

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF
ALGALR NUTRAPHARMS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Financial Statements of **AlgalR Nutraceuticals Private Limited** ("the Company"), which comprises the Balance Sheet as at 31st March, 2023, the Statement of Profit & Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information of AlgalR Nutraceuticals Private Limited (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its loss (including other comprehensive income), changes in equity and its cash flow for the year ended on that date.

Basis of Opinion

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 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 together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act 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.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Branch Office :-
307, Oracle Business Hub,
Plot no. A-179, Rd. no. 16-Z,
Wagle Industrial Estate,
Thane - 400 604.



Branch Office :-
6/226, Didar Commercial Complex,
DLF Industrial Area, Moti Nagar,
NEW DELHI - 110015

Branch Office :-
3rd Floor, Avantika Complex,
Limda Lane, Jamnagar,
Gujarat - 301 001

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information 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. 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 Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The 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

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 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.

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

(a) 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.



(b) 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the 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.

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.

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

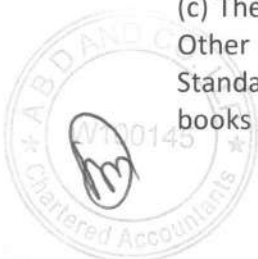
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent possible.

2. 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 Changes in Equity and the Standalone Statement of Cash Flows 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 Ind-AS specified under Section 133 of the Act, read with relevant rules issued thereunder.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

In our opinion and to the best of our information and according to explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

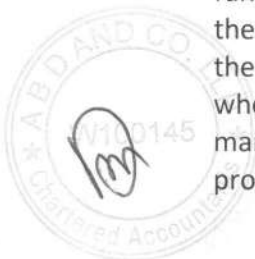
i. The Company has disclosed that there are no pending litigations against the Company or by the Company and hence, there is no impact on its financial position in the standalone financial statement.

ii. The Company did not have any long-term contracts including derivative contracts during the year ended March 31, 2023, for which there were any material foreseeable losses.

iii. There are no amounts due to be credited to Investor Education & Protection Fund in accordance with the provisions of Section 125 of the Companies Act, 2013.

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

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



(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management and as mentioned under sub-clauses (iv)(a) and (iv)(b) above, contain any material misstatement.

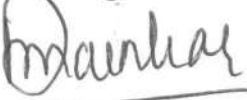
v. The Company has not declared or paid any dividend during the year. Further, the Board of Directors has not proposed any final dividend for the year.

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 Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For A B D AND CO LLP

Chartered Accountants

Firm Registration No.: W100145



Devdatta Mainkar

Partner

Membership No.109795

Mumbai, May 19, 2023

UDIN : 23109795BGXISR6727



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2023.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

i. PROPERTY, PLANT AND EQUIPMENT

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company does not have any right-to-use assets.

(B) The company is not having any intangible assets. Accordingly, the reporting under clause 3(i)(a)(B) of the Order is not applicable.

b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed 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 (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under 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 (including right-of-use assets) 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.

ii. INVENTORY

a) The inventory has been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification is appropriate. The discrepancies of 10% or more in the aggregate for each class of inventory noticed on verification between the physical stock and the book records have been properly dealt with in the books of account.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, at any point of time during the year, from banks and financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.



iii. INVESTMENTS, GUARANTEE, SECURITY, LOANS AND ADVANCES

(a) In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to subsidiaries, joint ventures, associates or other parties during the year and hence, reporting under clause 3(iii)(a) and clauses 3(iii)(c) to (f) are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not made any investments or provided loans, guarantee or security to any other entity and hence, reporting under clause 3(iii)(b) is not applicable.

iv. COMPLIANCE WITH SECTION 185 AND 186 OF THE COMPANIES ACT, 2013

In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under section 185 and section 186 of the Act. Therefore, the provisions of clause 3(iv) of the said Order are not applicable to the Company.

v. DEPOSITS ACCEPTED

According to the information and explanation given to us, the Company has not accepted deposits during the year ended March 31, 2023 and there are no deposits outstanding as at the beginning of the year. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. COST RECORDS

As informed to us, the maintenance of Cost Records is not applicable in terms of rules provided under Section 148 of the Act, in respect of the activities carried on by the Company. Accordingly, reporting under clause (vi) is not applicable to the Company.

vii. STATUTORY DUES

(a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax, Provident Fund, Employees' state insurance, Sales Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable except few instances of delay in deposit of tax deducted at source and provident fund. There are no undisputed dues outstanding as at March 31, 2023, in respect of Income Tax, Goods and Service Tax, Provident Fund, Employees' state insurance, Sales Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Cess and any other statutory dues, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Goods and Service Tax, Provident Fund, Employees' state insurance, Sales tax, Service tax, duty of customs, duty of excise, Value added tax, cess and any other statutory dues which have not been deposited by the Company on account of disputes.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



- ix. (a) As per the records of the Company, the Company has not defaulted in repayment of loan or payment of interest thereon.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) As per the records of the Company, the term loans have been applied for the purpose for the loans were obtained.

(d) On an overall examination of the financial statement of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, reporting requirement under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting requirement under clause 3(ix)(f) of the Order is not applicable to the Company.

x. RAISING OF MONEY

(a) As per the records of the Company, it has not raised money through initial public offer or further public offer (including debt instruments). Hence, reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) As per the records of the Company, it has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting requirement under clause 3(x)(b) of the Order is not applicable to the Company.

xi. FRAUD

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

(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 date of this report.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the establishment of whistle-blower mechanism is not applicable to the Company. Hence, reporting requirement under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. NIDHI COMPANY

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, reporting requirement under clause 3(xii) of the Order is not applicable to the Company.



xiii. RELATED PARTY TRANSACTIONS

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.

xiv. INTERNAL AUDIT SYSTEM

According to the information and explanation given to us and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013.

xv. NON-CASH TRANSACTIONS WITH THE DIRECTORS

According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with them. Hence, the provisions of Section 192 of the Act are not applicable.

xvi. REGISTRATION UNDER THE RESERVE BANK OF INDIA ACT, 1934

(a) According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting requirements under clause 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(b) According to information and explanations given to us, 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. CASH LOSSES

The Company has incurred cash losses during the financial year covered by our audit as well as in the immediately preceding financial year.

xviii. RESIGNATION OF STATUTORY AUDITORS

There has been no resignation of the statutory auditors of the Company during the year.

xix. According to information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information including information disclosed in note 37 of the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



xx. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In our opinion, the provisions of Section 135(5) of the Companies Act, 2013 with respect to Corporate Social Responsibility Committee are not applicable to the Company. Accordingly, reporting requirements under clause 3(xx)(a), (b) and (c) are not applicable to the Company.

For A B D AND CO LLP
Chartered Accountants
Firm Registration No. : W100145



Devdatta Mainkar
Partner
Membership No.109795
Mumbai, May 19, 2023



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to financial statements 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 **AlgalR Nutraceuticals Private Limited** ("the Company") as of 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

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 (the "Guidance Note") 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 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 information, as required under the Act.

Auditors' 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 and the Standards on Auditing, issued by 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 with reference to 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 audit opinion on the Company's internal financial controls system with reference to standalone financial statements.



Meaning of Internal Financial Controls with over Financial Reporting

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

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 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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 Institute of Chartered Accountants of India.

For ABD AND CO LLP

Chartered Accountants

Firm Registration No. : W100145



Devdatta Mainkar

Partner

Membership No.109795

Mumbai, May 19, 2023



ALGALR NUTRAPHARMS PRIVATE LIMITED
Balance Sheet as at March 31, 2023

INR (in Lakh)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2(a)	315.48	307.60
Capital Work-in-Progress	2(b)	28.41	-
Other Non-Current Assets	3	3.63	10.25
Total Non-Current Assets		347.52	317.85
Current Assets			
Inventories	4	51.83	43.65
Financial Assets			
Trade Receivables	5	45.58	15.27
Cash and Cash Equivalents	6	4.38	1.36
Other Financial Assets	7	1.84	0.50
Other Current Assets	8	60.23	50.71
Total Current Assets		163.86	111.49
TOTAL ASSETS		511.38	429.34
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	9	115.00	115.00
Other Equity	10	(919.42)	(641.37)
Total Equity		(804.42)	(526.37)
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	11	1,052.15	700.52
Other Financial Liabilities	12	29.64	32.48
Provisions	13	11.39	2.87
Other Non Current Liabilities	14	38.60	42.54
Total Non-Current Liabilities		1,131.78	778.41
Current Liabilities			
Financial Liabilities			
Borrowings	15	16.72	28.65
Trade Payables	16	95.42	73.03
Other Financial Liabilities	17	16.10	19.63
Other Current Liabilities	18	55.32	55.99
Provisions	19	0.46	-
Total Current Liabilities		184.02	177.30
Total Liabilities		1,315.80	955.72
TOTAL EQUITY AND LIABILITIES		511.38	429.34
Significant Accounting Policies	1		

The accompanying notes 1 to 38 form an integral part of the Financial Statements.

As per our Report of even date.

For ABD AND CO LLP

CHARTERED ACCOUNTANTS

Firm Registration Number W100145

Devdatta Mainkar

DEVDATTA MAINKAR

PARTNER

Membership Number 109795

Mumbai, Dated: May 19, 2023

Signatures to the Balance Sheet and Notes to Financial Statements

For and on behalf of the Board

Mohanraj Subramann

Mohanraj Subramann

Managing Director

DIN: 06893421

Mumbai, Dated: May 19, 2023

Pinakin Parikh

Director

DIN: 0009609271

Mumbai, Dated: May 19, 2023



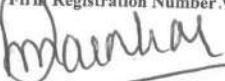
ALGALR NUTRAPHARMS PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Notes	INR (in Lakh)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from Operations	20	203.68	56.38
Other Income	21	5.04	18.97
Total Income		208.72	75.35
EXPENSES			
Cost of Materials Consumed	22	121.32	35.58
Purchases of Stock-in-Trade		35.67	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	23	(12.96)	23.23
Employee Benefits Expense	24	143.51	104.95
Finance Costs	25	48.48	36.19
Depreciation and Amortisation Expense	26	18.95	15.67
Other Expenses	27	125.89	91.19
Total Expenses		480.86	306.81
Loss Before Tax		(272.14)	(231.46)
Tax Expense			
Current tax		-	-
Deferred tax		-	-
Total Tax Expenses		-	-
(Loss) for the Year		(272.14)	(231.46)
Other Comprehensive Income			
Items that will not be subsequently reclassified to Profit or Loss			
Remeasurements of Defined Benefit Plans		(5.91)	-
Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income for the Year		(5.91)	-
Total Comprehensive Income for the Year		(278.05)	(231.46)
Earnings per Equity Share (Face Value of INR 1 each)			
Basic & Diluted	29	(23.66)	(25.59)
Significant Accounting Policies	1		

The accompanying notes 1 to 38 form an integral part of the Financial Statements.

As per our Report of even date.


For A B D AND CO LLP
CHARTERED ACCOUNTANTS
Firm Registration Number W100145


DEVDATTA MAINKAR
PARTNER

Membership Number 109795
Mumbai, Dated: May 19, 2023

Signatures to the Statement of Profit & Loss and Notes to Financial Statements

For and on behalf of the Board


Mohanraj Subramanian
Managing Director
DIN: 06893421

Mumbai, Dated: May 19, 2023

Pinakin Parikh
Director
DIN: 0009609271
Mumbai, Dated: May 19, 2023



ALGALR NUTRAPHARMS PRIVATE LIMITED
Statement of Cash Flows for the year ended March 31, 2023

Particulars	INR (in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash Flow from Operating Activities		
Loss Before Tax	(272.14)	(231.46)
Adjustment for:		
Depreciation and Amortization Expense	18.95	15.67
Finance Costs	48.48	36.19
Bad Debt written off	1.06	1.12
Allowances for Doubtful advances	1.77	-
Provision for Gratuity	8.99	2.87
Remeasurements of defined benefit plans	(5.91)	-
Grant Income	(3.94)	(3.94)
Operating Profit before working capital changes	(202.74)	(179.55)
Adjustment for:		
Increase/(Decrease) in Non Financial Liabilities	(0.21)	5.73
Increase/(Decrease) in Financial Liabilities	21.64	(175.27)
(Increase)/Decrease in Non Financial Assets	(15.93)	(51.34)
(Increase)/Decrease in Financial Assets	(32.72)	(14.03)
Cash generated from operations	(27.22)	(234.91)
Taxes Paid (Net)	-	-
Net Cash Flow from/(used in) Operating activities	(229.96)	(414.46)
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Intangible Assets	(61.65)	(92.84)
Net Cash Flow from/(used in) Investing Activities	(61.65)	(92.84)
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	-	280.00
Proceeds from / (Repayment of) Long Term Borrowings (net)	351.63	700.52
Proceeds from / (Repayment of) Short Term Borrowings (net)	(11.93)	(439.26)
Interest Paid	(45.07)	(32.86)
Net Cash Flow from Financing Activities	294.63	508.40
Net Increase / (Decrease) in Cash & Cash Equivalent	3.02	1.10
Cash & Cash Equivalent -Opening Balance	1.36	0.26
Cash & Cash Equivalent -Closing Balance	4.38	1.36

Notes :

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

(b) Cash and Cash Equivalents comprises of :

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balances with Banks in Current Accounts	4.26	1.24
Cash on Hand	0.12	0.12
Cash and cash equivalents in Statement of Cash Flows	4.38	1.36

(c) Previous year's figures have been re-grouped /reclassified wherever applicable.

The accompanying notes 1 to 38 form an integral part of the Financial Statements.

As per our Report of even date.
For ABD AND CO LLP
CHARTERED ACCOUNTANTS
Firm Registration Number W100145

Devdatta Mainkar

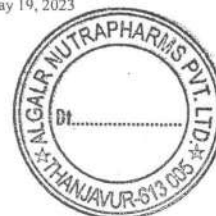
DEVDATTA MAINKAR
PARTNER
Membership Number 109795
Mumbai, Dated: May 19, 2023

Signatures to the Statement of Cash Flows and Notes to Financial Statements
For and on behalf of the Board

Mohanraj Subramanian

Mohanraj Subramanian
Managing Director
DIN: 06893421
Mumbai, Dated: May 19, 2023

Pinakin Parikh
Director
DIN: 0009609271
Mumbai, Dated: May 19, 2023



ALGALR NUTRAPHARMS PRIVATE LIMITED
Statement of Changes in Equity for the period ended March 31, 2023

a) Equity Share Capital

Particulars	INR (in Lakh)
	As at March 31, 2023
Balance at the beginning of the reporting year	115.00
Issued during the year	-
Changes in equity share capital during the year	-
Balance at the end of the reporting year	115.00

b) Other Equity

Particulars	INR (in Lakh)	
	Securities Premium	Retained Earnings
Balance as at April 1, 2021	-	(649.91)
(Loss) for the Year	-	(231.46)
Issue of Equity Shares during the year	240.00	-
Balance as at March 31, 2022	240.00	(881.37)
(Loss) for the year	-	(272.14)
Remeasurement of Defined Benefit Plans	-	(5.91)
Issue of Equity Shares during the year	-	-
Balance as at March 31, 2023	240.00	(1,159.43)

The accompanying notes 1 to 38 form an integral part of the Financial Statements.

As per our Report of even date.

For ABD AND CO LLP

CHARTERED ACCOUNTANTS

Firm Registration Number W100145

Devdatta Mainkar

DEVDATTA MAINKAR
PARTNER

Membership Number 109795
Mumbai, Dated: May 19, 2023

For and on behalf of the Board

Mohanraj Subramanian

Mohanraj Subramanian

Managing Director

DIN: 00846901

Mumbai, Dated: May 19, 2023

Pinakin Parikh

Director

DIN: 0009609271

Mumbai, Dated: May 19, 2023



ALGALR NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 1:

A. Corporate Information

AlgalR Nutraceuticals Private Limited ("the Company") is a company incorporated under the provisions of the Companies Act, 1956 and domiciled in India having its registered office at S No. 259/1Q1, 1Q2, 1R1, 1R2, Palaypatti North, Chidambarampatti, Budalur Taluk, Thanjavur District. The Company is engaged in research, development, manufacturing and marketing of DHA Oils, DHA Powder and other food supplement products. It became subsidiary of Camlin Fine Sciences Limited (CFSL), a listed company, with effect from 11th November 2021.

The Financial Statements of the Company for the year ended March 31, 2023 are approved by the Board of Directors on May 19, 2023.

B. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's Financial Statements for the year ended March 31, 2023 comprises of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows, Statement of Changes in Equity and Notes to Financial Statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

Current versus non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

Functional and Presentation Currency

The financial statements are presented in Indian rupee, which is the functional currency of the Company. All financial information has been rounded to the nearest lakhs, unless otherwise indicated.

Basis of Measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for:

- certain financial assets and liabilities, including financial instruments which have been measured at fair value or amortised cost as described below
- defined benefit plans which have been measured on the basis of actuarial valuation as required by relevant Ind ASs.

Key Accounting Estimates and Judgements:

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities, are included in the following notes:

- (i) Determination of the estimated useful lives of property, plant and equipment and intangible assets.
- (ii) Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.
- (iii) Recognition of deferred tax assets.
- (iv) Fair value of financial instruments.
- (v) Applicable discount rate.



ALGALR NUTRAPHARMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Measurement of fair values

The Company's accounting policies and disclosures require the financial instruments to be measured at fair values.

The Company has an established control framework with respect to measurement of fair values. 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. 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 conclusions that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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 and 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.

C. Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

1 Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant on the Company's financial statements.

2 Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact of the amendment on its financial statements.

3 Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact of the amendment on its financial statements.

D. Significant Accounting Policies

a. Property, Plant & Equipment

(i) Recognition and Measurement

Property, plant and equipment is initially measured at cost net of tax credit availed less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.



ALGALR NUTRAPHARMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

When significant parts of Property, Plant and Equipment are required to be replaced, the Company derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly.

(ii) Depreciation

Depreciable amount for property, plant and equipment is the cost of property, plant and equipment less its estimated residual value.

Depreciation is provided on Straight Line Method over the estimated useful lives of the property, plant and equipment prescribed under Schedule II to the Companies Act, 2013 on pro rata basis. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on internal technical evaluation.

Leasehold land is amortised equally over the period of lease.

The estimated useful lives, residual values and depreciation methods are reviewed by the management at each reporting date and adjusted if appropriate.

(iii) Disposal or Retirement

Property, plant and equipment are derecognised either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised in the Statement of Profit and Loss in the year of occurrence.

b. Capital Work In Progress

Capital work in progress includes the acquisition/commissioning cost of assets under expansion/acquisition and pending commissioning. Expenditure of revenue nature related to such acquisition/expansion is also treated as capital work in progress and capitalized along with the asset.

c. Investment Property

(i) Recognition and Measurement

Land or building held to earn rentals or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business is recognised as Investment Property. Land held for a currently undetermined future use is also recognised as Investment Property.



ALGALR NUTRAPHARMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

An investment property is measured initially at cost of acquisition or construction including transaction cost.

After initial recognition, the Company measures investment property using cost model and discloses the fair value of investment property in the notes. Fair value is determined based on the evaluation performed by an external independent

(ii) Derecognition

Investment property is derecognised from the financial statement either on disposal or when no economic benefits are expected from its use or disposal.

The gain or loss arising from disposal of investment property are determined by comparing the proceeds from disposal with the carrying amount of investment property and recognised in the Statement of Profit and Loss in the year of occurrence.

d. Intangible Assets

(i) Initial Recognition

Acquired Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Internally generated intangible assets

Expenditure on research activities is recognised as expenses in the period in which it is incurred.

An internally generated intangible asset arising from development is recognised if, and only if, all of the following conditions have been met:

- a) It is technically feasible to complete the intangible asset so that it will be available for use or sale.
- b) There is an intention to complete the asset.
- c) There is an ability to use or sell the asset.
- d) The asset will generate future economic benefits.
- e) Adequate resources are available to complete the development and to use or sell the asset.
- f) The expenditure attributable to the intangible asset during development phase can be measured reliably.

Where no internally generated intangible asset can be recognised, the development expenditure is recognised in the Statement of Profit and Loss in the period in which it is incurred.

(ii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the Straight-Line Method over their estimated useful lives, and is recognised in Statement of profit or loss.

Capitalised ERP software cost, technical know-how and development expenditure of projects / products incurred is amortised over the estimated period of benefits, not exceeding five years on straight line method.

(iii) Derecognition

An item of intangible asset is derecognised either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and recognised in the Statement of Profit and Loss in the period of occurrence.

e. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any).

If the recoverable amount of asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expenses in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of an asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

g. Financial Instruments

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



ALGALR NUTRAPHARMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

I. Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

(i) Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

(ii) Subsequent measurement and classification

For the purpose of subsequent measurement, the financial assets are classified into three categories:

- Financial assets at amortised cost
 - Financial assets at fair value through Other Comprehensive Income (FVTOCI)
 - Financial assets at fair value through profit or loss (FVTPL)
- on the basis of its business model for managing the financial assets

(iii) Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold assets for collecting contractual cash flows and the 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, less impairment, if any. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

(iv) Financial asset at Fair Value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income (FVTOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(v) Financial asset at Fair Value through profit or loss (FVTPL)

A financial asset which are not classified in any of the above categories are measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

(vi) Financial assets as Equity Investments

All equity instruments other than investment in subsidiaries and associate are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.



ALGALR NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(vii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Company's balance sheet) 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 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.

(viii) Impairment of financial assets

The Company applies 'Simplified Approach' for measurement and recognition of impairment loss on the following financial assets and credit exposure:

- Financial assets that are debt instruments and are measured at amortised cost e.g. loans, deposits and bank balance
- Trade 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 expected credit loss at each reporting date, right from its initial recognition.

II. Financial Liabilities

(i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

(ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

(iii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings 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 transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

(iv) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the respective carrying amounts is recognised in the Statement of Profit and Loss.

III. 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 or to realize the assets and settle the liabilities simultaneously.

IV. Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

h. Inventories

Inventories are valued at lower of cost and net realizable value. Costs are computed on FIFO basis and are net of GST credits.

Raw materials, packing materials and stores: Cost includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition.

Finished Goods and Work in Progress: In case of manufactured inventories and work in progress, cost includes all costs of purchase, an appropriate share of production overheads based on the normal operating capacity and other costs incurred in bringing the inventories to the present location and condition.



ALGALR NUTRAPHARMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Net Realizable Value: Net realizable 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.

i. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank 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 flow, cash and cash equivalents consists 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.

j. Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions

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 will be required to settle the obligation and a reliable estimate can be made. 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 the provision due to the passage of time is recognised as a finance cost.

(ii) Contingent Liabilities

Contingent liabilities are disclosed 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 will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(iii) Contingent Assets

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

k. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is disclosed excluding Goods and Services Tax (GST).

The specific recognition criteria described below must also be met before revenue is recognised.

(i) Sale of goods

- Revenue from the domestic sales is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, net of returns and allowances, trade discounts and volume rebates.
- Revenue from export sales are recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on the basis of dates of bill of lading, net of returns and allowances, trade discounts and volume rebates.

(ii) Interest Income

- a) Interest income is recognized using the effective interest rate (EIR) method.
- b) Interest income on fixed deposits with banks is recognised on an accrual basis.



ALGALR NUTRAPHARMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

l. Employee Benefits

Liabilities in respect of employee benefits to employees are provided for as follows:

(i) Short term employee benefits:

Liabilities for wages, salaries, bonus and medical benefits including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment benefits:

Defined contribution plans

Payments to defined contribution plans for eligible employees in the form of superannuation fund and the Company's contribution to Provident Fund are recognised as an expense in the Statement of Profit and Loss as the related service is provided.

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in current and prior periods, after discounting the same. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. The defined benefit obligation recognised in the Balance Sheet represent the present value of the defined benefit obligation.

All expenses represented by current service cost, past service cost, if any, and net interest expense / (income) on the net defined benefit liability / (asset) are recognised in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses are recognised immediately in Other Comprehensive Income (OCI).

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Other long-term employee benefits

There are no other long-term employee benefits provided by the Company.

n. Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset are capitalized upto the time all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready to its intended use or sale.



ALGALR NUTRAPHARMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All other borrowing costs are recognised as an expense in the period in which they are incurred.

o. Foreign currency transactions / translations

Transactions in foreign currencies are initially recorded at the functional currency spot rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies and remaining unsettled at the reporting date are translated into the functional currency at the exchange rate prevailing on the reporting date.

Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Exchange differences arising on settlement of transactions or translation of monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in the previous financial statements are recognised in the Statement of Profit and Loss in the year in which they arise except for exchange differences recognised as a part of qualifying assets.

p. Leases

(i) As a lessee

The Company's lease assets primarily consist of land and buildings. The Company assesses whether a contract contains a lease at the inception of the contract. Leases of assets (other than short term leases or leases for which the underlying asset is of low value) are recognised if the lease contract conveys the right to the Company to control the use of an identified asset for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset for a period of time, if throughout the period of lease, the Company has both of the following:

- a) The right to obtain substantially all of the economic benefits from use of the identified asset.
- b) The right to direct the use of the identified asset.

At the date of commencement of lease, the Company recognises a Right-Of-Use asset and a corresponding lease liability for all lease arrangements in which it is a lessee except for leases for a term of twelve months or less (short term leases) and low value leases. For short term leases and low value leases, the Company recognises the lease payments as an expense on a straight-line basis over the lease term. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. It is remeasured when there is a change in future lease payments or if Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Lease liability and Right Of Use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

The Company's lease assets primarily consist of buildings and plant & machinery.

Leases for which the Company is a lessor is classified either as a finance or operating lease.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rent income is recognised as income on a straight line basis over lease term unless the receipts are structured to increase in line with expected general inflation.

q. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.



ALGALR NUTRAPHARMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

r. Income tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

(i) Current Tax

Current tax is determined as the amount of tax payable or recoverable in respect of taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates that are enacted or substantively enacted at the reporting date.

Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act, 1961. However, credit of such MAT-paid is available when the Company is subject to tax as per normal provisions in the future.

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

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

(ii) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are amounts of income taxes in future periods in respect of deductible temporary differences, unused tax losses, and unused tax credits to the extent it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

MAT (Minimum Alternate Tax) credit is recognised as an asset only when, and to the extent, there is convincing evidence that the Company will pay normal income tax during the specified period and the said is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews carrying amount of MAT credit at each at the reporting date and writes down the same to the extent that there is no longer convincing evidence to the effect that the Company will pay normal income tax during the period.

s. Earnings per Share

Basic earnings per share are computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares outstanding during the year adjusted for the effect of all dilutive potential equity shares.

t. Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

u. Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) which is a single business segment in manufacture and sale of DHA oil and allied products.



ALGALR NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

2 (a) Property, Plant & Equipment

Particulars	Gross Carrying Amount			Depreciation			Net Carrying Amount	
	As at April 1, 2022	Additions	Deletions / Disposals	As at March 31, 2023	For the year	Deletions / Disposals	As at March 31, 2023	As at March 31, 2022
Freehold Land	24.23	-	-	24.23	-	-	24.23	24.23
Factory & Other Building	107.68	11.13	-	118.81	5.87	-	109.27	101.81
Plant, Equipment & Machinery	195.95	14.95	-	210.90	13.33	-	175.22	173.60
Furniture & Fixtures	4.90	0.28	-	5.18	1.08	-	3.62	3.82
Computer Hardware Cost	4.70	0.47	-	5.17	0.56	-	2.03	3.14
Total Property, Plant and Equipment	337.46	26.83	-	364.29	29.86	18.95	48.81	307.60

2.a.1 The Title deeds of immovable properties i.e. land and building are in the name of Company.

2 (b) Capital Work-in-Progress (CWIP)

Particulars	Gross Carrying Amount	
	As at April 1, 2021	As at March 31, 2022
Freehold Land	24.23	24.23
Factory & Other Building	80.21	107.68
Plant, Equipment & Machinery	141.90	195.95
Furniture & Fixtures	3.59	4.90
Computer Hardware Cost	0.68	4.70
Total Property, Plant and Equipment	250.59	337.46

2.b.1 Capital Work-in-Progress Actual Schedule

D) As at March 31, 2023

Particulars	Amount in CWIP for a period of			Total	
	Less than 1 year	1-2 years	More than 3 years	As at March 31, 2023	As at April 1, 2021
Projects in Progress	28.41	-	-	28.41	-



ALGALR NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

3 Other Non-Current Assets

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Capital Advances	3.63	10.25
	3.63	10.25

4 Inventories

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Raw material and Components	25.46	30.24
Finished Goods	26.37	13.41
	51.83	43.65

5 Trade Receivables

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	45.58	15.27
	45.58	15.27

5.1 Includes INR 3.69 lakh (March 31, 2022: INR Nil) from related parties. (Refer Note 31(III)(1))

5.1 Details of ageing of gross amount of trade receivables outstanding from the due date of payment

As at March 31, 2023

Particulars	Not Due	Outstanding for the following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed, considered good	35.62	8.48	0.53	0.95	-	-	45.58
	35.62	8.48	0.53	0.95	-	-	45.58

As at March 31, 2022

Particulars	Not Due	Outstanding for the following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed, considered good	13.27	1.55	0.24	0.21	-	-	15.27
	13.27	1.55	0.24	0.21	-	-	15.27

5.2 Relationship with struck off companies

Name of struck off company	Nature of transactions	INR (in Lakh)				Relationship with struck off company
		Transaction during the year ended March 31, 2023 INR (in Lakh)	Balance outstanding as on March 31, 2023 INR (in Lakh)	Transaction during the year ended March 31, 2022 INR (in Lakh)	Balance outstanding as on March 31, 2022 INR (in Lakh)	
Motherland Formulations Private Limited	Sale of goods	-	-	16.89	5.57	Customer
Only One Pharma Industries Private Limited	Sale of goods	-	-	0.24	0.24	Customer
		-	-	17.13	5.81	

Balance outstanding from Motherland Formulations Private Limited has been received during the current year.

Balance outstanding from Only One Pharma Industries Private Limited has been written off during the year.

6 Cash and Cash Equivalents

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Balances with Banks in Current Accounts	4.26	1.24
Cash on Hand	0.12	0.12
	4.38	1.36

7 Other Financial Assets

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Security Deposits	1.84	0.50
	1.84	0.50

8 Other Current Assets

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered Good		
Advances to Vendors	1.29	20.93
Prepaid Expenses	1.23	0.36
Balance with Government Authorities	57.68	29.24
Others	-	0.18
Unsecured, Credit Impaired		
Advances to Vendors	1.77	-
Less:- Allowance for Credit Impaired	(1.77)	-
	60.20	50.71



ALGALR NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

9 Equity Share Capital

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
a) Authorized : 1,150,000 Equity Shares of INR 10 each (March 31, 2022: 1,150,000 Equity Shares of INR 10 each)	115.00	115.00
b) Issued, Subscribed and Paid - up: 1,150,000 Equity Shares of INR 10 each (March 31, 2022: 1,150,000 Equity Shares of INR 10 each)	115.00	115.00
	115.00	115.00

c) Reconciliation of number of Shares and amount outstanding at the beginning and at the end of the Year

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	INR (in Lakh)	No. of Shares	INR (in Lakh)
Equity Shares				
Outstanding at the beginning of the Year	11,50,000	115.00	7,50,000	75.00
Add: Issued during the year	-	-	4,00,000	40.00
Outstanding at the end of the Year	11,50,000	115.00	11,50,000	115.00

d) Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of shares having par value of INR 10 per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

e) Shareholders holding more than 5% Equity Shares as at the end of the Year

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% held	No. of Shares	% held
Canlin Fine Sciences Limited	9,20,000	80.00	9,20,000	80.00
Mohansuj Subramanian	2,30,000	20.00	2,30,000	20.00
	11,50,000	100.00	11,50,000	100.00

f) Shareholding of promoters as at the end of the year and percentage change during the year

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022		% change during the year	As at March 31, 2021		% change during the year
	No. of Shares	% held	No. of Shares	% held		No. of Shares	% held	
Canlin Fine Sciences Limited	9,20,000	80.00%	9,20,000	80.00%	0.00%	-	-	80.00%
Mohansuj Subramanian	2,30,000	20.00%	2,30,000	20.00%	0.00%	2,61,562	34.87%	-14.87%
G. Gurusankaran	-	0.00%	-	0.00%	0.00%	1,20,938	16.13%	-16.13%
R. Krishna Prakash	-	0.00%	-	0.00%	0.00%	1,83,750	24.50%	-24.50%
Sathish Kumar	-	0.00%	-	0.00%	0.00%	1,83,750	24.50%	-24.50%
	11,50,000	100.00%	2,30,000	100.00%		7,50,000	100.00%	

10 Other Equity

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
a) Securities Premium (Refer Note 10.1)		
Opening Balance	240.00	-
Issue of Equity Shares during the Year	-	240.00
Utilisations during the Year	-	-
Closing Balance	240.00	240.00
b) Retained Earnings		
Opening Balance	(881.37)	(649.91)
Loss for the year	(272.14)	(231.46)
Reversal of Defined Employee Benefit Plan	(5.91)	-
Closing Balance	(1,159.42)	(881.37)
	(919.42)	(641.37)

Nature and Purpose of Reserves:

10.1 Securities Premium

The Securities premium account has been created to record the premium on issue of Equity Shares. This reserve is utilized in accordance with Section 52 of the Companies Act, 2013.

11 Borrowings

Particulars	INR (in Lakh)			
	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
1 Loan from Holding Company - Unsecured	1,052.15	-	700.52	-
	1,052.15	-	700.52	-
	1,052.15	-	700.52	-

11.1 Loan from Holding Company - Unsecured

The loan is repayable in 3 years from the date of disbursement. The current interest rate is 5.30% p.a.

11.2 The Company does not have any charges which are yet to be registered or satisfied with the Registrar of Companies beyond the statutory period.



ALGALR NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

20 Revenue from Operations

Particulars	INR (in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Products		
Finished goods	152.57	56.38
Traded goods	51.11	-
	203.68	56.38

21 Other Income

Particulars	INR (in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Grant Income	3.94	3.94
Miscellaneous Income	1.10	15.03
	5.04	18.97

22 Cost of Materials Consumed

Particulars	INR (in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw Material and Packing Material Consumed	30.24	-
Opening Inventories	116.54	65.81
Add: Purchases	(25.46)	(30.24)
Less: Closing Inventories	121.32	35.58

23 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Particulars	INR (in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Inventories		
Finished Goods	13.41	36.64
	13.41	36.64
Closing Inventories		
Finished Goods	26.37	13.41
	26.37	13.41
	(12.96)	23.23

24 Employee Benefits Expense

Particulars	INR (in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages	120.85	96.01
Contributions to -		
Provident Funds and other Funds	10.44	0.85
Gratuity	3.07	2.87
Staff Welfare Expenses	9.15	5.22
	143.51	104.95

24.1 Employee Benefit Plans

(a) Defined Contribution Plans:

The contributions to the Provident Fund of eligible employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. Under the plan, the Company has contributed INR 10.44 lakhs during the year (2021-2022: INR 0.85 lakh).

(b) Defined Benefit Plans:

i) On normal retirement / early retirement / resignation:

As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service:

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and present value of defined benefit obligation of gratuity was carried out as at March 31, 2023. The present value of defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The following table summaries the net benefit expense recognised in the Statement of Profit and Loss, the details of the defined benefit obligation and the funded status of the Company's gratuity plan:



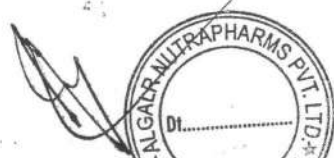
		INR (in Lakh)	
Particulars		As at March 31, 2023	As at March 31, 2022
I	Present Value of Benefit Obligation at the beginning of the year	2.87	-
	Interest Cost	0.21	-
	Current Service Cost	2.86	2.87
	Benefits paid from the Fund	-	-
	Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	-	-
	Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(0.16)	-
	Actuarial (Gains) / Losses on Obligations - Due to Experience	6.07	-
	Present Value of Benefit Obligation at the end of the year	11.85	2.87
II	Change in the Fair Value of Plan Assets	-	-
	Fair Value of Plan Assets at the beginning of the year	-	-
	Interest Income	-	-
	Contributions by the Employer	-	-
	Benefits paid from the Fund	-	-
	Return on Plan Assets, excluding Interest Income	-	-
	Fair Value of Plan Assets at the end of the year	-	-
III	Net Asset / (Liability) recognised in Consolidated Balance Sheet	-	-
	Present value of defined benefit obligation at the end of the year	(11.85)	(2.87)
	Fair value of plan assets at the end of the year	-	-
	Net Asset / (Liability) at the end of the year	(11.85)	(2.87)
IV	Expenses recognised in the Consolidated Statement of Profit and Loss	-	-
	Current Service Cost	2.86	2.87
	Net Interest Cost	0.21	-
	Past Service Cost (See Note below)	-	-
	Expenses recognised in the Consolidated Statement of Profit and Loss	3.07	2.87
V	Expenses recognised in the Other Comprehensive Income (OCI)	-	-
	Actuarial (Gains) / Losses on Obligation for the year	5.91	-
	Return on Plan Assets, excluding Interest Income	-	-
	Net (Income) / Expense for the year recognised in OCI	5.91	-
VI	Actuarial assumptions considered	-	-
(i)	Discount rate	7.50%	7.37%
(ii)	Expected return on plan assets	N.A.	N.A.
(iii)	Salary escalation rate	5.00%	5.00%
(iv)	Rate of employee turnover	2.00%	2.00%
(v)	Mortality Rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
The assumptions of future salary increases, considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors.			
VII	Category of asset as at the end of the year	N.A.	N.A.
(i)	Year 1	0.46	0.01
(ii)	Year 2	0.46	0.01
(iii)	Year 3	0.46	0.01
(iv)	Year 4	0.52	0.01
(v)	Year 5	0.52	0.11
(vi)	Years 6 - 10	2.61	0.70
(vii)	Years 11 and above	24.47	8.79
IX	Sensitivity Analysis of Projected Benefit Obligation for Significant Assumptions	-	-
	Projected Benefit Obligation on Current Assumptions	11.85	2.87
	1% increase in Discount Rate	(1.10)	(0.36)
	1% decrease in Discount Rate	1.28	0.43
	1% increase in Salary Escalation Rate	0.39	0.43
	1% decrease in Salary Escalation Rate	(0.03)	(0.37)
	1% increase in Rate of Employee Turnover	0.57	(0.05)
	1% decrease in Rate of Employee Turnover	(0.63)	0.04
The sensitivity analysis have been determined based on reasonably possible changes in the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Projected Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.			
Furthermore, in presenting the above sensitivity analysis, the present value of the Projected Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same method as applied in calculating the projected benefit obligation as recognised in the Balance Sheet.			
There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.			

25 Finance Costs

		INR (in Lakh)	
Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Expense		48.48	36.19
Other Borrowing Cost		-	-
		48.48	36.19

26 Depreciation and Amortisation Expense

		INR (in Lakh)	
Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Property, Plant and Equipment (Refer Note 2(a))		18.95	15.67
		18.95	15.67



ALGAL NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

27 Other Expenses

Particulars	INR (in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of Stores and Spares	7.36	2.65
Power and Fuel	44.52	25.95
Rent	0.10	0.14
Rates and Taxes	0.62	-
Insurance	1.21	0.68
Repairs to Building	2.04	8.14
Repairs to Plant and Equipment	16.97	9.68
Repairs other than above	1.76	1.78
Sub-Contract Charges	5.72	-
Advertisement and Sales Promotion	3.19	0.37
Transport and Forwarding Charges	4.32	3.30
Commission / Discount / Service Charges on Sales	-	0.39
Traveling and Conveyance	10.94	7.35
Auditors Remuneration (Refer Note 28)	1.80	0.75
Legal & Professional Fees	5.04	5.85
Royalty	0.23	-
Bad Debt written off	1.08	1.12
Allowances for Doubtful Advances	1.77	-
Loss on foreign currency transactions and translation	0.82	-
Bank Charges	0.05	0.12
Miscellaneous Expenses	16.35	22.92
	125.89	91.19

28 Auditors Remuneration

Particulars	INR (in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Audit Fee	1.50	0.75
Tax Audit Fee	-	-
Taxation Matters	-	-
Certification	-	-
Other Services	0.30	-
Reimbursement of Expenses	-	-
Total	1.80	0.75

The above amounts are net of applicable taxes.

29 Earnings Per Share

a) Basic Earnings Per Share

The calculation of basic earnings per share is based on the loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

i) Loss attributable to ordinary shareholders (Basic)

Particulars	INR (in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
(Loss) as per Statement of Profit and Loss	(272.14)	(231.46)
(Loss) attributable to ordinary shareholders of the Company	(272.14)	(231.46)

ii) Weighted average number of ordinary shares (Basic)

Particulars	INR (in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Number of Equity Shares at the beginning of the year	11,50,000	7,30,000
Add: Effect of shares issued during the year	-	1,54,521
	11,50,000	8,84,521
Basic Earnings Per Share (Amount in INR)	(23.66)	(25.99)

30 Contingent Liabilities and Capital Commitments as on March 31, 2022: Nil (As on March 31, 2021: Nil)

31 Related Party disclosures

i) List of Related Parties as required by Ind AS 24, "Related Party Disclosures", are given below:

- I Holding Company
Camlin Fine Sciences Limited (from November 11, 2021)
- II Subsidiary of holding company
Dresen Quimica S.A.P.I. de C.V.
- III Related parties where significant influence exists
Mohanraj Subramanian
G. Gurukuladasi (upto November 10, 2021)
R. Krishna Prabhu (upto June 7, 2021)
N. Sathya Kumar (upto June 7, 2021)
Camlin Fine Sciences Limited (June 8, 2021 - November 10, 2021)
- IV Key Management Personnel (KMP)
Dr S Mohan Raj (Managing Director)
G. Gurukuladasi (upto November 10, 2021)
R. Krishna Prabhu (upto May 27, 2021)
N. Sathya Kumar (upto May 27, 2021)
Prakash Parikh (from May 25, 2022)
Krishna Dasht (from January 21, 2022)
- V Relatives of Key Management Personnel
R. Jothi (upto May 27, 2021)

II The details of transactions with related parties during the year are given below:

Sr.No	Nature of Transactions	Name of Related Party	INR (in Lakh)	
			For the year ended March 31, 2022	For the year ended March 31, 2021
1	Sale of products	Camlin Fine Sciences Limited	0.47	-
2	Purchase of goods	Dresen Quimica S.A.P.I. de C.V.	10.24	-
3	Loan taken	Camlin Fine Sciences Limited	1.00	-
4	Interest expense	Camlin Fine Sciences Limited	311.07	680.41
5	Loan repaid	Camlin Fine Sciences Limited	45.07	22.34
6	Compensation paid to Key Management Personnel	Mohanraj Subramanian	11.93	118.26
		Short term employee benefits (including bonus and value of perquisites)	51.03	33.00

III The details of outstanding with related parties as at year end are given below:

Sr.No	Nature of Transactions	Name of Related Party	INR (in Lakh)	
			As at March 31, 2022	As at March 31, 2021
1	Trade Receivable	Dresen Quimica S.A.P.I. de C.V.	3.69	-
2	Trade Payable	Camlin Fine Sciences Limited	44.27	43.27
3	Advances received	Camlin Fine Sciences Limited	27.30	27.30
4	Loan Payable	Camlin Fine Sciences Limited	991.48	680.41
5	Interest Payable	Mohanraj Subramanian	16.72	28.65
6	Interest Payable	Camlin Fine Sciences Limited	60.67	20.11



ALGALR NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

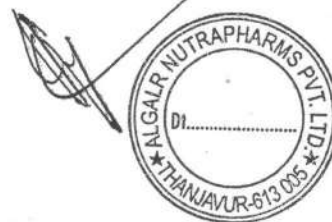
32 Financial Instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

INR (in Lakh)								
March 31, 2023	Carrying amount/Fair Value				Fair Value Hierarchy			
	Fair Value Through Profit and Loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Current								
Trade Receivables	-	-	45.58	45.58	-	-	-	-
Cash and cash equivalents	-	-	4.38	4.38	-	-	-	-
Other Financial Assets	-	-	1.84	1.84	-	-	-	-
	-	-	51.80	51.80	-	-	-	-
Financial Liabilities								
Non Current								
Borrowings	-	-	1,052.15	1,052.15	-	-	-	-
Other Financial Liabilities	-	-	29.64	29.64	-	-	-	-
Current								
Borrowings	-	-	16.72	16.72	-	-	-	-
Trade Payables	-	-	95.42	95.42	-	-	-	-
Other Financial Liabilities	-	-	16.10	16.10	-	-	-	-
	-	-	1,210.05	1,210.05	-	-	-	-

INR (in Lakh)								
March 31, 2022	Carrying amount/Fair Value				Fair Value Hierarchy			
	Fair Value Through Profit and Loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Current								
Trade Receivables	-	-	15.27	15.27	-	-	-	-
Cash and Cash Equivalents	-	-	1.36	1.36	-	-	-	-
Other Financial Assets	-	-	0.50	0.50	-	-	-	-
	-	-	17.13	17.13	-	-	-	-
Financial Liabilities								
Non Current								
Borrowings	-	-	700.52	700.52	-	-	-	-
Other Financial Liabilities	-	-	32.48	32.48	-	-	-	-
Current								
Borrowings	-	-	28.65	28.65	-	-	-	-
Trade Payables	-	-	73.03	73.03	-	-	-	-
Other Financial Liabilities	-	-	19.63	19.63	-	-	-	-
	-	-	854.31	854.31	-	-	-	-



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

b) Fair value hierarchy (Refer Note B to significant accounting policies)

c) Measurement of Fair Value

The fair values of financial assets and liabilities are included at the amount 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. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

(i) The Management assesses that fair values of trade receivables, cash and cash equivalents, other bank balances, loans, trade payables, current borrowings, other current liabilities and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments.

(ii) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

d) Risk Management Framework

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risks. Market risks comprise of currency risk and interest rate risk. The Company's Senior Management and Key Management Personnel have the ultimate responsibility for managing these risks. The Company has a process to identify and analyse the risks faced by the Company, to set appropriate risk limits and to control and to monitor risks and adherence to these limits. Risk Management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. Further, Audit Committee undertakes regular reviews of Risk Management Controls and Procedures.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(i) Credit risk

Credit risk is the risk that a customer or counterparty fails to meet its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in mutual funds, deposits with banks and financial institutions and financial instruments.

Trade Receivables

Credit risk from trade receivables is managed by establishing credit limits, credit approvals and monitoring creditworthiness of the customers. Outstanding customer receivables are regularly monitored.

The ageing of trade receivables is as follows:

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Not Due	35.62	13.27
Less than 6 months	8.48	1.55
6 months - 1 year	0.53	0.24
1-2 years	0.95	0.21
2-3 years	-	-
More than 3 years	-	-
Total	45.57	15.27
Less: - Loss Allowance	-	-
	45.57	15.27

(ii) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The following tables detailed the Company's remaining contractual maturities of financial liabilities as at the reporting date with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

March 31, 2023	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non Current						
Borrowings	1,052.15	1,052.15	-	1,052.15	-	-
Other Financial Liabilities	29.64	29.64	-	-	29.64	-
Current						
Borrowings	16.72	16.72	16.72	-	-	-
Trade Payables	95.42	95.42	95.42	-	-	-
Other Financial Liabilities	16.10	16.10	16.10	-	-	-
	1,210.03	1,210.03	128.24	1,052.15	29.64	-

March 31, 2022	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non Current						
Borrowings	700.52	700.52	-	-	700.52	-
Other Financial Liabilities	32.48	32.48	-	-	32.48	-
Current						
Borrowings	28.65	28.65	28.65	-	-	-
Trade Payables	73.03	73.03	73.03	-	-	-
Other Financial Liabilities	19.63	19.63	19.63	-	-	-
	854.31	854.31	121.31	-	733.00	-

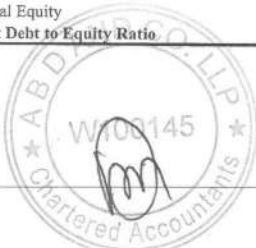
33 Capital Management

The primary objective of the Company's capital management is to maintain an efficient capital structure and to maximise shareholder's value. The Management seeks to maintain a balance between higher returns that is achieved by raising funds through equity and the advantages by a sound capital position.

The Company monitors capital using a ratio of 'Net Debt to Equity'. For this purpose, Capital includes issued capital and all other equity reserves. Net Debt is defined as total borrowings less cash & bank balances and other current investments.

The Company's Net Debt to Equity ratios are as follows:

Particulars	INR (in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non-Current Borrowings	1,052.15	700.52
Current Borrowings	16.72	28.65
Gross Debt	1,068.87	729.17
Less : Cash and Cash Equivalents	4.38	1.36
Net Debt	1,064.49	727.81
Total Equity	(804.42)	(526.37)
Net Debt to Equity Ratio	(1.32)	(1.38)



ALGALR NUTRAPHARMS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

34 Taxation

There is no current tax provision in view of losses incurred by the Company during the year.
Deferred tax asset on tax losses and unabsorbed depreciation is not recognised. Such unrecognised deferred tax assets are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Unrecognised deferred tax asset	157.98	88.08
	157.98	88.08

35 Analytical Ratios

Ratio Name	Numerator	Denominator	Current Period Numerator	Current Period Denominator	Ratio Value	Previous Period Numerator	Previous Period Denominator	Ratio Value	% Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	163.86	184.02	0.89	111.49	177.30	0.63	41.61%	Increase in current assets.
Debt Equity Ratio	Total Debt	Shareholders Equity	1,068.88	(804.42)	(1.33)	729.17	(526.37)	(1.39)	-4.08%	
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	(204.71)	61.79	(3.31)	(179.60)	65.08	(2.76)	20.04%	Increase in loss for the current year
Return on Equity	Net profit after taxes	Average Shareholders Equity	(272.14)	(665.40)	-40.90%	(231.46)	(550.64)	-42.03%	-2.70%	
Inventory Turnover Ratio	Cost of goods sold	Average inventory	144.03	47.74	3.02	58.81	40.15	1.46	105.96%	Increase in turnover and cost of goods sold during the year.
Trade Receivables Turnover Ratio	Sales	Average trade receivables	203.68	30.42	6.69	56.38	8.82	6.39	4.74%	
Trade Payables Turnover Ratio	Purchases	Average trade payables	116.54	84.22	1.38	65.81	107.09	0.61	125.16%	reduction in average trade payables
Net Capital Turnover Ratio	Sales	Working Capital	203.68	(20.16)	(10.10)	56.38	(65.82)	(0.86)	1079.52%	increase in sales
Net Profit Ratio	Net profit after taxes	Sales	(272.14)	203.68	-133.61%	(231.46)	56.38	-410.50%	-67.45%	increase in loss for the current year
Return on Capital Employed	Earnings before interest and taxation	Capital Employed	(223.66)	403.48	-55.43%	(195.27)	178.53	-109.38%	-49.32%	increase in debt (capital employed)

36 Additional Regulatory Information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not been declared as wilful defaulter by any lender who has the powers to declare a company as wilful defaulter at any time during the financial year or after the end of the reporting period but before the date when financial statements are approved.
- The Company has complied with the number of layers prescribed under clause 87 of section 2 of Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company does not have any approved scheme of Arrangement during the year.
- 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:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding that the Company shall:
 - 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 to or on behalf of the Ultimate Beneficiaries.
- The Company does not have any transaction recorded in the books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- Section 135 relating to Corporate Social Responsibility (CSR) is not applicable to the Company. Hence, disclosure of CSR are not applicable.
- The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

37 Going concern assumption

The Company has incurred operating loss in the current quarter owing to pressure on gross margins and higher operating costs. The management believes that there would be adequate orders from customers leading to increase in sales and profitability in future in view of business strategies adopted. In assessment of the going concern assumption, the management has evaluated possible impact on existing contracts or arrangements with customers, market demand, adequacy of raw material or stock in trade and availability of sufficient cash to meet its obligations.
Further, Carmin Fine Sciences Ltd, the Holding Company, has assured continued financial support in order to meet the Company's financial obligations. In view of these factors, the financial statements are prepared considering going concern assumption appropriate.

38 Previous years' figures have been regrouped / restated wherever necessary to conform to current year's classification.

