

Independent Auditor's Report

To,
The Members of
Fine Organic Industries (SEZ) Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of **Fine Organic Industries (SEZ) Private Limited** (herein referred to as "the Company"), which comprise the Balance Sheet as at **March 31, 2024**, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, the Statement of Cash Flows for the period then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information (Collectively referred to as "the Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (herein referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (herein referred to as "Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2024**, and its profit (including other comprehensive income), statement of changes in equity and its cash flows for the period 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 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 (herein referred to as "the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on Financial Statements.

Key Audit Matters

4. Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting on the Key Audit Matters as per SA 701 is not applicable to the Company as it is an unlisted Company.



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

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' report including annexures to Directors' Report, and Shareholders' information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

6. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

7. The Company's management and Board of Directors are responsible for the matters specified in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and accounting principles generally accepted in India. This responsibility also includes the 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 the frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the Financial Statements, management and 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable Assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risk of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our an opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of the 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.
 - Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.
12. 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.
13. 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

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143(11) of the Act, we give in the '**Annexure - I**' a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, based on our audit, we report to the extent applicable 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 of the aforesaid Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Financial Statements have been kept so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rule, 2015 (as amended).
 - e) On the basis of the written representations received from the Directors of the Company as on March 31, 2024, taken on record by the Board of Directors of the Company, none of the Indian directors of the Company is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls; refer to our separate report in '**Annexure - II**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
16. 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:
- a) The Company did not have any pending litigations which may impact on its financial position except for specifically disclosed in its Financial Statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses except for specifically disclosed in its Financial Statements.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act.



- d) This clause is omitted vide notification dated March 24, 2021, in the Companies (Audit and Auditors) Amendment Rules, 2021 effective from April 01, 2021.
- e) (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 share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of 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 ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (e) (i) and (e) (ii) contain any material misstatement.
- f) The Company has not declared or paid any dividend during the period from October 10th, 2023 to March 31st, 2024.
- g) Based on the information and explanation provided by the management, the company has not used an accounting software for maintaining books of accounts during the period since the company has opted for customise accounting software namely "Oracle" to be designed and developed according to the requirements of the Company's nature of business. Accordingly, reporting for whether the Company has used an accounting Software which has a feature of recording Audit Trail (Edit Log Facility) as prescribed in Rule 11(g) of the Companies (Audit and Auditors Rules) 2014 (as amended) is not applicable for the period from October 10th, 2023 to March 31st, 2024. However, the Company has maintained its books of accounts in an electronic mode using Microsoft Excel Utility.

Further, since the company has not maintained its books of accounts in Accounting software, reporting as per proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended) for preservation of Audit Trail as per the Statutory requirements for record retention is not applicable for the period from October 10th, 2023 to March 31st, 2024.

17. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:





The provision relating to section 197 of the Act relating to the Company has paid / provided managerial remuneration is not applicable to private limited company.

ICAI UDIN: 24137872BKAVBA1340

For **BY & Associates**

Chartered Accountants

ICAI Firm Registration Number: 123423W

CA Maulik N. Lodaya

Partner

Membership Number: 137872

Date : May 06, 2024

Place : Mumbai

'Annexure - I' to the Independent Auditor's Report of even date to the members of Fine Organic Industries (SEZ) Private Limited, on the Financial Statements for the period from October 10th, 2023 to March 31, 2024

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) According to the information and explanation provided by management and the records examined by us, the Company does not have any Property, Plant & Equipment as at the Balance Sheet date. Therefore, reporting under Clause 3(i)(a)(A) of the said Order for maintenance of proper records is not applicable to the Company.
- (a) (B) According to the information and explanation provided by the management and the records examined by us, the Company does not have any Intangible Assets as at the Balance Sheet date. Therefore, reporting under Clause 3(i)(a)(B) of the said Order for maintenance of proper records is not applicable to the Company.
- (b) The Company does not have any Property, Plant & Equipment as at the Balance Sheet date. Hence, reporting under Clause 3(i)(b) of the said Order for Physical Verification of Property, Plant & Equipment is not applicable to the Company.
- (c) The Company does not have any Immovable Property (other than properties where the company is lessee and the lease agreements are duly executed in the favour of lessee) as at the Balance Sheet date. Hence, reporting under Clause 3(i)(c) of the said Order is not applicable to the Company.
- (d) The Company does not have any Property, Plant & Equipment and Intangible Assets as at the Balance Sheet date. Hence, reporting under Clause 3(i)(d) of the said Order for Revaluation of Property, Plant & Equipment and Intangible Assets is not applicable to the Company.
- (e) According to the information and explanation provided by the management and the records examined by us, there are no proceedings initiated during the period from October 10th, 2023 to March 31st, 2024 and/or are pending against the Company for holding any Benami Property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Therefore, reporting under Clause 3(i)(e) of the said Order is not applicable to the Company.
- (ii) (a) According to the information and explanation provided by the management and the records examined by us, the Company is yet to commence its operation and it does not have any Inventory as at the Balance Sheet date. Hence, reporting under clause 3(ii)(a) of the said Order for Physical Verification is not applicable to the Company.
- (b) As per examination and information provided by the management and the records examined by us for the period from October 10th, 2023 to March 31st, 2024, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions against the security of its current assets. Hence, reporting under clause 3(ii)(b) of the said Order for quarterly returns

or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company is not applicable to the Company.

- (iii) According to the information and explanation provided by the management and the records examined by us for the period from October 10th, 2023 to March 31st, 2024, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties. Hence reporting under clause 3(iii)(a) to (f) of the said Order is not applicable to the Company.
- (iv) According to the information and explanation provided by the management and the records examined by us, the Company has, wherever applicable, complied the provisions of Section 185 and Section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to the information and explanation provided by the management and the records examined by us, the Company has not accepted deposits / amounts deemed to be deposits as per the directive issued by Reserve Bank of India and the provision of the section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rule made thereunder. Hence reporting under clause 3(v) of the said Order is not applicable to the Company.
- (vi) According to the information and explanation provided by the management and the records examined by us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for any of its products.
- (vii) (a) According to the information and explanation provided by the management and the records examined by us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income tax, Sales tax, Wealth Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty and Cess (if any) have generally been deposited regularly with the appropriate authorities including interest on late payment, if any, as appearing in the books of accounts. Since the company is incorporated on October 10th, 2023 i.e. for less than 180 days, accordingly reporting for whether any undisputed dues in respect of Income tax, Sales tax, Wealth Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty and Cess outstanding as at Balance Sheet date is not applicable.

(b) According to the information and explanation provided by the management and the records examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited as on the Balance Sheet date on account of any dispute.
- (viii) Since the Company has incorporated w.e.f. October 10th, 2023, no tax assessments have been done under the Income Tax Act, 1961 till date hence there is no such income which needs to be surrendered or disclosed the period from October 10th, 2023 to March 31st, 2024, which is not recorded in the Books of Accounts and further reporting under clause 3(viii) of the said Order is not applicable to the Company.
- (ix) (a) According to the information and explanation provided by the management and the records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the period from October 10th, 2023 to March 31st, 2024. Hence reporting under clause 3(ix)(a) of the said Order is not applicable to the Company.



(b) According to the information and explanation provided by the management and the records examined by us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender during the period from October 10th, 2023 to March 31st, 2024.

(c) According to the information and explanation provided by the management and the records examined by us, the Company has not obtained any term loans. Hence reporting under clause 3(ix)(c) for whether term loan has been applied for the purpose for which it is obtained, and no amount of loan has been diverted of the said Order is not applicable.

(d) According to the information and explanation provided by the management and the records examined by us, the funds raised on short term basis have not been utilized for long-term purposes during the period from October 10th, 2023 to March 31st, 2024. Hence reporting under clause 3(ix)(d) of the said Order is not applicable to the Company.

(e) According to the information and explanation provided by the management and the records examined by us, the Company does not have any subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix)(e) of the said Order pertaining to meeting the obligations of the subsidiaries, joint ventures and associate companies is not applicable to the Company.

(f) According to the information and explanation provided by the management and the records examined by us, the Company does not have any subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix)(f) of the said Order pertaining to raising of loans on the pledge of securities held in its subsidiaries, joint ventures and associate companies is not applicable to the Company

(x) (a) Since the Company is a Private Limited Company as defined under section 2(68) of the Companies Act, 2013, raising of money by way of initial public offer or further public offer (including debt instruments) is impermissible. Hence reporting under clause 3(x)(a) of the said Order is not applicable to the Company.

(b) The Company has made preferential allotment or private placements of equity and preference shares during the period from October 10th, 2023 to March 31st, 2024. According to the information and explanation provided by the management and the records examined by us, the company has complied with the provision of section 42 and 62 of the Companies Act, 2013 and the Company has confirmed that fund raised have been used for the purpose for which fund were raised.

(xi) (a) According to the information and explanation provided by the management and the records examined by us, no fraud has been noticed or reported during the period from October 10th, 2023 to March 31st, 2024 on the Company or by the Company. Hence reporting under clause 3(xi)(a) of the said Order is not applicable to the Company.

(b) Since no fraud has been noticed or reported during the period from October 10th, 2023 to March 31st, 2024 on the Company or by the Company, no report under sub-section (12) of Section 143 of the Companies Act, 2013 is required to be filed by the auditors in Form ADT-4 as prescribed under



rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government. Hence reporting under clause 3(xi)(b) of the said Order is not applicable to the Company.

(c) According to the information and explanation provided by the management and the records examined by us, no whistle-blower complaint has been received by the Company during the period from October 10th, 2023 to March 31st, 2024. Hence reporting under clause 3(xi)(c) of the said Order is not applicable to the Company.

(xii) According to the information and explanation provided by the management and the records examined by us, the Company is not covered under the category of Nidhi company. Hence reporting under clause 3(xii)(a) to (c) of the said Order is not applicable to the Company.

(xiii) According to the information and explanation provided by the management and the records examined by us, the Company has complied with Section 177 and 188 of Companies Act, 2013 in respect of all transactions with related parties and details have been disclosed in the Financial Statements as required by the applicable Ind AS.

(xiv) According to the information and explanation provided by the management and the records examined by us, the company does not fall under the purview of Internal Audit as it does not meet the required criteria as provided in Section 138 of the Companies Act, 2013. Hence reporting under clause 3(xiv)(a) & (b) of the said Order is not applicable to the Company.

(xv) According to the information and explanation provided by the management and the records examined by us, the Company has, wherever applicable, complied with provisions of Section 192 of the Companies Act, 2013 in respect of any non-cash transactions entered with directors or persons connected with him.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanation provided by the management and the records examined by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(b) of the said Order is not applicable to the Company.

(c) According to the information and explanation provided by the management and the records examined by us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the said Order is not applicable to the Company.

(d) According to the information and explanation provided by the management and the records examined by us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(d) of the said Order, for the Group not having any other CIC as a part of the Group is not applicable to the Company.

- (xvii) According to the information and explanation provided by the management and the records examined by us, the Company has not incurred any cash losses during the period from October 10th, 2023 to March 31st, 2024 and since the company is incorporated during the financial year w.e.f. October 10th, 2023, reporting for cash loss/profit in the preceding financial year is not applicable under clause 3(xvii) of the said Order.
- (xviii) According to the information and explanation provided by the management and the records examined by us, there has been no resignation of the statutory auditors of the Company during the period from October 10th, 2023 to March 31st, 2024. Hence reporting under clause 3(xviii) of the said Order is not applicable to the Company.
- (xix) According to the information and explanation provided by the management and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements examined by us, we are of the opinion that no material uncertainty exists as on the date of the audit report that the 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.
- (xx) According to the information and explanation provided by the management and the records examined by us, the company is not covered under the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility. Hence reporting under clause 3(xx)(a) & (b) of the said Order pertaining to transfer of Unspent Amount is not applicable to the Company.
- (xxi) Since the Company does not have any Subsidiaries, Joint Ventures or Associate Companies, it is not required to prepare and present the Consolidated Financial Statements. Hence reporting under clause 3(xxi) of the said Order pertaining to Qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements is not applicable to the Company.

ICAI UDIN: 24137872BKAVBA1340

For **BY & Associates**

Chartered Accountants

ICAI Firm Registration Number: 123423W



CA Maulik Lodaya

Partner

Membership Number: 137872



Date : May 06, 2024

Place : Mumbai

‘Annexure – II’ to the Independent Auditor’s Report of even date to the members of Fine Organic Industries (SEZ) Private Limited, on the Financial Statements for the period from October 10th, 2023 to March 31st, 2024

1. In conjunction with our audit of the Financial Statements of the Company as of and for the period from October 10th, 2023 to March 31st, 2024, we have audited the internal financial controls over financial reporting of **Fine Organic Industries (SEZ) Private Limited** (hereinafter referred to as ‘the Company’) as on that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (hereinafter referred to as “the 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, 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 Act.

Auditor’s Responsibility

3. Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the ‘Guidance Note’) issued by the ICAI and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively from the period from October 10th, 2023 to March 31st, 2024, based on the criteria for internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

ICAI UDIN: 24137872BKAVBA1340

For **BY & Associates**

Chartered Accountants

ICAI Firm Registration Number: 123423W


CA Maulik Lodaya

Partner

Membership Number: 137872



Date : May 06, 2024

Place : Mumbai

Fine Organic Industries (SEZ) Private Limited

Balance Sheet As At March 31st, 2024

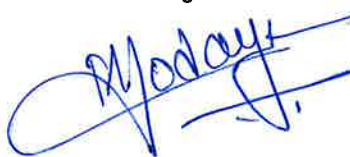
(INR in Lakhs)

Particulars	Notes	As At March 31st, 2024
ASSETS		
A) NON CURRENT ASSETS		
Property, Plant and Equipment		-
Capital Work-in Progress		-
Financial Assets		-
Other Non-current Assets	Note 4	2,372.98
Total Non Current Assets (A)		2,372.98
B) CURRENT ASSETS		
Inventories		-
Financial Assets		
- Cash and Cash Equivalents	Note 5	3,831.65
Current Tax Assets (Net)		-
Other Current Assets	Note 6	47.42
Total Current Assets (B)		3,879.07
Total Assets (A + B)		6,252.05
EQUITY AND LIABILITIES		
A) Equity		
Equity Share Capital	Note 7	250.00
Other Equity	Note 8	3,290.42
Total Equity (A)		3,540.42
Liabilities		
B) Non Current Liabilities		
Financial Liabilities		
- Borrowings	Note 9	2,708.24
Total Non Current Liabilities (B)		2,708.24
C) Current Liabilities		
Financial Liabilities		
- Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	Note 10	0.90
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		0.10
Other Current Liabilities	Note 11	0.23
Provisions		-
Current Tax Liabilities (Net)	Note 12	2.16
Total Current Liabilities (C)		3.39
Total Equity and Liabilities (A + B + C)		6,252.05

The accompanying notes 1 to 34 are integral part of the financial statements.

As per our report of even date

For B Y & Associates
Chartered Accountants
ICAI Firm Registration No.: 123423W



CA Maulik Lodaya
Partner
Membership No. 137872



For and on behalf of the Board of Directors
Fine Organic Industries (SEZ) Private Limited



Mukesh Shah
Director
DIN:00106799

Jayen Shah
Director
DIN:00106919

Tushar Shah
Additional Director
DIN:00107144

Place : Mumbai
Date : May 06, 2024

Place : Mumbai
Date : May 06, 2024



Fine Organic Industries (SEZ) Private Limited

Statement of Profit and Loss Account From October 10th, 2023 to period ended March 31st, 2024

(INR in Lakhs)

Particulars	Notes	From October 10th, 2023 to period ended March 31st, 2024
I INCOME		
Revenue From Operations		-
Other Income	Note 13	21.39
Total Income		21.39
II EXPENSES		
Cost of Materials Consumed		-
Purchase of Stock-in-trade		-
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress		-
Employee Benefit Expenses	Note 14	2.75
Finance Costs	Note 15	56.66
Depreciation & Amortisation Expenses		-
Other Expenses	Note 16	14.73
Total Expenses		74.14
III Profit / (Loss) before exceptional items and tax		(52.75)
Exceptional items		-
IV Profit / (Loss) before tax		(52.75)
V Tax Expenses		
Current Tax		4.30
Deferred Tax		-
VI Profit / (Loss) For The Year		(57.05)
VII Other Comprehensive Income		
(i) Items that will not be reclassified to Profit or Loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
Total Other Comprehensive Income		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII)		(57.05)
Earnings Per Equity Share (In INR)	Note 17	
Basic		(7.71)
Diluted		(7.71)
Weighted average number of equity shares		7,39,508.20

The accompanying notes 1 to 34 are integral part of the financial statements.

As per our report of even date

For B Y & Associates
Chartered Accountants
ICAI Firm Registration No.: 128423W

For and on behalf of the Board of Directors
Fine Organic Industries (SEZ) Private Limited



CA Maulik Lodaya
Partner
Membership No. 137872




Mukesh Shah
Director
DIN:00106799



Jayen Shah
Director
DIN:00106919



Tushar Shah
Additional Director
DIN:00107144

Place : Mumbai
Date : May 06, 2024

Place : Mumbai
Date : May 06, 2024



Cash Flow Statement From October 10th, 2023 to period ended March 31st, 2024

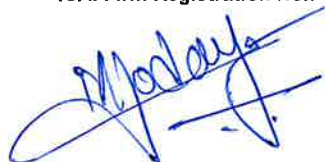
(INR in Lakhs)

Particulars	From October 10th, 2023 to period ended March 31st, 2024
Net profit before tax	(52.75)
A] Cash flows from operating activities	
Adjustments for:	
Interest Income	(21.39)
Finance Cost	0.95
Pre-operative expenses for financing activities	12.96
Non-cash and Ind-AS Adjustments	55.71
Operating profit before working capital movements	(4.52)
Movement in working capital:	
Decrease / (Increase) in Trade and Other Receivables	(0.68)
(Decrease) / Increase in Trade and Other Payables	1.23
	0.55
Cash (used in) / generated from operations	(3.97)
Income tax paid (net)	(2.14)
Net cash flows used in operating activities (A)	(6.11)
B] Cash flows (used in) / generated from investing activities	
Capital Advances given during the period	(2,196.13)
Amount(invested) / matured in Bank Deposits	21.39
Net cash flows used in investing activities (B)	(2,174.74)
C] Net cash flows (used in) / generated from financing activities	
Equity and Preference Shares Capital including incidental cost	6,013.45
Interest and Finance Charges paid	(0.95)
Net cash flows generated from financing activities (C)	6,012.50
Net increase / (decrease) in cash and cash equivalents (A+B+C)	3,831.65
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the period end {Refer to note no. 5}	3,831.65
Components of cash and cash equivalents :	
<u>Balances with banks</u>	
In current account	112.37
In bank deposit account	3,719.25
Cash on hand	0.03

The accompanying notes 1 to 34 are integral part of the financial statements.

As per our report of even date

For B Y & Associates
Chartered Accountants
ICAI Firm Registration No.: 123423W



CA Maulik Lodaya
Partner
Membership No. 137872



For and on behalf of the Board of Directors
Fine Organic Industries (SEZ) Private Limited



Mukesh Shah
Director
DIN:00106799



Jayen Shah
Director
DIN:00106919



Tushar Shah
Additional Director
DIN:00107144

Place : Mumbai
Date : May 06, 2024

Place : Mumbai
Date : May 06, 2024



Fine Organic Industries (SEZ) Private Limited**Statement of Changes in Equity From October 10th, 2023 to period ended March 31st, 2024****A) Equity Share Capital**

(INR in Lakhs)

Particulars	Total
Balance as at October 10th, 2023	-
Add:- Changes in equity during the period	250.00
Balance as at March 31st, 2024	250.00

B) Other Equity

(INR in Lakhs)


Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Equity Component of Financial Instrument	Retained Earnings		
Balance as at October 10th, 2023	-	-	-	-
Add:- Profit/Additions for the period	3,347.47	(57.05)	-	3,290.42
	3,347.47	(57.05)	-	3,290.42
Less:- Dividends	-	-	-	-
Balance as at March 31st, 2024	3,347.47	(57.05)	-	3,290.42


The accompanying notes 1 to 34 are integral part of the financial statements.


As per our report of even date

For B Y & Associates
Chartered Accountants
ICAI Firm Registration No.: 123423W

For and on behalf of the Board of Directors
Fine Organic Industries (SEZ) Private Limited


CA Maulik Lodaya
Partner
Membership No. 137872




Mukesh Shah
Director
DIN:00106799


Jayen Shah
Director
DIN:00106919


Tushar Shah
Additional Director
DIN:00107144

Place : Mumbai
Date : May 06, 2024

Place : Mumbai
Date : May 06, 2024



Fine Organic Industries(SEZ) Private Limited

Notes Forming Integral Part of the Financial Statements

1. Corporate Information

Fine Organic Industries (SEZ) Private Limited is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is situated in the State of Maharashtra.

The Financial Statements were approved and authorized for issue with the resolution of the Board of Directors on 6th May, 2024 and are subject to the approval of Shareholders in the Annual General Meeting.

The Company has proposed to carry on its business in India as manufacturers, processors, suppliers, distributors, dealers, importers, exporters of wide range of oleochemical-based additives used in foods, plastics, cosmetics, coatings and other specialty application in various industries.

2. Basis of preparation:

2.1 Statement of compliance

The accompanying Financial Statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2017 notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

2.2 Functional and presentation currency

These Financial Statements are presented in Indian rupees, which is also the Company's functional currency. All amounts have been reported in Lakhs, unless otherwise indicated.

2.3 Basis of measurement

The Financial Statements have been prepared on a historical cost basis, except for certain Financial assets and liabilities that are measured at fair value.



2.4 Use of estimates and judgements

The preparation of the Financial Statements in accordance with Ind AS requires use of judgements, estimates and assumptions, which affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized prospectively.

2.5 Measurement of fair values-

The Company's accounting policies and disclosures require the measurement of fair values, for both Financial and non-Financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the Management. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level-1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level-2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level-3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire



measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.6 Operating cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.7 Current / non-current classification

An entity shall classify an asset as current when:

- a) It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- b) It holds the asset primarily for the purpose of trading;
- c) It expects to realise the asset within twelve months after the reporting period; or
- d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

An entity shall classify all other assets as non-current.

An entity shall classify a liability as current when:

- a) It expects to settle the liability in its normal operating cycle;
- b) It holds the liability primarily for the purpose of trading;
- c) The liability is due to be settled within twelve months after the reporting period; or
- d) It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

An entity shall classify all other liabilities as non-current.



3. Significant Accounting Policies:

3.1 Capital Advances:

Capital Advances are advance payments made before formal allotment / Acquisition of any capital asset. These are classified under Non-Current Assets as "Other Non-Current Assets".

3.2 Leases:

This policy ensures that lease payments are correctly categorized. Upon acquisition of leasehold land, the company will account for leases as operating leases in accordance with Ind AS 116. Until the land is acquired, lease premiums are treated as capital advances.

3.3 Preoperative Expenses:

Pre-Operative Expenses are Administrative Expenses (except below INR Five Thousand) incurred before commencement of business operations of the Company, which would otherwise be charged to the Statement of profit and Loss. These expenses will be amortized over a period of Five Years to Statement of Profit and Loss in equal proportion. Unamortized portion of Pre-Operative Expenses are classified under 'Non-Current Assets' and 'Current Assets' as "Pre-Operative Expenses Pending for Allocation" depending upon the operating cycle of the Company.

Administrative Expenses which are expected to be incurred irrespective of operation of the Company will be charged fully to Statement of Profit and Loss.

3.4 Cash and Cash Equivalents:

Cash and Cash Equivalents include cash balance, balances with banks in current account and fixed deposits with banks with an original maturity period of less than three months from the date of investment. This classification ensures that highly liquid investments, which are almost equivalent to cash in terms of liquidity, are readily available for operational needs, providing a clear view of the company's liquidity position.

3.5 Finance Costs:

Recognizing interest on preference shares as finance costs ensures that the cost of financing is appropriately reflected in the financial statements, which affects the profitability and helps in assessing the cost of capital. Finance costs include interest on the financial liability component



3.6 Income Taxes:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.7 Trade Payables

Trade payables represent liabilities for goods including capital goods and services provided to the Company prior to the end of Financial year which are unpaid. Trade and other payables are reported as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.8 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. The requirement to separate out the equity and financial liability components of a compound instrument is consistent with the principle that a financial instrument must be classified in accordance with its substance, rather than its legal form. Equity component of Financial Instruments is included in "Other Equity" section of Equity and the liability component of the financial instruments is included in "Financial Liabilities – Borrowings" section under Non-Current Liabilities.

3.9 Other Income:

Interest income on Fixed Deposits is disclosed under Other income in the Statement of Profit and Loss.

3.10 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.



Provisions are measured at the present value of Management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

3.11 Earnings per Share:

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the equity by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note 4 - Non-Current Assets - Others

(INR in Lakhs)

Particulars	As At March 31st, 2024
Capital Advances (Unsecured, Considered good)	2,196.13
Security Deposits	0.10
Preoperative expenses pending for allocation	176.75
Total Other Non Current Assets	2,372.98

Note 4.1 - Disclosure to Other Non Current Assets - Capital Advances

The Company has made a total capital advance of INR 2,196.13 Lakhs for investment in Property, Plant and Equipment. Out of which INR 2,180.79 Lakhs pertains to advance to JNPT authorities for allotment of a plot at Nhava Sheva. The Company has received Letter of Intent and 20% has been paid as per terms, however, the company will be able to take the possession of land for setting-up manufacturing plant after paying balance 80% of lease premium mentioned in the LOI. Once the company receives the Letter of Allotment from the Authorities the Asset would be capitalized.

Note 5 - Current Financial Assets : Cash and Cash Equivalents

(INR in Lakhs)

Particulars	As At March 31st, 2024
Balances with Banks	
In Current Account	112.37
In Fixed Deposit Account (With original maturity of less than 3 Months)	3,719.25
Cash on hand	0.03
Total Cash and Cash Equivalents	3,831.65

Note 6 - Other Current Assets

(INR in Lakhs)

Particulars	As At March 31st, 2024
Balance with Statutory / Government Authorities	0.02
Preoperative expenses pending for allocation	47.40
Total Other Current Assets	47.42



Note 7 - Equity Share Capital

(INR in Lakhs)	
Particulars	As At March 31st, 2024
AUTHORISED	
3,00,00,00 Equity Shares of ₹ 10/- each	300.00
24,70,00,000 Preference Shares of 10 each (Previous Year: NIL)	24,700.00
Total Authorised Capital	25,000.00
ISSUED, SUBSCRIBED AND PAID-UP	
25,00,000 Equity Shares of ₹ 10/- each (Previous Year: NIL)	250.00
	250.00
Total Issued, Subscribed and Paid-Up Capital	250.00

Note 7.1 - Reconciliation of number of shares outstanding is set out below :

Particulars	As At March 31st, 2024
Equity Shares as at October 10th, 2023	-
Add:- Shares issued during the period	25,00,000
Equity Shares at the end of the period	25,00,000
Preference Shares as at October 10th, 2023	-
Add:- Shares issued during the period	6,00,00,000
Preference Shares at the end of the period	6,00,00,000

Note 7.2 - Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 7.3 - Details of Shareholders holding more than 5 % shares of the Company

Particulars	As At March 31st, 2024	
	Number of Shares	% in Share Capital
Fine Organic Industries Limited and its Nominee (Nominee Shareholder - Mr. Tushar Shah)	25,00,000	100.00%

Note 7.4 - Disclosure of Shareholding of Holding Company

Disclosure of shareholding of Holding Company as at March 31, 2024 is as follows:

No	Promoters / Promoters Group name	As At March 31st, 2024	
		Number of Shares	% in Share Capital
	Promoter		
	Fine Organic Industries Limited and its Nominee (Nominee Shareholder - Mr. Tushar Shah)	25,00,000	100.00%
	Total	25,00,000.00	100.00%



Note 8 - Other Equity

(INR in Lakhs)

Particulars	As At March 31st, 2024
a Equity component of financial instruments	
Balance as at the beginning of the period	-
Add: Additions during the period	3,347.47
Balance as at the end of the period (a)	3,347.47
b Retained Earnings	
Balance as at the beginning of the period	-
Add: Profit/(Loss) for the period	(57.05)
Less:- Dividend	-
Balance as at the end of the period (b)	(57.05)
Total (a + b)	3,290.42

(a) 1% Non-Convertible, Non-Cumulative, Non-Participative, Redeemable Preference Shares recognised as Financial Liability at its Present Value in Note No.9 of the Financial Statements. Difference between Actual Cash inflow and Present Value has been recognized in Other Equity as "Equity Component of financial instruments". The financial component of financial instruments are redeemable at par at anytime at the option of the company but not later than 10 years from its issue date.

(b) Retained Earnings represents undistributed accumulated earnings of the Company as on the balance sheet date.

Note 9 -Non Current Financial Liabilities : Borrowings

(INR in Lakhs)

Particulars	As At March 31st, 2024
Unsecured Borrowings	
Financial Liability Component of financial instruments	2,708.24
Total Non-Current Borrowings	2,708.24



Note 10 - Current Financial Liabilities : Trade Payables

(INR in Lakhs)

Particulars	As At March 31st, 2024
Outstanding due to Micro and Small Enterprises	0.90
Others	0.10
Total	1.00

Note 10.1 - Disclosure to Current Financial Liabilities : Trade Payables**Dues to micro and small enterprises**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.90	-	-	-	0.90
(ii) Others	0.10	-	-	-	0.10
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	1.00	-	-	-	1.00

Note 11 - Other Current Liabilities

(INR in Lakhs)

Particulars	As At March 31st, 2024
Statutory dues Payable	0.23
Total Other Current Liabilities	0.23

Note 12 - Current Tax Liabilities (Net)

(INR in Lakhs)

Particulars	As At March 31st, 2024
Income Tax (Net of Income Tax paid)	2.16
Total Current Tax Liabilities (Net)	2.16



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note 13 - Other Income

(INR in Lakhs)

Particulars	From October 10th, 2023 to period ended March 31st, 2024
Interest Income	21.39
Total Other Income	21.39

Note 13.1 - Particulars of Interest Income

(INR in Lakhs)

Particulars	From October 10th, 2023 to period ended March 31st, 2024
Interest Income from Financial Assets on Amortized Cost Basis	21.39
Total	21.39

Note 14 - Employee Benefit Expenses

(INR in Lakhs)

Particulars	From October 10th, 2023 to period ended March 31st, 2024
Salaries, wages & other benefits to others	2.75
Total Employee Benefit Expenses	2.75

Note 15 - Finance Costs

(INR in Lakhs)

Particulars	From October 10th, 2023 to period ended March 31st, 2024
Interest Expenses	
On Loans	0.95
On Financial Liability component of financial instruments	55.71
Total Finance Costs	56.66

Note 16 - Other Expenses

(INR in Lakhs)

Particulars	From October 10th, 2023 to period ended March 31st, 2024
Auditors Remuneration:	
Statutory Audit	1.00
Legal and Professional Fees	0.05
Other Administrative Expenses	0.33
Printing and Stationery Expenses	0.05
Rent, Rates and Taxes	0.32
Pre-operative expense written off	12.98
Total Other Expenses	14.73



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note 17 - Earnings Per Equity Share

Particulars	From October 10th, 2023 to period ended March 31st, 2024
(a) Computation of Profit (numerator) Net profit attributable to shareholders (Amount in Lakhs)	(57.05)
(b) Weighted average number of shares (denominator)	
Weighted Average number of Equity Shares used as denominator for calculating Basic & Diluted EPS	7,39,508
EPS (Basic & Diluted) (In ₹)	(7.71)

Note 18- Contingent Liabilities and Commitments

(INR in Lakhs)	
Particulars	From October 10th, 2023 to period ended March 31st, 2024
Capital Commitments Estimated contracts remaining to be executed on capital account not provided	8,868.22



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note 19 - Related Party Transactions Disclosure:

The Disclosure pertaining to the related parties as required by Indian Accounting Standard 24 issued by Ministry of Corporate Affairs (MCA), as prescribed in section 133 read with companies (Indian accounting Standards) Rule,2015 as amended are indicated below

(a) List of Related Parties and Relationships

Sr. No	Name of the Related Party	Nature of Relationship
1	Fine Organic Industries Limited	Holding Company
Key Management Personnel (KMP)		
1	Mukesh Maganlal Shah	Director
2	Jayen Ramesh Shah	Director
3	Bimal Mukesh Shah	Director
4	Nikhil Dattatraya Kamat	Director
5	Tushar Ramesh Shah (w.e.f. 13th October 2023)	Additional Director
Relative's of KMP		
1	Jayshree Mukesh Shah	} Relatives of KMP
2	Late Smt.Jyotsna Ramesh Shah (Deceased on 07th December,2023)	
3	Neeta Jayen Shah	
4	Shaili Nirav Doshi	
5	Manali Vishal Doshi	
6	Ramesh M. Shah - HUF	
7	Jayen R. Shah - HUF	
8	Akruti Bimal Shah	
9	Suneet Nikhil Kamat	
10	Neeta Warty	
11	Nisha Rege	
12	Bina Tushar Shah (w.e.f. 13th October 2023)	
13	Rhea Tushar Shah (w.e.f. 13th October 2023)	
14	Esha Tushar Shah (w.e.f. 13th October 2023)	
15	Tushar R. Shah - HUF (w.e.f. 13th October 2023)	
Significant influence by KMP		
16	Fine Zeelandia Private Limited	} Significant influence by KMP's
17	FineAdd Ingredients GmbH (Liquidated on 21st November,2023)	
18	Fine Organic Industries (Thailand) Co., Ltd.	
19	Fine Organics	
20	Fine Organic Industries	
21	Olefine Organics	
22	Oleofine Organics SDN. BHD.	
23	Smoothex Chemicals Private Limited	
24	Fine Organics (USA) Inc.	} Fellow Subsidiaries
25	Fine Organics Europe BV	



Fine Organic Industries (SEZ) Private Limited**Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024****Note 19- Related Party Transactions Disclosure:****(b) Transactions (in aggregate) with Related Parties during the period and their closing balances at the period end****(INR in Lakhs)**

Sr. No.	Particulars	Transaction from 10th October 2023 to March 2024	Closing Balance
			As At March 31st, 2024
		Transactions with Holding Company (Fine Organic Industries Ltd.)	
1	Loan taken and repaid	41.00	-
2	Issue of share capital		
	Equity Share Capital	250.00	250.00
	Preference Share Capital *	6,000.00	6,000.00
3	Finance Cost:		
	Interest expense on loan	0.95	-
	Interest expense on Financial Component	55.71	55.71

* Preference Share Capital contains Equity Component of INR 3,347.47 Lakhs disclosed under "Other Equity" and the Financial Liability component of INR 2,708.24 Lakhs Under "Non-Current Liabilities". The cash value of the Preference Shares issued by the company is INR 6,000 Lakhs.



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note 20 - Operating Segment Disclosure

The company has proposed to carry its business in India and abroad, of manufacturing in specialty chemicals. The company has not set up any manufacturing unit or any distribution unit yet. Currently there are no separate business/geographical segments as per Ind AS 108, "Operating Segments".

Note 21 - Internal Financial Control System

The internal financial control system is designed to safeguard assets, prevent and detect errors or fraud and ensure reliability of financial information. It encompasses various control activities, including segregation of duties, authorization and approval procedures, physical controls and reconciliations. Though the company has not commenced its operations, the Company diligently maintains books of accounts and all transactions are promptly identified, recognized and accurately recorded in accordance with applicable accounting standards. Management conducts regular reviews of the financial transactions and processes to ensure compliance with established policies and procedures.

Note 22 - Audit Trail

The Company is incorporated during the financial year 2023-2024 i.e. on 10th October 2023 and have opted for customised accounting software namely "Oracle" to be designed and developed according to the requirements of the Company's nature of business. Accordingly, the Company is in the process of development of the accounting software with the vendor and it takes substantial time to develop and test the Accounting Software.

However, the company has maintained its books of accounts temporarily in electronic mode using Microsoft Excel Utility as required by Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended. The management of the Company is closely monitoring the development process of accounting software and is committed to implement the same by the end of June 2024.

Accordingly, since the Company is not maintaining its books of accounts in Accounting Software, Audit Trail (edit log) features in accounting software as per Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 and Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note 23 - Disclosure Pursuant to section 186 (4) of The Companies Act, 2013

(a) Investment Made in Subsidiaries and Joint Venture companies (At Amortised Cost)

There are no subsidiaries and joint ventures of the company.

Note 24 - Operating Lease commitments - Company as lessee

The company has not identified and accounted for any Lease transaction for the period. As a part of capital commitment the company would make a balance payment of 80% of lease amount for acquiring the leasehold land. The company has received Letter of Intent from Government Authorities in the current financial period after paying a capital advance of 20% value of the lease. The company expects to receive the Letter of Allotment in the next financial year. Once it receives a Letter of Allotment it would identify the lease contract as an operating lease and provide accounting treatment per Ind AS 116.

Note 25- Pursuant to Ind AS 31, Financial Reporting of Interests in Joint Venture, the disclosure relating to the Joint Venture are as follows :

The company does not have any interests in Joint Venture, hence there is no financial reporting of interests in joint venture.



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Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note 26 - Fair Values

Particulars	(INR in Lakhs)	
	Carrying Value As At March 31st, 2024	Fair Value As At March 31st, 2024
<u>FINANCIAL ASSETS</u>		
A] Financial assets at fair value through statement of profit & loss	-	-
B] Financial assets at fair value through OCI	-	-
C] Financial assets at amortised cost		
Current Financial Assets : Cash and Cash Equivalents	3,831.65	3,831.65
<u>FINANCIAL LIABILITIES</u>		
A] Financial liabilities at fair value through statement of profit & loss	-	-
B] Financial liabilities at amortised cost:		
Non Current Financial Liabilities : Borrowings	2,708.24	2,708.24
Current Financial Liabilities : Trade Payables	1.00	1.00

In all cases, the management has assessed that the fair value of all financial assets and liabilities at Amortised Cost approximate their carrying amounts as stated above.



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note 26 - Fair Values Hierarchy

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

Note 26.1 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2024 :

Particulars	Carrying Value		Fair value measurement using		
	Date of Valuation	Total	Level 1	Level 2	Level 3
FINANCIAL ASSETS					
A] Financial assets at fair value through statement of profit & loss		-	-	-	-
B] Financial assets at fair value through OCI		-	-	-	-
C] Financial assets at amortised cost Current Financial Assets : Cash and Cash Equivalents	31-Mar-24	3,831.65	-	-	3,831.65
FINANCIAL LIABILITIES					
A] Financial liabilities at fair value through statement of profit & loss		-	-	-	-
B] Financial liabilities at amortised cost: Non Current Financial Liabilities : Borrowings Current Financial Liabilities : Trade Payables	31-Mar-24 31-Mar-24	2,708.24 1.00	-	-	2,708.24 1.00

In all cases, the management has assessed that the fair value of all financial assets and liabilities at Amortised Cost approximate their carrying amounts as stated above.

Particulars	Valuation Technique
FINANCIAL ASSETS	
A] Financial assets at fair value through statement of profit & loss	Not Applicable
B] Financial assets at fair value through OCI	Not Applicable
C] Financial assets at amortised cost Current Financial Assets : Cash and Cash Equivalents	Level - 3: The financial assets are valued at their carrying amount.
FINANCIAL LIABILITIES	
A] Financial liabilities at fair value through statement of profit & loss	Not Applicable
B] Financial liabilities at amortised cost: Non Current Financial Liabilities : Borrowings Current Financial Liabilities : Trade Payables	Level - 3: The fair value is determined as on the reporting date based on amortised cost method.



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024 Note 27- Capital Management

For the purposes of the Company's capital management, capital includes issued equity share capital, preference share capital less reported cash and cash equivalents.

The primary objective of the Company's capital management is to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to maximise shareholder's value.

The Company's policy is to borrow primarily through banks to maintain sufficient liquidity. However, currently it has not borrowed anything from bank.

The following table summaries the capital of the Company:

(INR in Lakhs)	
Particulars	As At March 31st, 2024
Long Term Borrowing	2,708.24
Less: Cash and cash equivalents	3,831.65
TOTAL BORROWING (NET)	(1,123.41)
Equity Share Capital	250.00
Other Equity	3,290.42
TOTAL EQUITY	3,540.42
Gearing ratio (Net Debt/ Total Equity)	(0.32)

Note 28 - Financial Risk Management Framework

A] Financial Risk Management

The Company monitors capital on the basis of cost of capital. The Company is not subject to any externally imposed capital requirements.

1) Market Risk

Market Risks arise due to Changes in Interest rates, Foreign Exchange rates and changes in Market prices.

(i) Interest Rate Risks

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 rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's long-term debt obligations with floating interest rates. As the company has not procured any loan from bank or borrowed any amount from any party, it does not carry any interest rate risk. The change in interest on financial liability component of preference shares would be notional, to be identified as per Ind-AS Guidelines and would not affect the company's cash flows.

(ii) Foreign Exchange Rate Risks

Foreign exchange rate risk is caused by fluctuations in the Company's local currency as compared to foreign currency. These risks can be mitigated through using hedged-exchange traded funds or by using currency forwards, futures, or options. As the company does not hold in Foreign Currency on the reporting date, does not have any transaction made in Foreign Currency and does not have any receivables/payables in Foreign Currency it does not have any Foreign Exchange Rate Risk.

(iii) Market Price Risks

Market price risk is the price risk associated with purchasing of the raw materials and capital assets. . These risks can be mitigated through reviews of the supply chain scenarios, commodity prices and supplier contracts periodically to avoid material impact on profitability of the company. Since the company has not commenced its business activities or acquired any fixed assets, it does not face any market price risk.



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note No. 29 - Ratios

No	Ratio	Numerator	Denominator	FY 23-24		Current Period Ratio
				N	D	
1	Current Ratio	Current Assets	Current Liabilities	3,879.07	3.39	1,144.27
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	2,708.24	3,540.42	0.76
3	Debt Service Coverage Ratio	Net Profit before tax+Depreciations+ Finance cost-Profit on Sales of Fixed Assets	Interest & Lease Payments + Principal Repayments	3.91	97.66	0.04
4	Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	(57.05)	3,540.42	(0.02)
5	Inventory Turnover Ratio	Net Credit Sales	Average Inventories	-	-	-
6	Trade Receivables Turnover Ratio	Net Credit Sales	Average Accounts Receivable	-	-	-
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	-	1.00	-
8	Net Capital Turnover Ratio	Net Credit Sales	Average Working Capital	-	3,875.68	-
9	Net Profit Ratio	Net Profit after Tax	Revenue from Operations	(57.05)	-	0.00%
10	Return on Capital Employed	Earning before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	3.91	6,248.66	0.00%
11	Return on Investment	{MV(T1) – MV(T0) – Sum [C(t)]}	{MV(T0) + Sum [W(t) * C(t)]}	-	-	0.00%



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note No. 30 - Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off during the year.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. 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
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



Fine Organic Industries (SEZ) Private Limited

Notes Forming Integral Part of Financial Statements From October 10th, 2023 to period ended March 31st, 2024

Note No. 31 - Proposed Business Activities

The company has proposed to carry its business in India and abroad of manufacturing in specialty chemicals. The company intends to commence its operations within the next two years. Currently, the company has incurred preoperative expenses in preparation for future operations. As of the reporting date, the company's current assets and cash and cash equivalents exceeds its current liabilities. The company is committed to pursuing its proposed business activity.

Note No. 32 - Disclosure of Appointment of Key Managerial Personnel as per Sec.203 of Companies Act, 2013

The Company falls under the purview of Section 203 of the Companies Act, 2023 as to its paid-up capital exceeding ten crore rupees. Presently, the Company is in the process of identifying and appointing whole-time key managerial personnel in accordance with the aforementioned provision.

Note No. 33 - Dividend on Preference Shares

The company has issued 6,00,00,000 - 1% Non-Convertible, Non-Cumulative, Non-Participating, Redeemable Preference Shares at Rs.10/- face value. Since the company has incurred a loss for the financial year, it has not declared any Dividend on Preference Shares by the Board of Directors for the period.

Note No. 34 - Adoption of Old Tax Regime for FY 2023-24 (A.Y. 2024-25)

Through evaluation and consideration of various factors, management has made the decision to adopt the old tax regime for purpose of calculating our tax liabilities.

