

**Independent Auditors' Report on the Audit of Special Purpose Financial Information
prepared for Consolidation Purpose**

To
Kalyaniwalla & Mistry LLP
Chartered Accountants
Mumbai

In accordance with your instructions dated 5th April 2023, we have audited, for the purpose of your audit of consolidated financial statements of Camlin Fine Sciences Limited (CFSL), the accompanying financial information of **CFS Pahang Asia Pte Limited (CFS Pahang)**, which comprises the Balance Sheet as at March 31st, 2023, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Special Purpose Financial Information

CFS Pahang's management is responsible for the preparation of this special purpose financial information in accordance with the group instructions issued by CFSL's management and the group policies contained in the CFSL's accounting policies, and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that is free from material misstatement, whether due to fraud or error; applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

This special purpose financial information has been prepared solely to enable CFSL to prepare its consolidated financial statements.

Auditor's Responsibility

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



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Limda Lane, Jamnagar,
Gujarat – 301 001.

been designing the audit to express an opinion on the financial information of the component alone.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the CFS Pahang's preparation of the special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the special purpose financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The conclusions reached in forming our opinion are based on the component materiality level specified by you in the context of the audit of the consolidated financial statements of the group.

Opinion

In our opinion, the accompanying special purpose financial information of CFS Pahang Asia Pte Limited for the year ending 31st March 2023 has been prepared, in all material respects, in accordance with the group instructions issued by CFSL's management.

Restriction on Use and Distribution

This special purpose financial information has been prepared for purposes of providing information to CFSL to enable it to prepare the consolidated financial statements of the group. As a result, the special purpose financial information is not a complete set of financial statements of CFS Pahang in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies Act, 2013 and is not intended to give a true and fair view of the financial position of CFS Pahang, and of its financial performance, and its cash flows for the year ending 31st March 2023 in accordance with Ind-AS. This special purpose financial information may, therefore, not be suitable for another purpose.



This report is intended to you solely for your information and use to assist you in your audit of the group financial statements of CFSL for the year ending 31st March 2023 and should not be used by (or distributed to) other parties.

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

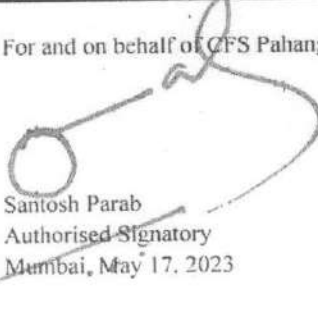


Devdatta Mainkar
Partner
Membership No. 109795
Mumbai, May 17, 2023
UDIN : 23109795BGXISQ7084

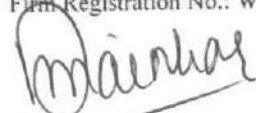
CFS PAHANG ASIA PTE LTD.
Balance Sheet as at March 31, 2023

Particulars	Note	SGD Actuals	
		As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-Current Assets			
Financial Assets			-
Other financial assets	2	2,400	2,400
Total Non-current Assets		<u>2,400</u>	<u>2,400</u>
Current Assets			
Financial assets			
Cash and cash equivalents	3	38,574	43,327
Total Current Assets		<u>38,574</u>	<u>43,327</u>
TOTAL ASSETS		<u><u>40,974</u></u>	<u><u>45,727</u></u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	4	68,571	68,571
Other Equity	5	(31,918)	(25,367)
Total Equity		<u>36,653</u>	<u>43,204</u>
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Trade Payables	6	4,321	2,523
		<u>4,321</u>	<u>2,523</u>
Total Current Liabilities		<u>4,321</u>	<u>2,523</u>
TOTAL EQUITY AND LIABILITIES		<u><u>40,974</u></u>	<u><u>45,727</u></u>
Significant Accounting Policies	1		

For and on behalf of CFS Pahang Asia Pte Ltd.


Santosh Parab
Authorised Signatory
Mumbai, May 17, 2023

For A B D AND Co LLP
Firm Registration No.: W100145


Devdatta Mainkar
Partner
M. No. 109795
Mumbai, May 17, 2023



CFS PAHANG ASIA PTE LTD.

Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note	SGD Actuals	
		For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Other income	7	-	121
Total income		-	121
EXPENSES			
Other expenses	8	6,551	5,867
Total Expenses		6,551	5,867
(Loss) Before Tax		(6,551)	(5,746)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Loss for the Year		(6,551)	(5,746)

For and on behalf of CFS Pahang Asia Pte Ltd.

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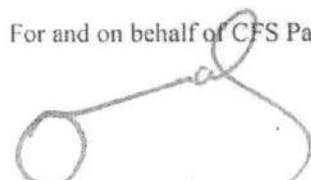


CFS PAHANG ASIA PTE LTD.

Statement of Cash Flows for the year ended March 31, 2023

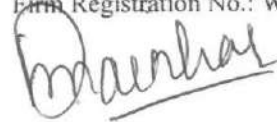
Particulars	SGD Actuals	
	Audited	Audited
	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash Flow from Operating Activities		
Loss before Taxation	(6,551)	(5,746)
Adjustment for:		
Depreciation and Amortization Expense	-	-
Operating Profit before working capital changes	(6,551)	(5,746)
Adjustment for:		
Increase/(Decrease) in Non Financial Liabilities	-	-
Increase/(Decrease) in Financial Liabilities	1,799	-
(Increase)/Decrease in Non Financial Assets	-	-
(Increase)/Decrease in Financial Assets	-	-
Cash generated from operations	1,799	-
Taxes Paid (Net)	-	-
Net Cash Flow from/(used in) Operating activities	(4,752)	(5,746)
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Intangible Assets	-	-
Net Cash Flow from/(used in) Investing Activities	-	-
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital	-	-
Net Cash Flow from Financing Activities	-	-
Net Increase / (Decrease) in Cash & Cash Equivalent	(4,752)	(5,746)
Cash & Cash Equivalent -Opening Balance	43,327	49,073
Cash & Cash Equivalent -Closing Balance	38,574	43,327

For and on behalf of CFS Pahang Asia Pte Ltd.



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Authorised Signatory
Mumbai, May 17, 2023

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Devdatta Mainkar
Partner
M. No. 109795
Mumbai, May 17, 2023



CFS PAHANG ASIA PTE LTD.

Statement of Changes in Equity for the period ended March 31, 2023

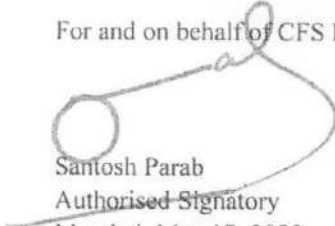
a) Equity Share Capital

Particulars	SGD Actuals	
	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the reporting year	68,571	68,571
Changes in equity share capital during the year	-	-
Balance at the end of the reporting year	68,571	68,571

b) Other Equity

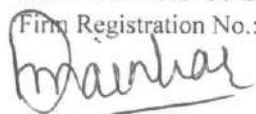
Particulars	SGD Actuals
	Retained Earnings
Balance as at April 1, 2021	(19,621)
(Loss) for the Year	(5,746)
Balance as at March 31, 2022	(25,367)
(Loss) for the year	(6,551)
Balance as at March 31, 2023	(31,918)

For and on behalf of CFS Pahang Asia Pte Ltd.


Santosh Parab
Authorised Signatory
Mumbai, May 17, 2023

For A B D AND Co LLP

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Devdatta Mainkar

Partner

M. No. 109795

Mumbai, May 17, 2023



1 Significant Accounting Policies

A. Corporate Information

CFS Pahang Asia Pte. Ltd. ("the Company") is engaged in research, development, production, trade and dealing in animal feed ingredients and products. The Company is domiciled in Singapore having its registered office at 20, Maxwell Road, #09-17 Maxwell House, Singapore - 069113. The Company is a partly owned subsidiary of Camlin Fine Sciences Limited ("Parent"), a listed company in India.

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 period 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. These financial statements are prepared for the purpose of consolidation in the Parent Company's Consolidated Financial Statements.

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

Functional and Presentation Currency

The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

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 as described below

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.
- (iv) 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 and applicable discount rate.
- (v) Measurement of Lease Liabilities and Right of Use Assets.

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.

C. 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
- 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.

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 on pro rata basis.

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. 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.

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

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

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.

f. 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.

1. 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.

(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

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) Financial guarantee contracts

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the amount initially recognised less cumulative amount of income recognised in accordance with Ind AS 18, 'Revenue'.

(v) 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

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.

g. Inventories

Inventories are valued at lower of cost and net realizable value. Costs are computed on weighted average 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.

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.

h. 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

i. 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.

j. Revenue Recognition

Revenue is recognised upon transfer of control of goods promised to customers in an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration as specified in the contract with the customer. Revenue excludes taxes collected from customer.

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

(i) Sale of goods

- Revenue from the domestic sales are recognised net of returns and allowances, trade discounts and volume rebates upon delivery which is when the control of the goods passes to the Customer and performance obligation is met at a
- Revenue from the export sales are recognised net of returns and allowances, trade discounts and volume rebates upon delivery, usually on the basis of dates of bill of lading which is when the control of the goods passes to the Customer and performance obligation is met at a point in time.



(ii) **Sale of Service**

Revenue is recognised from sale of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. In case of services rendered by the Company pertaining to scaling of production process, engineering assistance, pilot projecting etc, the consideration received from the customer is recognised as and when the obligation is satisfied and the entity has no remaining obligations to transfer goods or services to the customer and all, or substantially all, of the consideration promised by the customer has been received by the entity and is non-refundable or the contract has been terminated and the consideration received from the customer is non-refundable.

(ii) **Interest Income**

- (a) Interest income is recognized as the interest accrues (using the effective interest rate, that is, the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).
- b) Interest income on fixed deposits with banks is recognised on time basis.

k. **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

(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

(ii) **Other long-term employee benefits**

Compensated absences or paid time off (PTO) are granted on an annual basis and must be used within that calendar year. Any unused leave is forfeited at the end of that year.

l. **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 pertaining to the period from commencement of activities relating to the construction / development of qualifying asset till the time all activities necessary to prepare the qualifying asset for its intended use or sale are complete are capitalised. Any income earned from temporary investment of borrowed funds is deducted from borrowing costs incurred.

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

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

m. **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.

n. **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.

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

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

(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:

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

r. 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.

s. 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 other equity.

t. 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 Fine Chemicals. As per Ind AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.

u. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

v. Non-current Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only when all of the following criteria's are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

The non-current assets classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.



CFS PAHANG ASIA PTE LTD.

Notes To The Financial Statements For The Period Ended March 31, 2023

2 Other financial assets

Particulars	SGD Actuals	
	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered Good, Unless otherwise stated		
(a) Security Deposits	2,400	2,400
	<u>2,400</u>	<u>2,400</u>

3 Cash and cash equivalents

Particulars	SGD Actuals	
	As at March 31, 2023	As at March 31, 2022
Balances with banks in current accounts	38,574	43,327
	<u>38,574</u>	<u>43,327</u>

4 Equity share capital

Particulars	SGD Actuals	
	As at March 31, 2023	As at March 31, 2022
Issued, subscribed and paid up share capital	68,571	68,571
	<u>68,571</u>	<u>68,571</u>

5 Other Equity

Particulars	SGD Actuals	
	As at March 31, 2023	As at March 31, 2022
Balance in Statement of Profit and Loss		
Balance, beginning of the year	(25,367)	(19,621)
Loss for the period	(6,551)	(5,746)
	<u>(31,918)</u>	<u>25,367</u>

6 Trade payables

Particulars	SGD Actuals	
	As at March 31, 2023	As at March 31, 2022
Trade payables	4,321	2,523
	<u>4,321</u>	<u>2,523</u>

7 Other income

Particulars	SGD Actuals	
	For the year ended March 31, 2023	For the period ended December 31, 2021
Gain on foreign currency transactions and translation (net)	-	120
Miscellaneous receipts	-	1
	<u>-</u>	<u>120</u>

8 Other expenses

Particulars	SGD Actuals	
	For the year ended March 31, 2023	For the period ended December 31, 2021
Rent	280	250
Legal & professional fees	5,360	5,160
Loss on foreign currency transactions and translation (net)	455	-
Bank charges	456	457
	<u>6,551</u>	<u>5,867</u>

