627,450	627,450	627,450

(b) Preference share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid-up capital
Total number of preference shares	0	0	0	0
Total amount of preference shares (in rupees)	0	0	0	0

Number of classes

0

Class of shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of preference shares				
Nominal value per share (in rupees)				
Total amount of preference shares (in rupees)	0	0		

(c) Unclassified share capital

Particulars	Authorised Capital
Total amount of unclassified shares	0

(d) Break-up of paid-up share capital

Class of shares	Number of shares			Total nominal amount	Total Paid-up amount	Total premium
Equity shares	Physical	DEMAT	Total			
At the beginning of the year	0	62,745	62745	627,450	627,450	
Increase during the year	0	0	0	0	0	0
i. Public Issues	0	0	0	0	0	0
ii. Rights issue	0	0	0	0	0	0
iii. Bonus issue	0	0	0	0	0	0
iv. Private Placement/ Preferential allotment	0	0	0	0	0	0
v. ESOPs	0	0	0	0	0	0
vi. Sweat equity shares allotted	0	0	0	0	0	0
vii. Conversion of Preference share	0	0	0	0	0	0

viii. Conversion of Debentures	0	0	0	0	0	0
ix. GDRs/ADRs	0	0	0	0	0	0
x. Others, specify 						
Decrease during the year	0	0	0	0	0	0
i. Buy-back of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify 						
At the end of the year	0	62,745	62745	627,450	627,450	
Preference shares						
At the beginning of the year	0	0	0	0	0	
Increase during the year	0	0	0	0	0	0
i. Issues of shares	0	0	0	0	0	0
ii. Re-issue of forfeited shares	0	0	0	0	0	0
iii. Others, specify 						
Decrease during the year	0	0	0	0	0	0
i. Redemption of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify 						
At the end of the year	0	0	0	0	0	

ISIN of the equity shares of the company

(ii) Details of stock split/consolidation during the year (for each class of shares)

0

Class of shares		(i)	(ii)	(iii)
Before split / Consolidation	Number of shares			
	Face value per share			
After split / Consolidation	Number of shares			
	Face value per share			

(iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) *

☒ Nil

[Details being provided in a CD/Digital Media]

☐

Yes

☐

No

☐

Not Applicable

Separate sheet attached for details of transfers

☐

Yes

☐

No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

Date of the previous annual general meeting			
Date of registration of transfer (Date Month Year)			
Type of transfer		1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred		Amount per Share/ Debenture/Unit (in Rs.)	
Ledger Folio of Transferor			
Transferor's Name			
	Surname	middle name	first name
Ledger Folio of Transferee			

Transferee's Name			
	Surname	middle name	first name

Date of registration of transfer (Date Month Year)	
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Type of transfer		1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock
------------------	----------------------	--

Number of Shares/ Debentures/ Units Transferred		Amount per Share/ Debenture/Unit (in Rs.)	
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Ledger Folio of Transferor	
----------------------------	----------------------

Transferor's Name			
	Surname	middle name	first name

Ledger Folio of Transferee	
----------------------------	----------------------

Transferee's Name			
	Surname	middle name	first name

(iv) *Debentures (Outstanding as at the end of financial year)

Particulars	Number of units	Nominal value per unit	Total value
Non-convertible debentures	0	0	0
Partly convertible debentures	0	0	0
Fully convertible debentures	43,922	10	439,220
Total			439,220

Details of debentures

Class of debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
Non-convertible debentures	0	0	0	0
Partly convertible debentures	0	0	0	0
Fully convertible debentures	439,220	0	0	439,220

(v) Securities (other than shares and debentures)

0

Type of Securities	Number of Securities	Nominal Value of each Unit	Total Nominal Value	Paid up Value of each Unit	Total Paid up Value
Total					0

V. *Turnover and net worth of the company (as defined in the Companies Act, 2013)

(i) Turnover

3,671,537,646

(ii) Net worth of the Company

2,250,015,515

VI. (a) *SHARE HOLDING PATTERN - Promoters

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	

6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	22,463	35.8	0	
10.	Others	0	0	0	
	Total	22,463	35.8	0	0

Total number of shareholders (promoters)

2

(b) *SHARE HOLDING PATTERN - Public/Other than promoters

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	40,282	64.2	0	
10.	Others	0	0	0	

	Total	40,282	64.2	0	0
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Total number of shareholders (other than promoters)

2

**Total number of shareholders (Promoters+Public/
Other than promoters)**

4

VII. *NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS
(Details, Promoters, Members (other than promoters), Debenture holders)

Details	At the beginning of the year	At the end of the year
Promoters	2	2
Members (other than promoters)	2	2
Debenture holders	3	3

VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) *Composition of Board of Directors

Category	Number of directors at the beginning of the year		Number of directors at the end of the year		Percentage of shares held by directors as at the end of year	
	Executive	Non-executive	Executive	Non-executive	Executive	Non-executive
A. Promoter	0	0	0	0	0	0
B. Non-Promoter	0	3	0	3	0	0
(i) Non-Independent	0	3	0	3	0	0
(ii) Independent	0	0	0	0	0	0
C. Nominee Directors representing	0	0	0	0	0	0
(i) Banks & FIs	0	0	0	0	0	0
(ii) Investing institutions	0	0	0	0	0	0
(iii) Government	0	0	0	0	0	0
(iv) Small share holders	0	0	0	0	0	0
(v) Others	0	0	0	0	0	0
Total	0	3	0	3	0	0

Number of Directors and Key managerial personnel (who is not director) as on the financial year end date

4

(B) (i) *Details of directors and Key managerial personnel as on the closure of financial year

Name	DIN/PAN	Designation	Number of equity share(s) held	Date of cessation (after closure of financial year : If any)
INDUPURA RENUKA R	09180669	Director	0	
MALLESHA KAGEPUR	09232951	Director	0	
JACOB MATHEW	00996521	Director	0	24/06/2023
PASUPATHY PUTHUS	AGUPP0672M	CEO	0	

(ii) Particulars of change in director(s) and Key managerial personnel during the year

0

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment/ change in designation/ cessation	Nature of change (Appointment/ Change in designation/ Cessation)

IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS**A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS**

Number of meetings held

2

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting	Attendance	
			Number of members attended	% of total shareholding
ANNUAL GENERAL MEETING	21/03/2023	4	4	100
EXTRA-ORDINARY GENERAL MEETING	30/03/2023	4	4	100

B. BOARD MEETINGS

*Number of meetings held

11

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	20/05/2022	3	3	100
2	23/08/2022	3	3	100
3	18/11/2022	3	3	100
4	01/12/2022	3	3	100

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
5	23/12/2022	3	3	100
6	18/01/2023	3	3	100
7	02/03/2023	3	3	100
8	03/03/2023	3	3	100
9	13/03/2023	3	3	100
10	15/03/2023	3	3	100
11	29/03/2023	3	3	100

C. COMMITTEE MEETINGS

Number of meetings held

2

S. No.	Type of meeting	Date of meeting	Total Number of Members as on the date of the meeting	Attendance	
				Number of members attended	% of attendance
1	CORPORATE	13/06/2022	2	2	100
2	CORPORATE	10/01/2023	2	2	100

D. *ATTENDANCE OF DIRECTORS

S. No.	Name of the director	Board Meetings			Committee Meetings			Whether attended AGM held on
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	27/09/2023
								(Y/N/NA)
1	INDUPURA R	11	11	100	2	2	100	Yes
2	MALLESHA K	11	11	100	2	2	100	Yes
3	JACOB MATH	11	11	100	0	0	0	Not Applicable

X. *REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

☐ Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

0

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

Number of CEO, CFO and Company secretary whose remuneration details to be entered

1

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1	PASUPATHY PUTH	CEO	29,089,212	0	0	0	29,089,212
	Total		29,089,212	0	0	0	29,089,212

Number of other directors whose remuneration details to be entered

2

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1	MALLESHA KAGEF	Director	0	0	0	400,000	400,000
2	INDUPURA RENUK	Director	0	0	0	400,000	400,000
	Total		0	0	0	800,000	800,000

XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year ☒ Yes ☐ No

B. If No, give reasons/observations

XII. PENALTY AND PUNISHMENT - DETAILS THEREOF

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS ☒ Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which penalised / punished	Details of penalty/ punishment	Details of appeal (if any) including present status

(B) DETAILS OF COMPOUNDING OF OFFENCES ☒ Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which offence committed	Particulars of offence	Amount of compounding (in Rupees)

XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment

☒ Yes ☐ No

XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

NEELAM BANSAL

Whether associate or fellow

☐ Associate ☒ Fellow

Certificate of practice number

13239

I/We certify that:

(a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.

(b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.

(c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.

(d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

Declaration

I am Authorised by the Board of Directors of the company vide resolution no. ...

05

dated

10/09/2023

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
2. All the required attachments have been completely and legibly attached to this form.

Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.

To be digitally signed by

Director

DIN of the director

09232951

To be digitally signed by

- ☐ Company Secretary
- ☒ Company secretary in practice

Membership number

Certificate of practice number

Attachments

1. List of share holders, debenture holders
2. Approval letter for extension of AGM;
3. Copy of MGT-8;
4. Optional Attachement(s), if any

Attach
Attach
Attach
Attach

List of attachments

RLFC_List of Shareholders_31032023.pdf
RLFC_MGT-8_2022-23.pdf

Remove attachment

Modify

Check Form

Prescrutiny

Submit

This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company



INDEPENDENT AUDITOR'S REPORT

To the Members of R.L.Fine Chem Private Limited

Report on audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of R.L.Fine Chem Private Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss, the Standalone Statement of cashflows, the Standalone Statement of Changes in Equity for the year ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements for the year ended March 31, 2023 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 ('Ind AS') specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion:

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

Information Other than the Standalone Financial Statements and Auditor's Report Thereon:

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Board Report but does not include the Standalone financial statements and our auditor's report thereon. The board report is expected to be made available to us after the date this auditor's report.

Our opinion on the standalone financial statements does not cover other information and we will not express any form of assurance conclusion thereon.



2nd Floor, 'Khivraj Mansion', No.10/2, Kasturba Road, Bengaluru - 560001

Contact no: 8867441507, email: hitesh@ksrao.in

Head Office: Hyderabad; Branches: Chennai and Vijayawada

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the board report, if we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance.

Management's Responsibility for the Standalone Financial Statements:

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the standalone financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements:

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing ('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 standalone financial statements.



9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- (i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - (iv) 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.
 - (v) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. Materiality is the magnitude of misstatements in the standalone 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.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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

Report on Other Legal and Regulatory Requirements:

13. With respect to the other matters to be included in the Auditor's Report under 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 Company is a private limited Company. Accordingly, provisions of Sec 197 of the Act are not applicable to the Company.

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Annexure - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors are disqualified as on March 31, 2023 from being appointed as directors in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses a Qualified Opinion on the adequacy and operating effectiveness of the Company's financial controls with reference to financial statements.



- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - (Refer Note 33 of the standalone financial statements).
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the 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; and
 - iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared any dividend during the year. Accordingly, compliance with provisions of Section 123 of Companies Act, 2013 are not applicable.



- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For K.S. Rao & Co.,
Chartered Accountants,
Firm Registration No: 003109S

Hitesh Kumar P

Hitesh Kumar P
Partner
Membership No. 233734
UDIN: 23233734BGRCQW7564

Place: Bengaluru
Date: September 10, 2023



Annexure - A to the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2023 we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets including intangible assets under development.
- (b) The Company has a program of physical verification of Property, Plant and Equipment by which all the items of Property, Plant and Equipment of the Company will be verified over a period of 3 years in which in our opinion is reasonable having regard to size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noted on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under this clause is not applicable.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and material discrepancies noticed have been properly dealt in the books of account.
- (b) The Company has a working capital limit in excess of Rs 5 crore, sanctioned by a bank on the basis of security of current assets during the year. in our opinion and based on the information and explanations provided to us, the monthly information filed with banker with related to the current assets & current liabilities of the Company is in agreement with books of account except those disclosed in note 46E to the Standalone Financial Statements.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any Company, firm, Limited Liability Partnership or other parties. Accordingly, clauses from (iii) (a) to (iii) (f) of paragraph 3 of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has complied with provisions of section 185 and 186 of the Act in respect of grants of loans, making investments and providing guarantees and securities as applicable.



- (v) According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, in respect of manufacturing of active pharmaceuticals ingredients, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, we have not conducted a detailed examination of the same.
- (vii)
- a) According to the information and explanations given to us, there were no undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues which were outstanding, as at March 31, 2023 for a period of more than six months.
- b) According to the information and explanations given to us, there are no dues in respect of Sales Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, and Cess which have not been deposited on account of dispute and the dues outstanding under the income tax, except as follows:

Statute	Nature of Dues	Forum where dispute is pending	Period to which amount relates to	Amount involved in Rs.
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	Assessment Year 2016-17	21,98,669 (4,39,734)*
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	Assessment Year 2017-18	4,71,76,880 (94,37,376)*

* The amounts in parenthesis represents the payments made under protest.

- (viii) According to the information and explanation provided to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.
- (ix) (a) According to the information and explanations given by the management, we are of the opinion that Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given by the management, the Company has not been declared a wilful defaulter by any bank or financial institution or other lenders.
- (c) According to the information and explanations given by the management, we are of the opinion that Company has applied the term loans for the purpose for which it is obtained.



- (d) According to the information and explanations given by the management, no short-term loans has been used for long term purposes.
- (e) According to the information and explanations given by the management, the Company has not taken any funds from any entity or person to meet the requirements of its Associate.
- (f) According to the information and explanations given by the management, Company has not raised any funds on pledge of securities held in its associate.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans raised during the year was utilised for the purpose for which they were raised.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the period.
- (b) 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 up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 of Companies Act, 2013 is not applicable to the company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company.
- a) In our opinion the Company's internal control system related to material movements, (i) issued to production, (ii) during the various stages of production, (iii) return from production to stores, and (iv) finished goods from production to Stores are not integrated with the accounting software used by the Company. Consequently, as of the reporting date, finished goods and work in progress inventory have been



determined through physical verification, with valuation of the same is arrived based on raw material procurement costs plus overheads, following the prior-period valuation methodology.

- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, clause (xvi) of paragraph 3 of the Order is not applicable to the Company.
- (b) In our opinion, there is no core investment Company within the group (as defined in the Core Investment companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) There are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(a) & (b) of the Order is not applicable for the Company.



- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For K.S. Rao & Co.,
Chartered Accountants,
ICAI Firm registration No: 003109S

Hitesh Kumar P

Hitesh Kumar P
Partner

Membership number: 233734
UDIN: 23233734BGRCQW7564

Place: Bengaluru
Date: September 10, 2023



Annexure - B to the Independent Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **R.L. Fine Chem Private Limited** ("the Company") as at March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to financial statements:

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

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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 qualified audit opinion on the Company's internal financial controls system with reference to financial statements.



Meaning of Internal Financial Controls with reference to standalone financial statements:

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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financials 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements:

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 controls 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.

Qualified Opinion

According to the information and explanation given to us and based on our audit, the following material weaknesses has been identified as at March 31, 2023:

The Company did not have adequate internal control system related to material movements (i) issued to production, (ii) during the various stages of production, (iii) return from production to stores, and (iv) finished goods from production to Stores, are not integrated with the accounting software used by the Company. Consequently, as of the reporting date, finished goods and work in progress inventory have been determined through physical verification, with valuation of the same is arrived based on raw material procurement costs plus overheads, following the prior-period valuation methodology. Further, we have been informed that the Company is in the process of migrating to the new ERP system to overcome the above stated deficiencies (Refer Note 9 of Standalone Financial Statements).

A 'Material Weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of a Company's annual or interim Financial Statements will not be prevented or detected on a timely basis.



In our opinion, the Company has maintained, in all material respects, adequate internal financial control system over financial reporting as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over financial reporting issued by the ICAI, and except for the possible effects of the material weakness described above on the achievement of the objective of control criteria, the Company's internal financial controls over financial reporting were operating effectively as at March 31, 2023.

We have considered the material weaknesses identified in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended March 31, 2023. Accordingly, we have provided unmodified opinion on the standalone financial statements of the Company.

For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm registration no: 0031096

Hitesh Kumar P

Hitesh Kumar P
Partner

Membership number: 233734
UDIN: 23233734BCRCQW7564

Place: Bengaluru
Date: September 10, 2023



R.L. Fine Chem Private Limited
CIN: U24100KA2011PTC059846
#C-1B, 1st Cross, KSSIDC Industrial Area, Yelahanka New Town, Bengaluru 560064
Standalone Balance Sheet as at March 31, 2023
(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
I. ASSETS				
1. Non-current assets				
Property, Plant and Equipment	3(a)	14,380.29	11,435.69	11,810.06
Capital work-in-progress	3(b)	-	255.20	627.17
Right of use asset	4	235.14	36.98	159.96
Other Intangible assets	5	3,693.62	6,071.66	6,741.74
Intangible assets under development		-	49.27	48.67
Financial assets				
Investments	6	1,995.97	2,808.81	2,898.81
Other financial assets	7	348.29	110.84	126.77
Deferred tax Assets - MAT Credit		-	-	506.79
Other non-current assets	8	96.31	234.02	423.53
		22,655.62	21,002.47	22,253.50
2. Current assets				
Inventories	9	7,581.81	7,737.83	4,804.44
Financial assets				
- Investments	6	100.01	-	-
- Trade receivables	10	13,655.00	11,135.56	10,327.13
- Cash and cash equivalents	11	1,479.43	41.10	138.61
- Bank balances other than cash and cash equivalents	12	-	0.99	1,167.03
- Other financial assets	7	43.15	50.61	91.50
Other current assets	8	2,096.90	1,110.74	1,456.95
Assets held for sale		-	-	575.00
		24,936.27	20,077.86	18,364.57
Total Assets		47,591.89	41,079.35	40,618.07
II. EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	13	6.27	6.27	6.27
Other equity	13	22,493.61	19,662.83	15,574.77
Total equity		22,500.17	19,669.10	15,581.04
LIABILITIES				
1. Non-current liabilities				
Financial liabilities				
- Borrowings	15	5,172.20	5,980.57	4,580.71
- Lease liabilities		290.96	11.35	40.12
Other financial liabilities	16	-	-	-
Provisions	17	703.09	486.32	408.98
Deferred tax liability (net)	18	1,461.75	1,685.11	1,576.50
Other non-current liabilities	19	-	-	-
		7,617.40	8,163.35	6,511.34
2. Current liabilities				
Financial liabilities				
- Borrowings	15	6,121.76	5,203.70	9,008.16
- Trade payables	20	-	-	-
Total outstanding dues of micro and small enterprises		1,049.16	1,361.59	864.30
Total outstanding dues of creditors other than micro and small enterprises		6,061.30	4,445.67	9,912.08
- Lease liabilities		51.60	28.76	127.21
- Other financial liabilities	16	2,431.99	2,650.36	1,764.48
Provisions	17	265.78	218.78	167.56
Current tax liability (net)		1,067.41	1,165.91	851.20
Other current liabilities	19	385.32	237.09	601.62
		17,474.32	15,248.59	19,521.69
Total Liabilities		25,091.72	23,417.25	25,102.73
Total Equity and Liabilities		47,591.89	43,086.35	40,618.07
Summary of significant accounting policies	2			

This is accompanying to and is an integral part of the financial statements.

Approved on behalf of the Board
 Chairman & Managing Director
 R.L. Fine Chem Private Limited

[Signature]

Place: Bengaluru
 Date: September 13, 2023

Approved on behalf of the Board
 R.L. Fine Chem Private Limited

[Signature]
 Director
 DIN No: 09180669

[Signature]
 Director
 DIN No: 49222853

[Signature]
 Chief executive officer

Place: Bengaluru
 Date: September 13, 2023

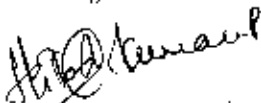


R.L. Fine Chem Private Limited
CIN: U24100KA2011PTC059846
#C-10, 1st Cross, KSSIDC Industrial Area, Yelahanka New Town, Bengaluru - 560064
Standalone Statement of Profit and Loss for the year ended March 31, 2023
(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from operations	21	36,715.38	35,798.87
Other income	22	849.96	120.58
Total income		37,525.34	36,219.45
EXPENSES			
Cost of materials consumed	23	15,664.20	16,134.19
Changes in inventory of finished goods and work-in-progress	24	(307.13)	(2,086.64)
Employee benefits expense	25	5,674.09	5,876.83
Finance costs	26	1,483.21	1,270.18
Depreciation and amortization expenses	27	1,698.78	1,827.02
Other expenses	28	9,300.17	6,929.52
Total expenses		33,513.27	29,951.16
Profit/(Loss) before tax		4,012.07	6,268.35
Tax expense			
Current tax		1,285.27	1,624.71
Tax related to earlier years		124.30	-
MAT Credit entitlement		-	306.79
Deferred tax		(231.96)	220.30
Total tax expense		1,177.61	2,151.80
Profit/(Loss) after tax for the year		2,834.46	4,116.55
Other Comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/gain on defined benefit plans	29	(4.79)	(40.20)
Income tax relating to items that will not be reclassified to profit or loss	29	1.40	11.71
Items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income (net of taxes)		(3.39)	(28.49)
Total Comprehensive income for the year		2,831.07	4,088.06
Earnings per equity share (in rupees)			
Basic		4,517.24	6,560.99
Diluted		2,659.45	3,851.71
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.
For K.S. Rao & Co.,
Chartered Accountants
 Firm Registration No. 0031095


Hitesh Kumar P
 Partner
 Membership No: 233734


Dr. R. Ravish
 Director
 DIN No: 09180669

For and on behalf of the Board of Directors of
R.L. Fine Chem Private Limited


Hitesh K M
 Director
 DIN No: 09292951


Pasupathy P V
 Chief executive officer

Place : Bengaluru
 Date : September 10, 2023

Place : Bengaluru
 Date : September 10, 2023



R.J. Fine Chem Private Limited
CIN: U24109KA2011PTC059846
#C-10, 1st Cross, KSSIDC Industrial Area, Yelahanka New Town, Bengaluru 560064
Standalone Cash Flow Statement for the year ended March 31, 2023
(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
I Cash flow from operating activities:		
Profit before tax	4,012.07	6,268.35
Adjustment for:		
Depreciation and amortisation	1,698.78	1,827.01
Unrealised foreign exchange loss	(174.04)	-
Allowance for trade receivables	-	5.98
Advances written off	-	9.87
Bad debt written off	77.93	11.10
Dividend Income	(61.66)	-
Interest income on fixed deposits	(4.13)	(29.30)
Interest income on Security Deposit	(3.01)	(2.92)
Interest on lease Liability	13.87	15.35
Impairment allowance on Investments	712.84	-
Interest on Liability Component of CCID	3.40	3.49
Finance costs	1,465.94	1,251.34
Operating cash flow before working capital changes	7,741.99	9,360.27
Adjustment for movements in Working capital		
Changes in inventories	146.07	(2,923.45)
Changes in trade receivables	(2,652.27)	(825.52)
Changes in other assets	(923.13)	473.04
Changes in other financial assets	(26.52)	(10.62)
Changes in trade payables	1,297.56	38.91
Changes in other liabilities	153.08	(189.54)
Changes in other financial liabilities	(218.74)	386.98
Changes in provisions	258.97	88.36
Cash flow (used) in operations	(1,964.98)	(2,961.84)
Income tax paid	(1,488.09)	(1,310.06)
Net cash flow from operating activities (I)	4,288.92	5,088.37
II Cash flows from investing activities		
Purchase of property plant and equipment including CWIP and capital advances	(1,814.75)	(2,988.68)
Movement in other bank balances, net	5.99	1,160.59
Dividend Income	61.66	-
Interest Received	3.66	99.97
Net cash flow from/ (used in) investing activities (II)	(1,743.44)	(1,728.12)
III Cash flows from financing activities		
Interest paid	(1,405.06)	(916.30)
Repayment of borrowings	367.35	(2,398.93)
Payment of lease rentals	(47.50)	(142.56)
Net cash flow from/ (used in) financing activities (III)	(1,085.01)	(3,457.79)
IV Net Increase/(decrease) in cash and cash equivalents (I + II + III)	1,460.47	(97.54)
Cash and cash equivalents at the beginning of the year	41.10	138.64
Adjustment for unrealised foreign exchange gain	(22.17)	-
V Cash and cash equivalents at the end of the year	1,479.40	41.10

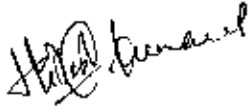


R.L. Fine Chem Private Limited
CIN: U24100KA2011FTC059846
#C-10, 1st Cross, KSSIDC Industrial Area, Yalahanka New Town, Bengaluru 560064
Standalone Cash Flow Statement for the year ended March 31, 2023
(All amounts in Rupees lakhs, unless otherwise stated)

VI Components of cash and cash equivalents:		
Cash on hand	5.57	5.91
With banks	-	-
Current Accounts	1,473.83	35.19
Total cash and cash equivalents	1,479.40	41.10

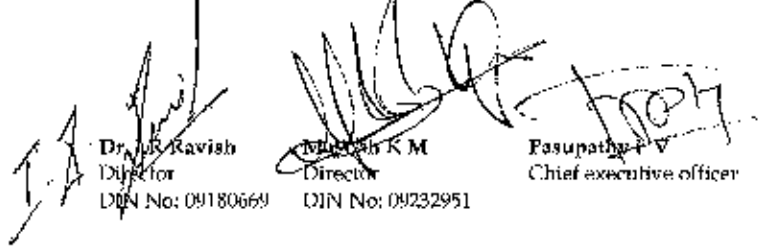
The accompanying notes are an integral part of the financial statements.

As per our report of even date.
For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No. 0031095



Hitesh Kumar P
Partner
Membership No: 233734

For and on behalf of the Board of Directors of
R.L. Fine Chem Private Limited



Dr. J. Ravish
Director
DIN No: 09180669

Mahesh K M
Director
DIN No: 09232951

Pasupathy V
Chief executive officer

Place : Bengaluru
Date : September 10, 2023

Place : Bengaluru
Date : September 10, 2023



R.L. Fine Chem Private Limited
CIN: U24100KA2011PTC089846
#C-10, 1st Cross, KSSIDC Industrial Area, Yelahanka New Town, Bengaluru - 560064
Standalone Statement of changes in Equity for the year ended March 31, 2023
(All amounts in Rupees lakhs, unless otherwise stated)

I Equity Share capital

Particulars	At the beginning of the year	Changes during the year	At the end of the year
For the year ended April 01, 2021	6.27	-	6.27
For the year ended March 31, 2022	6.27	-	6.27
For the year ended March 31, 2023	6.27	-	6.27

II Other Equity

Particulars	Equity Component of CCD	Securities Premium	Retained Earnings	Other comprehensive Income	Total
As at April 1, 2021	4,088.73	2,879.27	8,603.70	(29.93)	15,541.77
And AS Transition Adjustment	-	-	33.00	-	33.00
	4,088.73	2,879.27	8,636.70	(29.93)	15,574.77
Profit for the year	-	-	4,116.55	-	4,116.55
Other comprehensive income	-	-	-	(28.49)	(28.49)
As at March 31, 2022	4,088.73	2,879.27	12,753.25	(58.42)	19,662.83
Profit for the year	-	-	2,834.46	-	2,834.46
Other comprehensive income	-	-	-	(3.39)	(3.39)
As at March 31, 2023	4,088.73	2,879.27	15,587.71	(61.81)	22,493.90

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for **K.S. Rao & Co.,**
Chartered Accountants
 Firm Registration No. 0031098

Hitesh Kumar P
 Partner
 Membership No: 233734

for and on behalf of the Board of Directors of
R.L. Fine Chem Private Limited

Dr. J.R. Ravish
 Director
 DIN No: 09180669

Sanjesh K M
 Director
 DIN No: 09232951

Pasupathy P V
 Chief executive officer

Place : Bengaluru
 Date : September 10, 2023

Place : Bengaluru
 Date : September 10, 2023



R.L. Fine Chem Private Limited

CIN: U24100KA2011PTC059846

Significant accounting policies and other explanatory information

1. Corporate information

R.L.Fine Chem Private Limited ("the Company") (CIN: U24100KA2011PTC059846) was incorporated on August 02, 2011. The objective of the Company is to manufacture Active Pharmaceutical Ingredients ('API') in India. The head office of the Company is in Bengaluru.

On August 24, 2016, the Company acquired the business of RL Fine Chem ('the Sole Proprietorship' or 'RLFC') and Ray Chemicals Private Limited ('RCPL') on a slump sale basis. RLFC and RCPL were in the business of manufacturing Bulk Drugs and Fine Chemicals for the purpose of commercial and industrial use. The Company has API manufacturing plants and a Research and Development Centre situated in Bengaluru. The Company is engaged in manufacturing API, specializing in the central nervous system as well as cardiovascular system molecules.

These standalone financial statements for the year ended March 31, 2023 are approved by the Company's Board of Directors in their meeting held on September 10, 2023.

2. Basis of preparation

In accordance with the notification issued by Ministry of Corporate Affairs ('MCA'), the Company voluntarily prepared its financial statements under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirement of Division II of Schedule III to the Act, with effect from April 01, 2021 including the amendments to schedule III notified by MCA vide its notification dated March 24, 2021.

Accordingly, the Company's management has prepared its financial statements in accordance with Ind AS and an explicit and unreserved statement of compliance which comprise the Balance Sheets as at March 31, 2023; March 31, 2022, and the Opening Balance Sheet as at April 1, 2021 (transition date), the Statements of Profit and Loss, the Statements of Cash Flow and the Statements of Changes in Equity for the year ended March 31, 2023 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

For all periods up to and including the year ended March 31, 2022, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These Financial Statements for the period ended March 31, 2023 are the first, the Company has prepared in accordance with Ind AS.

The Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

2.1 Significant accounting policies

a) Use of estimates

The preparation of Financial Statements in conformity with Ind AS requires management to make estimates, judgments, and assumptions that affect reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities, at the end of reporting period/year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in the future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within



R.L. Fine Chem Private Limited

CIN: U24100KA2011PTC059846

Significant accounting policies and other explanatory information

the next financial year, are described below. The Company has prepared based on its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when:

- a) It is expected to be realised or intended to be sold or consumed in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c) Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at March 31, 2021, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as at April 01, 2021.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress includes cost of property, plant, and equipment under installation/under development as at the balance sheet date. Property, plant, and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, intangible assets under development as at balance sheet date are shown as intangible assets under development and the related advances are shown as capital advances.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.



Significant accounting policies and other explanatory information

The Company identifies and determines cost of each component / part of the asset separately, if the component part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Spare parts that can only be used in connection with a particular item of property, plant and equipment, and whose use is expected to be irregular, are capitalized. Such spare parts are depreciated over a period, not exceeding the remaining useful life of the principal asset.

All spare parts, stand-by and servicing equipment qualify as plant, property and equipment (PPE) if they meet the definition of PPE i.e. if the company intends to use these during more than a period of 12 months. The spare parts capitalized in this manner are depreciated as per useful life period, not exceeding a period of five years based on management estimate supported by technical evaluation.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

d) Depreciation on property, plant, and equipment.

Depreciation on the Property plant and equipment is calculated on a Straight-Line Method ("SLM") basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Companies Act, 2013 except for assets individually costing less than Rs. 5,000 which are fully depreciated in the year of acquisition. The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

The following useful lives for various categories of property, plant and Equipment's are adopted by the Company.

Particulars	(Useful life in years)
Buildings	30
Plant & Machinery (used in pharmaceuticals)	20
Plant & Machinery (other than used in pharmaceuticals)	8 to 10
Furniture and fixtures	10
Electrical Installation	10
Vehicles	8
Leasehold improvements	5
Office Equipment	5
Computers	3

Freehold land is not depreciated. Depreciation is provided on a pro-rata basis, i.e., from the date on which the asset is ready for use.

e) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.



Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

f) Amortization of intangible assets

Amortization is provided on a Straight-Line Method ("SLM") over the useful lives of the assets estimated by the Management. Amortization for assets purchased / sold during a period is proportionately charged. Pursuant to this policy, the rates of amortization determined by Management are as set out below:

Intangible Assets	Estimated Useful Life in years
Patents	15
Goodwill	10
Computer Software	5
Technical Know how	5
Product Development fee	5

g) Impairment of non-financial assets

The Company assesses on each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining the net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such an indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in the statement of profit or loss.

After impairment depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h) Inventories

Inventories which comprise raw materials, work-in-progress, finished goods and stores and spares are carried at lower of cost and net realizable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, the first in and first out method (FIFO) is used in the case of manufactured inventories and work in progress. Fixed production overheads are allocated on the basis of the normal capacity of production facilities. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.



The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and stores and spares held for use in the production of finished products are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

The provision for inventory obsolescence is assessed on a periodic basis and is provided as considered necessary.

i) Borrowing cost

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those Property, Plant and Equipment which necessarily take a substantial period of time to get ready for their intended use are capitalized. Borrowing costs are expensed on effective interest rate (EIR) method in the period in which they occur.

Other borrowing costs are recognized as an expense as and when incurred.

j) Leases

The Company assesses a contract at inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets:

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liabilities:

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments included in the measurement of the lease liability include fixed payments (including in substance fixed payments), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.



Significant accounting policies and other explanatory information

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

In case of a short-term lease contract and lease contracts for which the underlying asset is of low value, lease payments are charged to statement of profit and loss on accrual basis.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfers from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

k) Provisions, Contingent Liabilities, Contingent Assets and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle obligations and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events when it cannot be measured reliably.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets, and commitments are reviewed at each reporting date.

Provisions for onerous contracts are recognized when the expected benefits to be delivered by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. Contingent



assets are reviewed at each reporting date. A contingent asset is disclosed where an inflow of economic benefits is probable.

1) Retirement and other Employee Benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

Defined contribution plans:

Provident Fund:

A defined contribution plan is a post-employment benefit plan under which an entity makes specified monthly contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified contributions towards employee provident fund to Government administered provident fund scheme, state plans like Employee State Insurance and labour welfare fund which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans:

The Company's gratuity benefit scheme is defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation is performed annually by a independent actuary using the projected unit credit method as at the reporting date.

The Company's gratuity scheme is administered through Life Insurance Corporation of India and provision for same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made (or shortfall), if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- a. The date of the plan amendment or curtailment, and
- b. The date that the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ii) Net interest expense or income

Compensated absences:



Significant accounting policies and other explanatory information

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The employees are entitled to receive cash compensation at end of calendar year, or at retirement or termination of employment for the unutilized absences. Compensated absences, are provided for on the basis of last drawn salary, for the unutilized balance of leave.

The obligation in respect of compensated absences is provided on the basis of an actuarial valuation carried out by an independent actuary. To the extent that the Company does not have an unconditional right to defer the utilization or encashment of accumulated compensated absences, the liability determined based on actuarial valuation is considered to be a current liability.

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

Initial recognition and measurement:

All financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit and loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in three broad categories:

- a) Financial assets at amortised cost
- b) Financial assets at fair value through profit or loss (FVTPL)
- c) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost: A 'Financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



Significant accounting policies and other explanatory information

- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets at FVOCI: A financial asset is measured at the FVOCI if both of the following criteria are met:

- a) The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Financial assets at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as at Fair Value through OCI (FVOCI), is classified as at FVTPL.

In addition, the Company may elect to designate a Financial assets, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Significant accounting policies and other explanatory information

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost e.g., deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.



II) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including and derivative financial instruments.

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in respective carrying amounts is recognised in statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments, such as interest rate swaps to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.



n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

o) Foreign currency transactions:

Functional and presentation currency

The financial statements are presented in INR (Indian Rupees), which is also the company's functional currency and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

p) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

The principal or the most advantageous market must be accessible by the company.

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:



Significant accounting policies and other explanatory information

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management of the Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management of the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions
- b) Quantitative disclosures of fair value measurement hierarchy
- c) Financial instruments (including those carried at amortized cost)

q) Revenue recognition

Revenue towards satisfaction of performance obligations is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation in transferring goods or services in which the customers obtain control of that goods or services. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract. This variable consideration is estimated based on the expected outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.



R.L. Fine Chem Private Limited

CIN: U24109KA2011PTC059846

Significant accounting policies and other explanatory information

Sale of goods

Revenue from contracts with customers is recognised when a performance obligation is satisfied by transfer of promised goods or services to a customer.

The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice.

Revenue from the sale of goods is recognized Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Sale of Services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer.

Interest Income

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

r) Taxes on income

Tax expense comprises current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current and deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax.

The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961 issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of profit and loss and shown as "MAT Credit Entitlement under Deferred Tax Asset." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance Sheet.



R.L. Fine Chem Private Limited

CIN: U24100KA2011PTC059846

Significant accounting policies and other explanatory information

s) Segment information:

The Company is engaged in manufacturing, supply and distribution of Bulk Drugs and Fine Chemicals which constitutes a single business segment. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

t) Earnings per share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating Diluted Earnings Per Share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

u) Corporate social responsibility

The Company charges its Corporate Social Responsibility (CSR) expenditure to the statement of profit and loss.





3(a) Property, Plant and Equipment

Particulars	Free hold land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipments	Electrical Installations	Motor Vehicle	Total
Deemed Cost										
Gross Block	336.68	1,822.95	151.55	7,933.82	115.59	51.66	63.35	497.68	32.79	11,410.06
As at April 01, 2021	-	521.61	14.75	7,501.66	16.67	32.23	27.61	289.56	3.88	4,604.88
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	336.68	2,344.60	166.30	10,435.41	136.26	83.79	90.97	787.24	33.67	14,414.94
Additions	-	113.63	-	1,737.10	30.77	52.87	11.38	43.80	6.93	2,026.48
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	336.68	2,458.23	166.30	12,222.52	167.03	116.66	102.35	831.04	40.60	16,441.42
Accumulated Depreciation										
As at April 01, 2021	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	70.74	68.79	672.63	19.27	25.17	26.96	85.77	9.91	979.24
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	-	70.74	68.79	672.63	19.27	25.17	26.96	85.77	9.91	979.24
Charge for the year	-	82.34	42.69	774.95	31.25	30.21	21.00	98.52	7.80	1,081.80
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	153.08	111.48	1,447.58	40.52	55.38	50.96	184.29	17.80	2,062.13
Net Block										
As at April 01, 2021	336.68	1,822.95	151.55	7,933.82	115.59	51.66	63.35	497.68	32.79	11,010.06
As at March 31, 2022	336.68	2,273.86	97.51	9,762.79	116.99	58.62	64.01	701.47	23.76	13,435.69
As at March 31, 2023	336.68	2,305.15	54.82	10,774.90	126.51	61.28	51.39	646.75	22.80	14,390.29

Notes:

- The title deeds of all the immovable properties are in the name of the Company.
- During the year, the Company has not realised any Property, Plant & Equipment.
- The Company does not have any benami property and no proceedings have been initiated during the year or are pending against the Company as at December 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1986 (as amended in 2016) and rules made thereunder.

3(b) Capital Work-in-Progress

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening Balance	255.20	627.17	627.17
Additions	221.52	1,515.88	-
Assets Capitalized During the year	(576.82)	(2,867.85)	-
Closing Balance	-	255.20	627.17



R.L. Fine Chem Private Limited

CIN: U24100KA2011PTC059846

#C-10, 1st Cross, KSSIDC Industrial Area, Yelahanka New Town, Bengaluru 560064

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

(All amounts in Rupees lakhs, unless otherwise stated)

4 Right of use asset

Particulars	Total
Gross block	
As at April 1, 2021	159.96
Additions	-
Deletions	-
As at March 31, 2022	159.96
Additions	351.69
Deletions	-
As at March 31, 2023	511.65
Accumulated Depreciation	
As at April 1, 2021	-
Charge for the year	122.98
Deletions	-
As at March 31, 2022	122.98
Charge for the year	53.53
Deletions	-
As at March 31, 2023	176.51
Net Block	
As at April 1, 2021	159.96
As at March 31, 2022	36.98
As at March 31, 2023	335.14



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Notes to the Standalone financial statements for the year ended March 31, 2025
(All amounts in Rupees lakhs, unless otherwise stated)

5 Intangible assets

Particulars	Computer Software	Patents	Goodwill	Product Development fees	Total
Deemed Cost					
Gross block					
As at April 01, 2021	24.11	5,846.73	801.92	68.98	6,741.74
Additions	3.20	-	-	51.50	54.70
Disposals	-	-	-	-	-
As at March 31, 2022	27.31	5,846.73	801.92	120.48	6,796.44
Additions	62.53	-	-	128.79	191.32
Disposals	-	-	-	-	-
As at March 31, 2023	89.84	5,846.73	801.92	249.27	6,987.76
Accumulated Amortisation					
As at April 01, 2021	-	-	-	-	-
Charge for the year	7.06	562.17	148.41	7.14	724.78
Disposals	-	-	-	-	-
As at March 31, 2022	7.06	562.17	148.41	7.14	724.78
Charge for the year	17.89	423.55	111.82	10.10	563.36
Disposals	-	-	-	-	-
As at March 31, 2023	24.95	985.72	260.23	17.24	1,288.14
Net block					
As at April 1, 2021	24.11	5,846.73	801.92	68.98	6,741.74
As at March 31, 2022	20.25	5,284.56	653.51	113.34	6,071.66
As at March 31, 2023	64.89	4,861.01	541.69	232.03	5,699.62



R.L. Fine Chem Private Limited
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Notes to the Standalone financial statements for the year ended March 31, 2023
(All amounts in Rupees lakhs, unless otherwise stated)

6	Financial Assets - Investments	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	Investments consists of the following			
	Non - Current Investments Carried at Cost			
	a) Investments in Associate			
	Investment in Lee Pharma Limited (unquoted) 6,16,636 equity shares of Rs. 10 each fully paid up	1,955.97	1,955.97	1,955.97
	b) Others			
	Investment in Maple Advisory Group Private Limited (unquoted) 119,362 equity shares of Rs. 10 each fully paid up	-	812.84	812.84
		1,955.97	2,808.81	2,808.81
	Current Investments			
	a) Investments carried at fair value through profit or loss			
	- Fully paid Preference shares (unquoted)			
	Investment in Incred Capital Financial Services Private Limited 115,583 3.01% Class A Preference shares of INR 10 each (fully paid up)	1.56	-	-
	- Fully paid Equity shares (unquoted)			
	Investment in Incred Capital Financial Services Private Limited 14,960 equity shares of INR 10 each fully paid up	1.50	-	-
	Investment in Maple Advisory Group Private Limited ^a 118,362 equity shares of Rs. 10 each fully paid up	809.79	-	-
	Less: Impairment allowance	(712.84)	-	-
		100.01	-	-

^aThe Company has entered into an agreement to sell the investments in Maple Advisory Group Private Limited and Incred Capital Financial Services Private Limited for a consideration of Rs.100 Lakhs vide settlement agreement dated June 23, 2023.

7	Financial Assets - Others	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	Other financial assets consists of the following			
	Non - Current			
	a) Security Deposits	141.87	103.27	119.55
	b) Deposits with Original maturity more than 12 months	7.22	7.22	6.77
	c) Income accrued but not due	-	4.35	6.45
		149.09	110.84	126.77
	Current			
	a) Security Deposits	42.28	50.20	20.30
	b) Income accrued but not due	6.87	6.43	71.08
		49.15	56.63	91.38

8	Other Assets	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	Non - Current			
	Considered good			
	a) Capital advances	96.31	169.98	252.65
	b) VAT Receivable	-	61.04	190.88
		96.31	231.02	443.53
	Current			
	Considered good			
	a) Advance to suppliers	313.48	75.37	238.35
	b) Advances to employees	32.95	29.10	36.55
	c) Prepaid expense	265.31	120.50	136.65
	d) Balance with government authorities	1,485.10	885.77	1,095.41
		2,096.84	1,110.74	1,456.95



9	Inventories	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	a) Raw material and Components	2,083.12	2,536.37	1,734.56
	b) Work in Progress	2,793.18	2,844.85	1,507.41
	c) Finished Goods	2,480.84	2,121.29	1,373.09
	d) Stores and spares	224.57	224.32	189.36
		7,581.81	7,727.83	6,804.42

Note: In the absence of ready-made reports from the ERP system with respect to actual materials in work in progress, the management has arrived at the quantity of work in progress based on the open production orders in line and physical verification as on the reporting date. The valuation has been arrived at based on the procurement value of raw materials as per the valuation methodology.

Additionally, there is no system in place to capture work order-wise material issued for production, output, and scrap linking to output batches. As a result, management relied on manual BMRs for consumption tracking and closing stock was determined based on physical verification at year-end. With the implementation of SAP B One from April 01, 2023, management is expecting to better track consumption and closing stock on a batch-wise basis, which is expected to improve accuracy and visibility.

10	Trade Receivables	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	a) Secured, Considered Good	11,635.00	11,135.56	10,327.13
	b) Unsecured, Considered Good	-	-	-
	c) Unsecured, Considered Doubtful	23.75	23.75	17.76
	Total	11,658.75	11,159.31	10,344.89
	Less: Allowance for trade receivables	(23.75)	(23.75)	(27.76)
	Total	11,635.00	11,135.56	10,327.13

Note: Trade receivables as on March 31, 2023 are subject to confirmation and reconciliation.

11	Cash and Cash Equivalents	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	a) Balances with Banks			
	- On Current Accounts	1,473.83	95.13	135.16
	- Deposits with original maturity of less than 3 months	-	-	-
	b) Cash on Hand	5.57	5.91	3.48
		1,479.40	101.04	138.64

12	Other Bank Balances	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	a) Deposits with Original maturity less than 12 months	-	5.99	1,167.06
		-	5.99	1,167.06

13	Share Capital	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	(a) Authorized:			
	20,00,000 Equity Shares of Rs.10/- each.	200.00	200.00	200.00
	(b) Issued, Subscribed and Paid-up:			
	62,745/- Equity Shares of Rs.10/- each fully paid up.	6.27	6.27	6.27

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
Equity Shares						
At the beginning of the year	62,745	6.27	62,745	6.27	62,745	6.27
Movement during the year	-	-	-	-	-	-
At the end of the year	62,745	6.27	62,745	6.27	62,745	6.27

(d) Terms / Rights attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting right to an equity shareholder on a whole are in proportion to its share of the paid up equity capital of the Company. The voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holder of the equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.



(e) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Nos.	% Holding	Nos.	% Holding	Nos.	% Holding
Equity shares of Rs.10/- each fully paid						
Trishna Roy	-	0.00%	-	0.00%	13,000	15.94%
Tannushree Roy	-	0.00%	-	0.00%	10,000	15.94%
Sumitra Roy	-	0.00%	-	0.00%	6,000	9.56%
Anjan Kumar Roy	-	0.00%	-	0.00%	6,000	9.56%
Anam Fine Chemicals Private Limited	32,000	51.00%	32,000	51.30%	-	-
Verve Industries Private Limited	8,282	13.20%	8,282	13.20%	-	-
Mape PharmaScience LLP	11,419	18.20%	11,419	18.20%	11,419	18.20%
Chandrapore Estates Private Limited	11,044	17.60%	11,044	17.60%	19,326	30.80%
	62,745	100.00%	62,745	100.00%	62,745	100.00%

32,000 equity shares of the Company held by Anjan K Roy, Trishna Roy, Tannushree Roy, and Sumitra Roy were transferred to Amarthya Siddhartha on August 13, 2021. These shares were subsequently transferred from Amarthya Siddhartha to Anam Fine Chemicals Private Limited on December 27, 2021.

8,282 equity shares and 11,879 CCDS of the Company held by Chandrapore Estates Private Limited were transferred to Verve Industries Private Limited on March 31, 2022.

The Company has neither allotted any fully paid up equity shares by way of bonus shares, for consideration other than cash nor has it bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

As at March 31, 2023, 43,922 shares were reserved for issuance as follows:

The Company had allotted 43,922, 0.1% Compulsorily Convertible Debentures on August 25, 2016 that can converted into 43,922 equity shares at the option of the debenture holders anytime within 20 years from the date of issue. Post that, the debentures will be automatically converted to equity shares by default. The debenture holders has not exercised its option for conversion as at March 31, 2023.

Details of Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	Nos.	% Holding	Nos.	% Holding
Equity shares of Rs. 10 each fully paid				
Anam Fine Chemicals Private Limited	32,000	51%	32,000	51%

Details of promoter shareholding

For the year ended March 31, 2023

Name of promoter	At the beginning of the year	Changes during the year	At the end of the year	% of Change during the year
Anam Fine Chemicals Private Limited	32,000	0%	32,000	0%
Verve Industries Private Limited	8,282	0%	8,282	0%
Mape PharmaScience LLP	11,419	0%	11,419	0%
Chandrapore Estates Private Limited	11,044	0%	11,044	0%

For the year ended March 31, 2022

Name of promoter	At the beginning of the year	Changes during the year	At the end of the year	% of Change during the year
Trishna Roy	10,000	-10,000	-	-100.00%
Tannushree Roy	10,000	-10,000	-	-100.00%
Sumitra Roy	6,000	-6,000	-	-100.00%
Anjan Kumar Roy	6,000	-6,000	-	-100.00%
Anam Fine Chemicals Private Limited	-	32,000	32,000	100.00%
Verve Industries Private Limited	-	8,282	8,282	100.00%
Mape PharmaScience LLP	11,419	-	11,419	0.00%
Chandrapore Estates Private Limited	19,326	8,282	11,044	-42.85%
Total	62,745	-	62,745	-

After the reporting date, the Company converted 36,314, 0.1% Compulsorily convertible debentures (CCDs) of Rs. 9,375 each held by Mape PharmaScience LLP into 0.1% Non-convertible debentures (NCDs) of INR 9,375 each. The NCDs are redeemable within 30 days of the agreement date for a consideration of Rs. 10,304.14 lakhs. Mape PharmaScience LLP has proposed to redeem the NCDs on June 22, 2023.

Further, on the same day, the Company has also proposed to buy back 11,419 equity shares of Rs. 10 each at a price of Rs. 36,782/- per share from Mape PharmaScience LLP.



14	Other Equity	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(A) Securities Premium				
Opening Balance		2,879.27	2,879.27	2,879.27
Premium received during the year		-	-	-
Closing Balance		2,879.27	2,879.27	2,879.27
(B) Retained Earnings				
Opening Balance		12,753.75	8,636.70	8,636.70
Ind AS Transition Adjustment		-	-	33.00
Add: Profit/(Loss) for the year		2,834.36	4,116.55	-
		15,587.71	12,753.25	8,669.70
(C) Equity Component of Compulsory Convertible Debentures (CCD)		4,888.73	4,888.73	4,888.73
(D) Other comprehensive income				
On Actuarial Gain/(loss) on post employment benefits				
At the beginning of the year		(58.42)	(29.93)	(29.93)
Add: Actuarial Gain/(loss) for the year		(3.39)	(28.49)	-
At the end of the year		(61.81)	(58.42)	(29.93)
Closing Other Equity		22,493.90	19,662.83	15,574.77

15	Financial Liabilities - Borrowings	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non-Current				
Borrowings				
(Secured)				
From banks & Financial Institution		1,569.21	2,309.37	933.91
Liability Component of CCD		21.53	72.06	22.69
(Unsecured)				
Loan from Related Parties				
Anjan K. Roy*		-	350.00	350.00
Chandrapur Salates Private Limited*		1,599.94	1,399.94	1,599.94
Mape Securities Private Limited*		934.20	934.20	934.20
Jacob Mathew*		-	230.00	230.00
Annam Fine Chemicals Private Limited *		1,847.50	-	-
Ray Life Sciences Private Limited *		-	495.08	495.00
		3,472.24	5,980.57	4,595.74
Current				
Borrowings *				
Current Maturities of Secured Loan		730.88	574.81	2,574.82
Liability Component of CCD		4.12	4.12	4.12
Cash Credit *		3,000.80	1,923.49	2,164.79
Participate Credit Loan *		1,576.73	2,717.47	4,186.17
Bill Discounting		799.23	8.81	78.26
		6,121.76	5,219.70	9,809.16

Note

* The Company is paying interest on unsecured loan at a rate of 13 % p.a (March 31, 2022; 13% p.a). The loan is repayable based on mutually agreed terms. The Company intends to repay this beyond 12 months from the Balance sheet date.

* During the Financial Year 2022-23, the company availed a unsecured term loan of Rs.1847.50 Lakhs from Annam Fine Chemicals Private Limited (shareholder) for two facilities (mentioned below) at interest rate of 8% P.a. The loan is repayable based on mutually agreed terms. The Company intends to repay this beyond 12 months from the balance sheet date.

Facility 1: To fulfill pre-disbursement conditions of Kotak Mahindra Limited for availing financial assistance of Rs. 1250 Lakhs

Facility 2: General Corporate and working capital Requirements

* The Company had obtained unsecured interest free loan from the related party. The loan is repayable based on mutually agreed terms and the same has been repaid as on March 31, 2023



From financial institutions & banks (including current maturities of non-current borrowings shown under Short term Borrowings)

Nature of secured loans existing as at March 31, 2023

Term loan from Axis Bank aggregating to ₹ Nil (March 31, 2022: ₹ Nil lakhs, April 01, 2021: ₹ 1,120.39 lakhs) equivalent in USD Nil (March 31, 2022: USD Nil, April 01, 2021: USD 15,30.64) repayable in 16 quarterly instalments starting from 1 December 2019. The interest on this loan is payable at the end of each month, linked to the LIBOR rate with a spread of 500 basis points. The Company has repaid entire loan by March 31, 2022.

Term loan from KBL Bank aggregating to ₹ Nil (March 31, 2022: ₹ Nil lakhs, April 01, 2021: ₹ 816.43 lakhs) equivalent in USD Nil (March 31, 2022: USD Nil, April 01, 2021: USD 11,14.88) repayable in 16 quarterly instalments starting from 1 December 2019. The interest rate on this loan is presently at 6.85% p.a. payable at the end of each month. This is achieved by hedging the floating interest rate via a interest rate swap. The floating rate of interest is 6 months LIBOR rate + 3.75%. The Company has repaid entire loan by March 31, 2022.

Term loan from Piramal Finance Limited aggregating to ₹ Nil (March 31, 2022: ₹ Nil, April 01, 2021: ₹ 1,800 lakhs) repayable in 20 quarterly instalments starting from March 05, 2019. The interest rate on this loan is presently at 15% p.a. fixed. The Company has repaid entire loan by March 31, 2022.

Term loan from Axis Bank Limited aggregating to ₹ 2481.25 lakhs (March 31, 2022: ₹ 2,904.19 lakhs, April 01, 2021: ₹ Nil) repayable in 48 quarterly instalments starting from June, 2022. The interest rate on this loan is at 8.25% p.a. till August 2022 and the revised rate is 9.25% w.e.f. September 01, 2022.

Current Borrowings:

1. The Company has availed working capital borrowing from RBL Bank Limited, Axis Bank Limited and Bajaj Finance Limited for the purpose of letter of credit, bank guarantee, export pre/post shipment, invoice financing, cash credit, and LOU for buyer's credit facility to company. It is repayable on demand and secured by mortgage first charge on entire current assets of the Company both present and future on pari passu basis, second charges on all movable and immovable fixed assets of the Company both present and future on pari passu basis.

2. The Company is paying interest at the rate of Repo rate + 4.00% + 4.10% to Axis bank and at the rate of 1 Year MCLR + 1.75% to RBL bank.

3. The Company is paying interest at the rate of LIBOR + 250 BPS to Axis bank and at the rate of LIBOR + 425 BPS to RBL bank.

Nature of securities

- First pari passu charge on all the moveable and immovable property, plant and equipment (both tangible and intangible assets excluding goodwill) (present and future) of the Company.
- Second pari passu charge on current assets including stock and bank debts (present and future) of the Company.
- Pledge of 30% shares (including CCUs) of the Company (exclusive to Axis Bank).
- Irrevocable and unconditional corporate guarantee of Mape Advisory Group Private Limited.

- First pari passu charge on all the moveable and immovable property, plant and equipment (both tangible and intangible assets excluding goodwill) (present and future) of the Company.
- Second pari passu charge on current assets including stock and bank debts (present and future) of the Company.
- Pledge of 30% shares (including CCUs) of the Company (exclusive to RBL Bank).
- Irrevocable and unconditional corporate guarantee of Mape Advisory Group Private Limited.

- Pledge of 10% shares (including CCUs) of the Company, (exclusive to Piramal Finance Limited).
- Pledge of entire stake in Eco Pharma Private Limited.
- Second charge on all present and future current and property, plant and equipment of the Company to serve as collateral for capex plan.
- Irrevocable and unconditional corporate guarantee of Mape Advisory Group Private Limited.

- First pari passu charge on all the moveable and immovable property, plant and equipment (both tangible and intangible assets excluding goodwill) (present and future) of the Company.
- Second pari passu charge on current assets including stock and bank debts (present and future) of the Company.
- Pledge of 30% shares (including CCUs) of the Company (exclusive to Axis Bank).
- Irrevocable and unconditional corporate guarantee of Mape Advisory Group Private Limited.

16	Financial Liabilities - Others	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	Other financial liabilities consists of the following			
	Non-Current			
	a) Capital Creditors	-	-	-
	Current			
	a) Interest Accrued but not due	1,563.75	1,534.43	1,185.18
	b) Interest accrued on trade payables	203.21	157.12	120.06
	c) Capital Creditors*	340.94	499.88	450.21
	d) Employee cost payable	94.09	358.93	-
	e) Mark-to-Market loss on swap contract	-	-	9.01
		2,431.99	2,550.36	1,764.48

*Includes amounts due to micro and small enterprises

17	Pensions	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	Non-Current			
	a) Provision for gratuity (Refer Note 32)	108.08	320.94	231.38
	b) Provision for leave benefits	295.31	165.38	177.60
		703.49	486.32	408.96
	Current			
	a) Provision for gratuity (Refer Note 32)	188.91	163.04	127.02
	b) Provision for leave benefits	76.97	55.74	43.54
		265.76	218.78	167.56



18	Deferred Tax Balances	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	Deferred tax assets			
	a) Gratuity	173.81	140.93	104.37
	b) Compensated Absences	186.32	64.39	63.52
	c) Investments	371.21	360.63	360.60
	d) Lease Liability	92.63	12.84	49.76
	e) others	69.17	7.85	60.85
		1,093.14	586.64	649.10
	Deferred tax liabilities			
	a) Property Plant and Equipment & Intangible Assets	2,391.30	2,262.87	2,371.04
	c) ROL Asset	97.59	11.88	47.59
		2,488.89	2,274.75	2,418.63
	(Net Deferred Tax Liability/(Assets))	1,451.75	1,688.11	1,476.50

19	Other Liabilities	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	Non-Current			
	a) Deferred Rental Income	-	-	-
		-	-	-
	Current			
	a) Statutory dues	267.30	174.33	283.50
	b) Advance Received-Customers	176.02	62.74	143.12
	c) Advance for sale of Land	-	-	375.00
		443.32	237.07	801.62

20	Trade Payables	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	a) Dues to micro enterprises and small enterprises (Refer Note 56)	2,039.16	1,361.53	884.30
	b) Others	6,081.32	4,475.67	4,917.08
		7,920.48	5,837.20	5,801.38

Note: Trade payables as on March 31, 2023 are subject to confirmation and reconciliation.

Management does not have a system in place to identify MSME vendors. Instead, mail confirmation and Udyam certificates provided by vendors are relied upon to classify them as MSMEs.



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Notes to the Standalone financial statements for the year ended March 31, 2023
(All amounts in Rupees lakhs, unless otherwise stated)

21	Revenue from Operations	For the year ended March 31, 2023	For the year ended March 31, 2022
	Revenue from sale of products	36,715.38	35,798.87
	Total	36,715.38	35,798.87

Note:

i) Disaggregation of Revenue into Geographical Areas

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Domestic	11,732.14	11,562.53
Foreign	24,983.23	24,236.34
Revenue from Operations	36,715.37	35,798.87

ii) Timing of recognition of Revenue

Particulars	At a point in Time	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Products	36,715.38	35,798.87
Revenue from Operations	36,715.38	35,798.87

iii) Reconciliation of Revenue recognized in the statement of Profit & Loss with contract Price:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue as per contract Price	36,715.38	35,798.87
Adjustments	-	-
Revenue from Operations	36,715.38	35,798.87

Major Customers: Revenue from one customer of the company is approximately Rs. 2407.93 lakhs out of revenue from operations of the company for the year ended March 31, 2023 (March 31, 2022: 2791.87 lakhs)

22	Other income	For the year ended March 31, 2023	For the year ended March 31, 2022
	Interest income on deposits	4.13	29.30
	Net gain on account of foreign exchange fluctuations	180.38	96.51
	Duty Drawback	177.86	86.90
	Export incentive	69.15	-
	Interest on Financial Asset Carried at Amortized Cost	3.01	2.92
	Dividend Income	61.66	-
	Insurance Claims Received	263.60	-
	Others	50.17	204.95
		809.96	420.56

23	Cost of materials consumed	For the year ended March 31, 2023	For the year ended March 31, 2022
	Opening stock	2,336.37	1,734.56
	Add: Purchases	15,210.95	16,936.00
	Less: Closing stock	2,083.12	2,536.37
		15,664.20	16,134.19

Note: Management employs the consumption calculation method based on the assumption that Opening Stock (+) Purchases (-) Closing Stock = Consumption. The said method is expected to provide an estimate of consumption for the reporting period. With SAP B one in place from April 1, 2023, management is expected to better track the consumption of materials.



23	Changes in inventory of finished goods and work-in-progress	For the year ended March 31, 2023	For the year ended March 31, 2022
	Inventories at the beginning of the year:		
	Finished goods	2,122.29	1,373.09
	Work-in-progress	2,844.85	1,507.41
		4,967.14	2,880.50
	Inventories at the end of the year:		
	Finished goods	2,480.81	2,122.29
	Work-in-progress	2,793.48	2,844.85
		5,274.32	4,967.14
	Net decrease	(307.18)	(2,086.64)
25	Employee Benefit Expenses	For the year ended March 31, 2023	For the year ended March 31, 2022
	Salaries, wages and bonus	5,083.84	5,205.12
	Contribution to provident and other funds	338.34	315.79
	Staff welfare expenses	251.91	355.92
		5,674.09	5,876.83
26	Finance costs	For the year ended March 31, 2023	For the year ended March 31, 2022
	Interest expense on:		
	Borrowings and other cost	1,421.01	1,032.63
	Income Tax	3.11	173.11
	Delayed payment of statutory dues	2.32	27.10
	Processing Cost	39.50	20.50
	Interest on CCD	3.40	3.49
	Interest on Lease Liability	13.87	15.35
		1,483.21	1,278.18
27	Depreciation and amortisation expenses	For the year ended March 31, 2023	For the year ended March 31, 2022
	Depreciation of Property, Plant and Equipment	1,081.89	979.26
	Amortisation of Intangible assets	563.36	724.78
	Depreciation of RDU assets	53.53	122.98
		1,698.78	1,827.02



28	Other expenses	For the year ended March 31, 2023	For the year ended March 31, 2022
	Consumption of store and spare parts	47.80	47.34
	Power and fuel	1,644.67	1,543.72
	Repair and maintenance		
	- Building	41.70	34.56
	- Machinery	492.95	256.02
	- Others	351.14	287.90
	Insurance	160.31	169.78
	Rent	933.07	130.21
	Rates and taxes	529.14	574.89
	Travelling and conveyance	216.92	128.60
	Printing and stationery	74.47	68.07
	Sales commission*	583.92	453.58
	Freight and forwarding	696.99	771.40
	Labour charges	1,085.81	867.40
	Business promotion	81.95	13.89
	Legal and professional charges	442.81	429.66
	Testing & Lab Expenses	251.52	237.40
	Research and development expenses	222.60	333.63
	Directors Sitting Fees	8.00	8.00
	Auditors' remuneration [Refer Note (a)]	18.50	14.00
	Security charges	81.80	76.16
	Postage and courier	41.02	46.58
	Bank charges	83.45	73.47
	Allowance for trade receivables	-	5.96
	Bad debts written off	77.93	11.10
	CSR expenditure (Refer Note 38)	105.77	85.85
	Advances written off		9.67
	Impairment allowance on Financial Asset	712.84	-
	Miscellaneous expenses	313.89	226.16
		9,300.17	6,929.52

* Out of 583.92 Lakhs Sales commission 230 Lakhs has been allocated as sales commission provision. The said provision has been determined on Adhoc basis.

a) Payment to Auditors (excluding service tax/Goods and service tax)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit	16,50,000	12,00,000
Tax audit	2,00,000	2,00,000
Total	18,50,000	14,00,000

29	Other Comprehensive Income	For the year ended March 31, 2023	For the year ended March 31, 2022
	Actuarial (Gain)/Losses on Gratuity Expense for the year	(1.70)	(40.20)
	Taxes on above	1.40	11.71
		(3.39)	(28.49)

30	Earnings per Equity Share	For the year ended March 31, 2023	For the year ended March 31, 2022
	Profit after tax (A) (in Lakhs)	2,834.46	4,116.55
	Weighted average number of equity shares outstanding at the end of the year for computing the basic EPS (B) (in Numbers)	62,745.00	62,745.00
	Weighted average number of equity shares outstanding at the end of the year for computing the diluted EPS (C) (in Numbers)	1,06,667.00	1,06,667.00
	Impact of Interest on Debenture (D) (in Lakhs)	2.41	2.47
	Basic earnings per share (in rupees) (A)/(B)	4,517.24	6,560.99
	Diluted earnings per share (in rupees) (A+D)/(C)	2,659.45	3,861.71



11 Income Tax

A. The major components of income tax expenses are:

Statement of profit and loss:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current income tax:		
Current income tax charge	1,285.27	1,624.71
Deferred tax:		
Relating to origination and reversal of temporary differences	(233.36)	208.59
Income tax expense for the year	1,051.91	1,833.30
Less: Adjustments relating to previous year	-	-
Income tax expense reported in the statement of profit or loss	1,051.91	1,833.30

B. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting profit	4,012.07	6,268.25
Tax at the applicable tax rate	25.17%	25.12%
Tax Amount	1,009.76	1,575.34
<u>Tax effect of income that are not taxable in determining taxable profit / allowable expenditures that are not part of Book profit:</u>		
a) Amount disallowed u/s 43B		
b) Others - Ind AS adjustments	(1.99)	17.10
c) Others		-
<u>Tax effect of expenses that are not deductible in determining taxable profit:</u>		
b) Amount disallowed u/s 43B	77.75	10.10
b) Donations & CSR Expenditure	25.58	25.60
c) Interest on delayed payment of statutory dues	1.69	37.72
d) Others (including depreciation)	167.50	(276.38)
Income tax expense reported in the statement of profit and loss	1,285.27	1,624.71

C. Deferred tax:

	Statement of profit or loss		Balance sheet	
	For the year ended March 31, 2023	For the year ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
Deferred tax liability				
a) Property Plant and Equipment & Intangible Assets	128.43	191.85	3,391.30	2,262.87
b) Investments	-	-	-	-
c) ROL Asset	83.71	(33.71)	97.50	11.88
Gross deferred tax liability	212.14	158.12	2,488.89	2,274.75
Deferred tax asset				
a) Gratuity	32.88	36.56	173.91	148.95
b) Compensated absences	43.93	0.87	188.32	64.29
c) Investments	207.58	-	371.21	163.63
d) Lease Liability	81.79	(36.92)	94.63	12.84
e) others	81.32	(32.98)	89.17	7.85
	447.50	(32.47)	1,017.14	589.64
Charge / (credit) during the year	(233.36)	208.59		
Net deferred tax (liability)/Asset (net)			(1,451.75)	(1,685.11)



R.L. Fine Chem Private Limited
CIN: U24100KA2011PTC059646
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Notes to the Standalone Financial statements for the year ended March 31, 2023
(All amounts in Rupees lakhs, unless otherwise stated)

32 Employee benefit plan

i. Defined contribution plan

The Company makes provident fund and employee state insurance scheme contributions which are defined contribution plan for qualified employees. Under the scheme the Company is required to contribute a specified percentage of payroll costs to fund the benefit. The Company recognised for provident fund contribution and employee state insurance scheme contribution in the statement of Profit and Loss. The contribution paid by the Company are at rates specified in the rules of the scheme.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution to Provident Fund	218.08	212.21
Contribution to PSI	17.14	16.20

ii. Defined benefit plan

The Company operates post-employment defined benefit plans that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The scheme is funded by plan asset. Gratuity expenses in the statement of profit and loss for the year is as follows:

Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	72.73	68.60
Interest on obligation	35.38	23.26
Expected return on plan assets	-	-
Actuarial losses	-	-
Total included in employee benefits expenses	108.11	91.87

Revenue recognized in other comprehensive income is Rs. 4.79 lakhs (March 31, 2022: Rs. 40.20 lakhs)

The following table summarizes the position of assets and obligation relating to the Gratuity plan.

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Fair value of plan assets	21.71	31.10	84.43
Present value of obligations	418.60	335.08	442.83
Liability recognized in the balance sheet	396.89	483.96	358.40

ii. Defined benefit plan

Movement in present values of defined benefit obligations

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening Defined benefit obligation	335.08	442.83	418.91
Current service cost	72.73	68.60	39.11
Interest cost	38.06	27.68	24.64
Actuarial losses	1.63	35.49	26.70
Benefits paid by the plan	(28.91)	(40.52)	(86.53)
Closing Defined benefit obligation	418.60	535.08	442.83

Movement in fair value of plan assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening fair value of plan asset	31.10	84.43	136.77
Contribution paid into the plan	-	6.49	2.94
Benefits paid by the plan	(28.91)	(40.52)	(52.99)
Expected return on plan asset	2.68	4.47	6.94
Actuarial (losses)	(3.14)	(3.91)	(3.23)
Closing Fair value of plan asset	21.71	51.10	84.43



The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Discount rate (in %)	7.31%	7.08%	6.55%
Salary Escalation (in %)	7.00%	7.00%	7.00%
Attrition rate (in %)	23.00%	23.00%	20.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate		
Effect due to 1% increase in discount rate	(34.20)	(33.58)
Effect due to 1% decrease in discount rate	37.94	37.41
Attrition rate		
Effect due to 1% increase in attrition rate	(2.32)	(2.71)
Effect due to 1% decrease in attrition rate	2.50	2.92
Salary escalation rate		
Effect due to 1% increase in salary increase rate	34.91	34.61
Effect due to 1% decrease in salary increase rate	(32.36)	(31.77)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in the future years

Particulars	As at March 31, 2023	As at March 31, 2022
within one year	79.49	69.46
between one to two years	65.24	50.92
between two to three years	53.41	44.62
between three to five years	117.91	84.52
between five to ten years	240.54	215.30

b) Compensated absences

Compensated absences amounting to ₹ 201.92 lakhs (March 31, 2022: ₹ 46.08 lakhs) is recognised as expenses and included in Note 25 'Employer Benefit Expense'

3) Contingent liabilities and commitments

(a) Contingent liabilities not provided for

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Claims not acknowledged as debts on account of:			
- Bank guarantee *	-	0.66	55.66
Income tax	493.86	493.86	493.66

(b) Capital commitment

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	125.13	271.12	1,241.22



34. Related Party Transactions

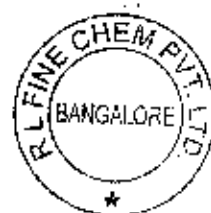
(f) Details of Related Parties	Name of the Related Party
Relationship	a) Lee Pharma Limited
Associate Enterprise	
Enterprises where key managerial personnel/shareholders have significant influence:	a) Ray Life Sciences Private Limited (previously known as Ray Chemicals Private Limited) b) R L Fine Chem (Sole Proprietorship of Mr. Anjan Kumar Roy) c) Tellus Spaces (Sole Proprietorship of Mrs. Tanushree Roy) d) Triroy Life Sciences Private Limited (previously known as Triroy Life Sciences -Sole Proprietorship of Trishna Roy)
Enterprises which exercises significant influence over the Company	a) Mape Advisory Group Private Limited b) RL API Private Limited
Share holder:	a) Mape Pharmascience LLP b) Chandrapore Estates Private Limited c) Anam Fine Chemicals Private Limited (Holding Company) d) Verve Industries Private Limited e) Anjan K Roy (upto August 12, 2021) f) Trishna Roy (upto August 12, 2021) g) Tanushree Roy (upto August 12, 2021) h) Sumitra Roy (upto August 12, 2021) ^a
Director	a) Jacob Mathew (Date of Appointment: August 11, 2021) b) LR Ravish (Date of Appointment: August 11, 2021) c) Mallesha K M (Date of Appointment: July 28, 2021) d) Lalit Rai (Date of Resignation: August 11, 2021) e) Deepak Mohan (Date of Resignation: August 11, 2021)
Key Managerial Personal	a) Pasupathy P V (CEO)



ii) Related party transactions

Nature of transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Sale of Goods Lee Pharma Limited	21.00	105.86
b) Dividend Received Lee Pharma Limited	61.66	-
c) Rent Anjan K Roy*	-	180.00
d) Directors Sitting Fees T R Ravish Mallesha K M	4.00 4.00	4.00 4.00
e) Interest on Unsecured Loan Anjan K Roy* Chandrapore Estates Private Limited Jacob Mathew Anam Fine chemicals Private Limited Ray Life Sciences Private Limited Mape Securities Private Limited	- 207.99 16.63 4.43 338.97 121.45	45.50 207.99 29.90 - - 121.45
f) Repayment of Unsecured Loan Ray Life Sciences Private Limited Jacob Mathew	493.00 230.00	- -
g) Interest on Debentures Chandrapore Estates Private Limited Mape Pharmascience LLP Veyve Industries Private Limited	1.48 1.53 1.11	2.59 1.53 -
h) Legal & Professional charges Anjan K Roy* Sumitra Roy* Trishna Roy* Tanushree Roy*	- - - -	40.00 8.00 16.00 16.00
i) Commission paid Trishna Roy Tanushree Roy	- -	4.00 4.00
j) Reimbursement of expenses paid Mape Advisory Group Private Limited	-	36.66
k) Salary Pasupathy P V	290.89	690.89

*The above stated parties are shareholders upto August 12, 2021 and accordingly transactions during the FY 2022-23 are not disclosed.



34. The Details of amount due to related parties as at March 31, 2023; March 31, 2022 and April 01, 2021 are as follows:

Nature of transactions	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
a) Unsecured Loans:			
Anjan K Roy	-	350.00	350.00
Chandrapore Estates Private Limited	1,599.94	1,599.94	1,599.94
Roy Life Sciences Private Limited	-	493.00	493.00
Jacob Mathew	-	230.00	230.00
Anam Fine chemicals Private Limited	1,047.50	-	-
Maple Securities Private Limited	934.20	934.20	934.20
b) Accrued Interest on loans:			
Anjan K Roy	-	206.22	165.27
Chandrapore Estates Private Limited	1,122.07	934.88	747.69
Jacob Mathew	-	26.91	-
Anam Fine chemicals Private Limited	3.99	-	-
Maple Securities Private Limited	464.87	333.57	246.26
c) Trade Payable:			
Thangshree Roy	-	-	5.56
Sumitra Roy	-	-	7.21
Dusina Roy	-	-	5.56
Anjan K Roy	-	16.20	27.63
Maple Advisory Group Private Limited	-	25.97	-
d) Accrued Interest on B-ventures			
Chandrapore Estates Private Limited	-	-	2.39
e) Salary Payable			
Pasupathy P.V.	-	300.00	100.00
f) Trade Receivables			
Lee Pharma Limited	3.20	20.37	-

35. Leases

Company as Lessee:

The Company's lease assets consist of lease of Building which comprises of cancellable operating leases for office premises, factory and Guest houses which are renewable at the option of both lessor and lessee. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023, are as follows:

Particulars	Buildings	Total
Balance as at April 01, 2021	159.96	159.96
Depreciation	122.98	122.98
Balance as at March 31, 2022	36.98	36.98
Additions	351.69	351.69
Depreciation	53.53	53.53
Balance as at March 31, 2023	335.14	335.14

The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Current Lease Liability	31.00	28.76	122.21
Non-current Lease Liability	250.33	11.35	40.12
Total	341.96	40.11	167.33

The following is the movement in lease liability:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	40.11	167.32
Additions	535.47	-
Finance cost accrued during the year	13.87	15.35
Payment of lease liability	47.49	142.56
Balance at the end of the year	341.96	40.11

Following amount has been recognized in the statement of profit & loss

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation on right of use asset	53.53	122.98
Interest on lease liability	13.87	15.35
Total amount recognised in the statement of profit and loss	67.40	138.33

The details regarding the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	96.59	38.65
One to five years	320.89	-



R.L. Fine Chem Private Limited
CIN: U24300KA2011PTC059846
FC-10, 1st Cross, KSSIDC Industrial Area, Yelahanka New Town, Bengaluru 560014
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(All figures in Rupees lakhs, unless otherwise stated)

36 Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
(a) (i) Principal	1,049.16	1,361.55
(ii) Interest	205.21	157.12
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year:		
Interest		
Payment	2,182.21	3,965.42
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		
(d) The amount of interest accrual and remaining unpaid at the end of the year	203.21	157.12
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	203.21	157.12

37 Segment reporting

The Company is engaged in the business of manufacturing, supply and distribution of Bulk Drugs and Fine Chemicals, which constitutes a single business segment. Accordingly, there are no separately reportable primary segments.

Secondary geographical segments have been identified based on domestic and export markets. Secondary segment details are given below:

Secondary segment details are given below:

Particulars	As at March 31, 2023	As at March 31, 2022
Segment revenue		
(i) Domestic	11,732.14	11,562.58
(ii) Rest of the world	24,983.23	24,236.34
Segment assets		
(i) Domestic	38,137.51	36,172.72
(ii) Rest of the world	9,454.38	6,601.63
Capital expenditure		
(i) Domestic	2,208.86	(393.78)
(ii) Rest of the world	8.94	76.51



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(All amounts in Rupees lakhs, unless otherwise stated)

- 38 CSR amount required to be spent by the Company during the year is Rs. 103.05 lakhs (Previous year Rs. 77.82 lakhs). Further, during the year company has spent an amount Rs. 105.62 lakhs related to current year liability, details of which are as follows:

Amount Spent During the Year	Paid	Yet to be paid	Total
On construction or acquisition of any asset	-	-	-
On Purpose other than above	105.62	-	105.62
Total	105.62	-	105.62

Details of amount spending on CSR activities:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening unspent amount	-	-
Amount required to be spent as per section 135(5) of companies Act, 2013	103.05	77.82
Less: Amount spent during the year	105.62	85.75
Balance amount to be spent/ (Excess Spent)	(2.57)	(7.93)
Amount transferred to separate bank account within 6 months	-	-
Balance amount to be Spent	-	-

- 39 **Research and Development Expenses**

Details of Research and Development Expenses (Excluding Depreciation and Amortisation Expenses) incurred during the year are given below:

Particulars	For the year ended March 31, 2023*	For the year ended March 31, 2022*
a) Revenue Expenditure:		
Purchase of Chemicals	195.63	267.71
General Expenses	-	0.83
Internship & Stipend	26.96	53.99
Spares & Consumables	0.01	0.06
Other Expenses	45.30	31.03
Employee Benefit Expenses (Refer Note No. 24)	499.89	391.97
Total (a)	767.79	747.59
b) Capital Expenditure		
Plant & Machinery	245.01	21.76
Total (b)	245.01	21.76
Grand Total (a)+(b)	1,012.81	769.35

*The Company has received recognition from Department of Science and Technology while its letter dated March 19, 2020 from January 29, 2019 to March 31, 2021 and company has renewed a recognition licence with Department of Science and Technology from April 1, 2021 to March 31, 2024.



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Notes to the Standalone financial statements for the year ended March 31, 2023
(All amounts in Rupees Lakhs, unless otherwise stated)

40 Fair Values

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the financial statements is reasonable approximation

Particulars	Carrying Value			Fair Value		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Financial Assets						
At Fair Value through P&L						
Investments	100.01	-	-	100.01	-	-
At Amortised Cost						
Investments	1,995.97	2,808.81	2,808.81	1,995.97	2,808.81	2,808.81
Trade Receivables	13,605.00	11,135.56	10,707.13	13,605.00	11,135.56	10,707.13
Cash and Cash equivalents	1,479.40	41.10	138.64	1,479.40	41.10	138.64
Bank balances other than cash and cash equivalents	-	5.99	1,667.03	-	5.99	1,667.03
Other financial assets	161.44	161.44	218.13	161.44	161.44	218.13
Total Financial Assets	17,401.82	14,152.90	14,659.74	17,401.82	14,152.90	14,659.74
Financial Liabilities						
At Amortised Cost						
Borrowings	11,298.95	11,184.25	13,593.91	11,298.95	11,184.25	13,593.91
Other financial liabilities	2,432.00	2,550.32	1,764.48	2,432.00	2,550.32	1,764.48
Trade Payables	7,130.43	5,837.26	5,801.38	7,130.43	5,837.26	5,801.38
Loan facilities	341.96	40.12	167.33	341.96	40.12	167.33

41 Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets and liabilities

Particulars	Fair Value Measurement using		
	Quoted price in Active Markets	Significant Observable Inputs	Significant Unobservable Inputs
	Level 1	Level 2	Level 3
Assets measured at Fair Value as on March 31, 2023			
Investments in Equity shares (Unquoted)	-	-	100.01
Assets measured at Fair Value as on March 31, 2022			
Investments in Equity shares (Unquoted)	-	-	-
Assets measured at Fair Value as on April 01, 2021			
Investments in Equity shares (Unquoted)	-	-	-

There have been no transfers between Level 1, Level 2 and Level 3 during the current and previous periods.

42 Financial Risk Management objectives and policies

The Company's principal financial liabilities, borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents are derived from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by senior management team that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity risk. Financial instruments affected by market risk include Borrowings and investments and derivative financial instruments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company doesn't not have any exposure to the risk of changes in market interest rates except for short term Borrowings.

The Company has outstanding foreign currency loan as at April 01, 2021 for which interest rate swap derivative contract is entered to swap the floating rate of interest to fixed and the loan is settled in FY 21-22. The exchange gain on the above has been recorded in the statement of profit and loss amounting to ₹ 5.01 Lakhs for the year ended March 31, 2022.



Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to

Foreign currency sensitivity

The Company's exposure to unhedged foreign currency risk at the end of the reporting period expressed in foreign currency is as follows

Foreign Currency	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Foreign Currency	Amount in Rs.	Foreign Currency	Amount in Rs.	Foreign Currency	Amount in Rs.
Trade payables (USD)	8,00,848	650.01	3,38,080	255.55	6,17,803	452.41
Trade receivables (USD)	1,11,16,054	9,133.40	86,63,459	6,548.49	71,11,819	5,267.41
Trade receivables (EUR)	3,88,697	347.41	63,235	53.11	2,64,308	226.77
Short term borrowings (USD)	24,33,575	1,983.42	35,88,512	2,712.46	56,73,361	4,261.41
Long term borrowings (USD)	-	-	-	-	26,45,332	1,937.32

43 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the parent. The

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Borrowings (A)	11,293.96	11,184.27	13,303.90
Share Capital	6.27	6.27	6.27
Other Equity	22,493.98	19,662.83	15,574.77
Total equity (B)	22,500.17	19,669.10	15,581.04
Total equity and total debt (C=A+B)	33,794.13	30,853.37	28,884.94
Gearing ratio (A/C)	33.42%	36.25%	46.59%

- 49 Due to fire accident at the warehouse of GRR Logistics Private Limited (Transporter) on February 29, 2020, inventory amounting to ₹ 351.63 lakhs of the company has been damaged and the company has issued demand notice against the transporter. However, based on the further communication with the transporter the Company is doubtful on the recoverability of the same. Accordingly, the same has been charged off to statement of profit and loss account as extra-ordinary item in financial year 2019-20. During the financial year 21-22, based on the discussions with Transporter and insurance Company, the Company has submitted required documents for insurance claim and waiting for acknowledgement and settlement order. However, the Company has received the claim settlement amounting to ₹ 263.60 lakhs on September 14, 2022.

- 46 The disclosure on the following matters required under Schedule III as amended, not being relevant or applicable in case of the Group, same are not covered:

- The Company has not traded or invested in crypto currency or virtual currency during the financial year
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (43 of 1988) and rules made thereunder
- The Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.
- The Company has not entered into any scheme of arrangement.
- No registration and/or satisfaction charges are pending to be filed with RXX.
- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- The Company does not have any relationship with struck off companies.



B.1. Fine Chem Private Limited
CIN: U51406KA2011PT0059044
 PC-10, 1st Cross, KSSRIIC Industrial Area, Yelahanka New Town, Bengaluru, 560064
 Notes to the Standalone Financial Statements for the year ended March 31, 2023
 (All amounts in Rupees Lakhs, unless it is stated)

42 - **Continued**

A. Capital Work in Progress

As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Construction of 500 and 600 Plant in Hindupur (Projects temporarily suspended)	-	-	-	-	-

As at March 31, 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Construction of New Line and line stock in Coimbatore (Projects temporarily suspended)	255.20	-	-	-	255.20
	255.20	-	-	-	255.20

B. Intangible Assets Under Development

As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Computer Software - SAP (Projects temporarily suspended)	-	-	-	-	-

As at March 31, 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Computer Software - SAP (Projects temporarily suspended)	0.00	46.07	-	-	46.07
	0.00	46.07	-	-	46.07

C. Trade Receivables

As at March 31, 2023	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Unsecured trade receivables: Considered good	12,510.93	129.75	15.52	2.55	-	12,658.75
Considered doubtful	-	-	-	-	-	-
Total	12,510.93	129.75	15.52	2.55	-	12,658.75
Less: Provision	-	-	-	-	-	-29.93
Trade Receivables	12,510.93	129.75	15.52	2.55	-	12,628.82

As at March 31, 2022	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Unsecured trade receivables: Considered good	10,831.5	236.07	69.02	22.61	-	11,159.20
Considered doubtful	-	-	-	-	-	-
Total	10,831.5	236.07	69.02	22.61	-	11,159.20
Less: Provision	-	-	-	-	-	-25.25
Trade Receivables	10,831.5	236.07	69.02	22.61	-	11,133.95

D. Trade Payables

As at March 31, 2023	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Min. or small and creditworthy parties	1,049.16	-	-	-	1,049.16
Others	6,081.20	-	-	-	6,081.20
Total	7,130.36	-	-	-	7,130.36

As at March 31, 2022	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Min. or small and creditworthy parties	1,361.85	-	-	-	1,361.85
Others	4,425.21	-	-	-	4,425.21
Total	5,787.06	-	-	-	5,787.06

E Quarterly Stock and Book debt statement submitted to bank for the year ended March 31, 2023

Particulars	Quarter	As per books	As per statement	Difference	Remarks
Inventory	01-Jan-22	8,227.27	8,227.27	-	
Trade Receivables	01-Jan-22	6,229.59	6,229.59	-	
Inventory	01-Sep-22	9,194.79	9,194.79	-	
Trade Receivables	01-Sep-22	9,315.62	9,315.62	-	
Inventory	01-Dec-22	8,185.56	8,185.56	-	
Trade Receivables	01-Dec-22	9,759.15	9,759.15	-	
Inventory	01-Mar-23	7,381.03	7,549.83	168.80	Change in the Inventory Valuation at the time of Audit
Trade Receivables	01-Mar-23	13,435.00	13,726.86	291.86	Due to Classification entry & Written off

For the year ended March 31, 2022

Particulars	Quarter	As per books	As per statement	Difference	Remarks
Inventory	01-Jan-21	5,621.15	5,621.15	-	
Trade Receivables	01-Jan-21	5,750.42	5,256.91	493.51	
Inventory	01-Sep-21	6,688.22	6,162.22	526.00	
Trade Receivables	01-Sep-21	6,427.19	6,143.53	283.66	Due to Classification entry
Inventory	01-Dec-21	5,534.93	5,534.93	-	
Trade Receivables	01-Dec-21	5,352.04	5,537.95	185.91	Due to Classification entry
Inventory	01-Mar-22	5,727.68	7,710.63	1,982.95	Change in the Inventory Valuation at the time of Audit
Trade Receivables	01-Mar-22	11,450.91	11,462.97	12.06	Due to Classification entry & Written off



R.L. Fine Chem Private Limited
 CIN: U24100KA2011PTC 057845
 40-70, 1st Cross, KSSDC, Industrial Area, Yelahanka New Town, Bengaluru 560064
 Notes to the standalone financial statements for the year ended March 31, 2023
 (All amounts in Rupees lakhs, unless otherwise stated)

47 Financial ratios

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance %	Remarks
Current ratio	Current assets	Current liabilities	143	132	8%	
Debt-equity ratio	Total debt [Non-current liabilities + current liabilities + lease liabilities]	Shareholders' equity	932	937	-9%	
Debt service coverage ratio	Earnings available for debt services [Net profit after taxes + non-cash operating expenses like depreciation and other amortizations + interest + other adjustments less loss on sale of fixed assets]	Debt service = Interest lease payments + principal repayments	140	185	-25%	
Return on equity ratio	Net Profit after tax (including OCI)	Average Shareholder's equity	13.45%	27.20%	-51%	Profit from investment
Inventory turnover ratio	Cost of sales/ closing inventory	Average inventories	2.05	2.57	-21%	
Trade payables turnover ratio	Revenue from operations	Average trade payables	2.96	3.34	-11%	
Trade receivables turnover ratio	Purchases	Average trade payable	2.93	2.91	-15%	
Net capital turnover ratio	Operating profit	Working capital	4.92	7.40	-34%	Investment in working capital
Return on investment	Profit after tax	Revenue from operations	7.72%	11.50%	-33%	Profit from investment
Return on capital employed	Earnings before interest and tax	Capital employed	19.68%	27.03%	-27%	Profit from investment
Return on investment	Income from investments	Time weighted value of investments	N/A	N/A	N/A	



R.L. Fine Chem Private Limited
CIN: U28100KA2011PTC088846
11-10, 1st Cross, KSSSUDC Industrial Area, Yelahanka New Town, Bengaluru, 560064
Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Rupees Lakhs, unless otherwise stated)

B. First Time Adoption of Ind AS

These standalone financial statements, for the year ended March 31, 2023, are the first, the company has prepared in accordance with Ind AS, for periods up to and including the year ended March 31, 2022, the company prepared its standalone financial statements in accordance with accounting standards notified under section 133 of Companies Act 2013, and together with paragraph 2 of the Companies (Financial Reporting) Regulations, 2014 (Companies Act).

Accordingly, the company has prepared standalone financial statements which comply with Ind AS applicable for the year ended on March 31, 2023, together with the comparative period as a result for the year ended March 31, 2022, as disclosed in the summary of significant accounting policies. In preparing these standalone financial statements, the company's opening balance sheet was prepared as at April 01, 2022, the company's date of transition to Ind AS. This date requires the principal adjustments made by the company in preparing its Ind AS financial statements, including the balance sheet as at April 01, 2021 and the financial statements as at and for the year ended March 31, 2022.

A. Mandatory exemptions to retrospective application:

Ind AS 101 allows that first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a. Transition:

- The estimates as at April 01, 2021 and as at March 31, 2022 are consistent with those made for the same dates in accordance with Indian GAAP, after adjustments to reflect any differences in accounting policies. The company has used the company's previous financial statements in accordance with Ind AS, effective conditions as at April 01, 2021, the date of transition to Ind AS, as at March 31, 2022. However, information not required under Ind AS but required under previous GAAP has been made by the company for the relevant reporting period ending on or close to that date. Key estimates occurred in preparation of financial statements that were not required under the previous GAAP are listed below:
 - Fair valuation of financial instruments as at April 01, 2021
 - Determination of the fair market value for financial instruments that are unlisted stock.

b. Impairment of financial assets (Trade receivables and other financial assets):

The Company has applied the exception related to impairment of financial assets given in Ind AS 101. It is used reasonable and supportable information that is available without undue cost or effort to determine the credit risk of the trade receivables and other financial assets as at the date of transition to Ind AS and as at April 01, 2021.

c. Recognition of financial assets and financial liabilities:

Ind AS 101 enables a first-time adopter to apply the recognition provisions of Ind AS 102 prospectively from a transition date or, alternatively, the date of transition to Ind AS. The Company has elected to apply the recognition provisions of Ind AS 102 prospectively from the date of transition to Ind AS.

d. Classification and measurement of financial assets:

Ind AS 101 requires a first-time adopter to classify financial assets on the basis of facts and circumstances existing at the date of transition. Further, the standard permits measurement of financial assets at amortised cost based on facts and circumstances existing at the date of transition. If retrospective application is impracticable, accordingly, the company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets measured at amortised cost has been done retrospectively except where the same is impracticable.

Exemptions applied:

i. Transition for Property, Plant and Equipment and Intangible Assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of the property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured at previous GAAP and used the measurement cost as at the date of transition, after making necessary adjustments for accounting liabilities. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values as at transition date April 01, 2021.

ii. Lease Commitment:

The company has elected not to recall the optional exemption to reverse just business combinations included in Ind AS 101.

iii. Leases:

The company has adopted Ind AS 115 by applying exemption provided under Ind AS 101. Following approach is followed on transition date (April 01, 2022) when applying Ind AS 115 initially:

- i) Lease liability is recognised for those which were previously classified as operating lease, by measure the present value of the remaining lease payments discounted using the incremental borrowing rate at the date of initial application.
- ii) Right of use asset is recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments resulting from lease recognised in the statement of recognised liabilities immediately before the date of initial application.

The Company also applied the available practical expedients wherever it:

- a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- b) Applied the short-term lease exemption to leases with lease term that ends within 12 months of the date of initial application.
- c) Applied the initial cost test from the measurement of the right-of-use asset to the date of initial application.



Reconciliation of Equity

Particulars	As at March 31, 2021			As at April 01, 2021		
	ICAAAP	Ind AS Adjustment	Ind AS	ICAAAP	Ind AS Adjustment	Ind AS
1. ASSETS						
1. Non-current assets						
Property, Plant and Equipment	11,155.09	-	11,155.09	11,110.03	-	11,110.03
Capital work-in-progress	25.30	-	25.30	127.17	-	127.17
Right of use asset	-	36.58	36.58	100	152.50	129.90
Other Intangible assets	7,471.65	-	6,073.16	5,741.74	-	6,241.24
Intangible assets under development	19.27	-	19.27	18.67	-	18.67
Financial assets						
- Investments	2,400.81	-	2,400.81	2,026.03	-	2,420.81
- Loans	-	-	-	-	-	-
- Other financial assets	113.54	(2.94)	1,109	1,194.7	(5.65)	1,207.7
Deferred tax asset (net)	-	-	-	306.79	-	306.79
Other non-current assets	294.02	-	294.02	425.55	-	425.55
	22,965.28	34.24	23,002.47	22,009.19	134.12	22,053.49
2. Current assets						
Inventories	7,727.08	-	7,727.08	4,094.41	-	4,204.44
Financial assets						
- Investments	-	-	-	-	-	-
- Trade receivables	11,125.88	-	11,125.89	10,222.53	-	10,425.25
- Cash and cash equivalents	41.12	-	41.12	38.84	-	38.84
- Bank balances other than cash and cash equivalents	5.93	-	5.93	1,187.95	-	1,160.55
- Other financial assets	50.61	-	50.61	91.28	-	91.48
Current tax assets (net)	-	-	-	-	-	-
Other current assets	1,110.24	-	1,110.24	1,426.55	-	1,456.55
Assets held for sale	-	-	-	375.20	-	375.20
	20,071.95	-	20,071.95	18,206.57	-	18,305.57
Total Assets	43,037.23	34.24	43,074.25	40,215.76	154.21	40,614.07
2. EQUITY AND LIABILITIES						
EQUITY						
Equity share capital	6.27	-	6.27	6.27	-	6.27
Other equity	15,298.61	4,191.29	19,692.85	11,487.52	4,291.40	15,794.77
Total equity	15,304.88	4,191.29	19,699.12	11,493.79	4,291.40	15,784.81
LIABILITIES						
1. Non-current liabilities						
Financial liabilities						
- Borrowings	11,065.52	(4,114.36)	5,981.37	8,692.34	(4,108.80)	4,585.21
- Long term loans	0.00	1.45	1.45	0.00	40.12	40.12
Other financial liabilities	-	-	-	-	-	-
Provisions	416.32	-	416.32	414.36	-	414.36
Deferred tax liability (net)	1,974.37	(266.96)	1,707.41	1,481.17	(5.58)	1,476.22
Other non-current liabilities	-	-	-	-	-	-
	13,456.21	(4,118.87)	9,337.34	10,587.87	(4,074.26)	6,513.72
2. Current liabilities						
Financial liabilities						
- Borrowings	5,159.58	1.19	5,160.77	4,004.26	4.12	4,008.42
- Trade payables	-	-	-	-	-	-
- Inter-university dues of share and small enterprises	1,581.59	-	1,581.59	864.95	-	864.95
- Total outstanding dues of creditors other than share and small enterprises	4,577.67	-	4,577.67	4,915.18	-	4,915.18
- Long term loans	0.00	25.76	25.76	-	127.21	127.21
- Other financial liabilities	2,530.36	-	2,530.36	1,554.44	-	1,554.44
Provisions	210.00	-	210.00	167.56	-	167.56
Current tax liability (net)	1,195.95	-	1,195.95	861.20	-	861.20
Other current liabilities	7,922.99	-	7,922.99	821.67	-	821.67
	17,595.57	27.95	17,623.52	15,210.57	151.33	15,361.62
Total liabilities	17,595.57	27.95	17,623.52	15,210.57	151.33	15,361.62
Total equity and liabilities	43,037.23	34.24	43,074.25	40,215.76	154.21	40,614.07



Reconciliation of profit or loss and other comprehensive income for the year ended March 31, 2022

Particulars	For the year ended March 31, 2022		
	Ind AS	Ind AS Adjustment	Ind AS
INCOME			
Revenue from operations	32,794.47	-	32,794.47
Other income	417.61	2.92	420.53
Total income	33,212.08	2.92	33,215.00
EXPENSES			
Cost of materials consumed	16,134.17	-	16,134.17
Change in inventory of finished goods and work-in-progress	(2,346.64)	-	(2,346.64)
Employee benefits expense	5,917.04	(40.25)	5,876.79
Finance costs	1,266.57	6.01	1,272.58
Depreciation and amortisation expenses	1,701.03	122.99	1,824.02
Other expenses	7,072.12	(142.60)	6,929.52
Total expenses	36,824.31	(35.95)	36,788.36
Profit/(Loss) before tax	6,387.77	50.71	6,438.48
Tax expense			
Current tax	(694.71)	(0.00)	(694.71)
ACT/ATAD adjustment	98.79	-	98.79
Deferred tax	(92.14)	(272.34)	(364.48)
Total tax expense	(248.06)	(272.34)	(520.40)
Profit/(Loss) after tax for the year	6,139.71	278.37	6,418.08
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement (debt)/gain on defined benefit plans	-	(46.30)	(46.30)
Income tax relating to items that will not be reclassified to profit or loss	-	1.71	1.71
Items that will be reclassified to profit or loss			
Total Other Comprehensive Income (net of taxes)	-	(44.59)	(44.59)
Total Comprehensive Income for the year	6,139.71	233.78	6,373.49

Estimates to the second half of the year as at April 30, 2021 and March 31, 2022

1. Leases

Under the previous GAAP, operating leases are recognised at an amount payable. Under Ind AS, the Company has created ROU and lease liability by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the time of initial application. Accordingly, depreciation and interest on lease liability is recognised in the statement of profit and loss account. Accordingly, ROU asset of Rs. 15.56 lakhs and lease liability of Rs. 187.15 lakhs is created as of transition date i.e., April 01, 2021 and the difference is adjusted to other equity due to which the other equity is decreased by 171.59 lakhs. Further, depreciation of Rs. 172.84 lakhs and interest on lease liability of Rs. 15.45 lakhs is recognised for the year ended March 31, 2022.

2. Security deposit

Under the previous GAAP, interest free security deposits given for lease arrangements (that are refundable on completion of its term) are recorded at their transaction value. Under Ind AS, the Company has also created the security deposits due to which the security deposits paid is decreased by Rs. 5.85 lakhs as of transition date. Further, the difference between the fair value and transaction value of the security deposits have been added to Equity of the ROU asset created above. Further, interest on Security deposit is recognised in the P&L account (Other income) amounting to Rs. 0.52 lakhs for the year ended March 31, 2022.

III. Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in statement of profit or loss over the tenure of the borrowings as part of the interest expense by applying the effective interest method. Under the previous GAAP, these transaction costs were recognised as expense in the year loan was taken. Accordingly, borrowings as at March 31, 2022 have been reduced by Rs. 23.5 lakhs (April 01, 2021: Rs. 8.52 lakhs) with corresponding adjustment to increase in retained earnings. Further, the profit for the year ended March 31, 2022 reduced by Rs. 16.77 lakhs as a result of the additional interest expense.

IV. Complimentary Convertible Debentures (CCD)

Ind AS 32 requires the paid financial instruments to be recognised as two separate components, where a liability and equity components. Accordingly, liability component is recognised by deducting the interest payment on CCD which is of Rs. 36.81 lakhs and Equity component of Rs. 109.01 lakhs and the impact is retained surplus of Rs. 72.20 lakhs as of transition date i.e., April 01, 2021. Further, the profit for the year ended March 31, 2022 is reduced by the 5.49 lakhs.

V. Re-measurements on post-employment benefit plans

Under Ind AS, re-measurements on actuarial gain and losses and the return on plan assets (except for amounts included in the net interest expense on the net defined liability) are recognised in other comprehensive income instead of statement of profit and loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. On transition date, retained earnings is increased by Rs. 25.38 lakhs by re-measuring adjustments to DCT component in other equity. As a result of this change, the profit for the year ended March 31, 2022 is increased by Rs. 40.20 lakhs.

VI. Deferred tax

Ind AS 12 requires entities to recognise deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under Indian GAAP. Deferred tax adjustments are recognised in relation to the underlying transaction in a deferred manner. On the date of transition, Deferred tax liability is decreased by the 5.31 lakhs and the corresponding adjustment is included in retained earnings. Further Deferred Tax Liability reduced by Rs. 10.95 lakhs as on year ended March 31, 2022.



VII. Investments in Equity Instruments

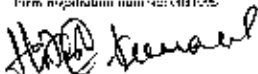
As per Ind AS 106, the Company has opted for measurement of Equity Instruments at cost or fair value date.

Other Comprehensive Income

Under Indian GAAP, the Company has recognised other comprehensive income (OCI) separately. Hence, it has disclosed Indian GAAP profit or loss in Ind AS profit or loss. But for Ind AS 106, the Company has recognised other comprehensive income as per Ind AS.

As per my report of even date attached

For K.S. Rao & Co.,
Chartered Accountants
Firm registration number: 0431295


Hrishabh Kumar
Partner
Membership number: 28323

Place: Bengaluru
Date: September 03, 2023



For and on behalf of the Board of Directors
R.L. Fine Chem Private Limited


R.L. Fine Chem Private Limited
Director
DIN No. 0263961


Paragathya J
Chief Executive Officer

Place: Bengaluru
Date: September 03, 2023

