

APOLLOTECHNO INDUSTRIES PRIVATE LIMITED

STATUTORY AUDIT REPORT

2023-2024

REGISTERED OFFICE

**167, APOLLOTECHNO INDUSTRIES PRIVATE LIMITED,
NR. KESHAV FERTILIZER, MANDALI, MEHSANA – 382732.**



AUDITORS

**DIPAL R. SHAH & CO.
CHARTERED ACCOUNTANTS**

507, MAURYANSH ELANZA,
NEAR PAREKHS HOSPITAL,
SATELLITE, AHMEDABAD – 15,
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INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
APOLLOTECHNO INDUSTRIES PRIVATE LIMITED**

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

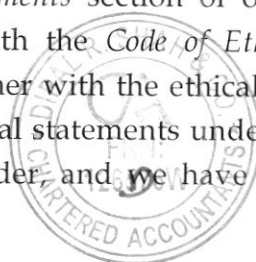
We have audited the accompanying standalone financial statements of APOLLOTECHNO INDUSTRIES PRIVATE LIMITED (The Company), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including the statement of other comprehensive income) for the year then ended on 31st March, 2024, the statement of Cash flows for the year ended on 31st March 2024 and the statement of changes in equity for the year ended and a notes to standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under the Act and other accounting principles generally accepted in India,

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2024.
- (b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date;
- (c) In the case of Cash Flow Statement, of the Cash Flow of the company for the year ended on that date.
- (d) In the case of Changes in Equity, of the changes in Equity of the company for the year ended on that date.

BASIS FOR OPINION

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



ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Opinion on the standalone financial statements.

RESPONSIBILITY OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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.

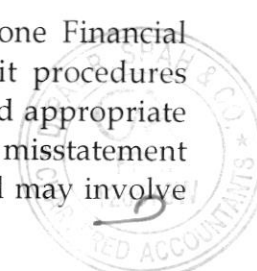
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITORS' RESPONSIBILITY FOR AUDIT OF FINANCIAL STATEMENTS

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.

- 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

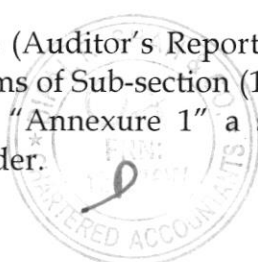
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTER

During the year under audit, we have not come across any matter which we think are relevant for end users in understanding of audit, the auditor's responsibilities or the auditor's report.

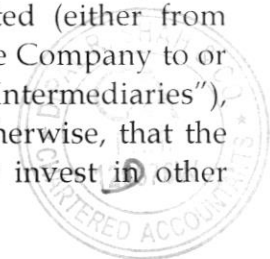
REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Companies (Auditor's Report) order, 2020, issued by a Central Government of India in terms of Sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 1" a statement of matters specified in Paragraph 3 and 4 of the order.



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 purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss including other comprehensive income, the statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with The Companies Accounting Standard Rules, 2021.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to adequacy of Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls, report to our separate Report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.
- g) Company being a private limited company provision of section 197 related to Managerial remuneration is not applicable to the company, hence the same is not commented.
- h) With respect to other matters to be included in Auditor's Report in accordance with Rule 11 of Companies (Audit & Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to explanations given to us:
 - i. The Company does not have any pending litigation as on the balance sheet date that could impact its financial position.
 - ii. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to Investor Education & Protection Fund by the company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other



persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

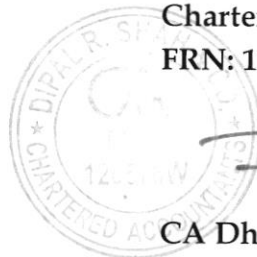
v. The Company has not declared or not paid any dividend during the year under review.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. [Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention].

For, DIPAL R. SHAH & CO.

Chartered Accountants

FRN: 126576W



D. N. Sheth

CA Dhruv N. Sheth

Partner

Membership No.: 173704

UDIN: 24173704BKFIJY7780

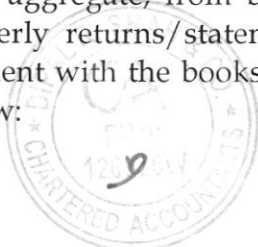
Date: 03/09/2024

Place: Ahmedabad

ANNEXURE - 1 TO THE AUDITOR'S REPORT

With reference to paragraph 1 under `Report on Other Legal and Regulatory Requirement` section of our report to the members of the company on even date, we report that:

- (i) (a) (A) The company has maintained proper records showing full particulars of fixed asset except the fact that the situation of fixed assets is not updated in the register.
- (B) The company has maintained proper records showing full particulars of intangible assets.
- (b) The management has conducted physical verification of property, plant and equipment, which in our opinion is reasonable having regard to the size of the company and the nature of its property, plant and equipment. No Material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds off all the immovable properties of land and buildings which are included under the head `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 or intangible assets during the year ended 31 March, 2024.
- (e) As informed to us by the management, no proceedings have been initiated or are pending against the company as at March 31, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The stock of Finished Goods, Semi Finished Goods, Stores and Spares, Raw materials and Consumables excluding stocks with third parties and stocks with branches have been physically verified at the year-end by the management. Third parties and branch heads have certified the company`s stock held by them as at the year end of the year. The coverage and procedures used by the management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year the company has been sanctioned working capital limits in excess of ₹ five crore in aggregate, from banks on the basis of securities of current assets; the quarterly returns/statements filed by the company with such banks are in agreement with the books of accounts of the company other than those as set out below:

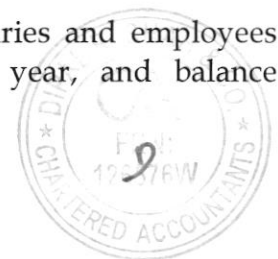


Name of the Bank	Aggregate working capital limits sanctioned (₹ in Thousands)	Nature of Current Asset offered as Security	Quarter Ended	Amount disclosed as per quarterly return/statement (₹ in Thousands)	Amount as per books of account (₹ in Thousands)	Difference (₹ in Thousands)
HDFC Bank	2,12,105	Refer Note Below	June 30, 2023	3,49,435	3,54,508	(5,073)
HDFC Bank & Kotak Bank	3,72,105	Refer Note Below	September 30, 2023	4,18,427	3,75,548	42,879
HDFC Bank & Kotak Bank	3,72,105	Refer Note Below	December 31, 2023	4,55,838	4,13,001	42,837
HDFC Bank	2,12,105	Refer Note Below	March 31, 2024	4,33,989	4,18,602	15,387
Kotak Bank	1,60,000	Refer Note Below	March 31, 2024	4,33,051	4,18,602	14,449

Note: The working capital loan is secured by creating charge on Stock and FD of the company and personal guarantee of directors of the company.

We would like to draw attention to Note No. 52 (vii) of notes to accounts which states the reasons for above discrepancies.

- (iii) (a) The company has granted unsecured loans to subsidiaries and employees during the year. The aggregate amount during the year, and balance



outstanding as at the balance sheet date with respect to such loans are as per table below:

Particulars	Loans (₹ in Thousands)
Aggregate amount granted/ provided during the year to	
Subsidiaries	11,541
Others	446
Balance outstanding (gross) as at balance sheet date in respect of the above cases	
Subsidiaries	10,636
Others	324

(b) In respect of aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the company's interest, based on the information and explanations provided by the company.

(c) In respect of the loans outstanding for employees as on the balance sheet date the schedule of the repayment of principal and payment of interest has been stipulated by the company and the repayment and receipts are regular except for the loans as below.

Particulars	Amount (₹ in Thousands)
Loan to Employees	68

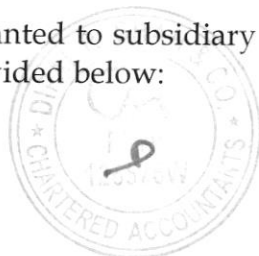
Loans granted to subsidiaries are repayable on demand.

(d) Loan amounting to ₹ 68 (In ₹ Thousands) is overdue for more than 90 days and company has taken reasonable steps to recover the amount.

(e) No fresh loans were granted to same parties to settle the existing overdue loans/advances in the nature of loan.

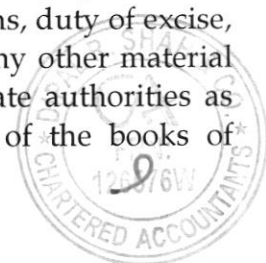
(f) The loans granted to the employees had stipulated the schedule repayment of principal and payment of interest and same were not repayable on demand.

The loans granted to subsidiary company is payable on demand the details of which is provided below:



Particulars	Subsidiaries (₹ in Thousands)
Aggregate amounts of loans/advances in nature of Loans where:	
-Loan is Repayable on demand(A)	10,636
-Loan agreement does not specify any terms or period of repayment(B)	-
Total(A+B)	10,636
Percentage of loans/advances in nature of loans to the total loans	97.04%

- (iv) According to the information and explanations given to us and based on the review of financial statements, the company has granted unsecured loans for which section 185 or section 186 has been complied with.
- (v) The company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government under section 148(1) of the Companies Act, 2013 for maintenance of cost records in respect of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out any detailed examination of such account and records.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues and any other material Statutory dues, as may be applicable, with the appropriate authorities as observed by us during the course of our examination of the books of



Accounts carried out in accordance with generally accepted Auditing Practices in India.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, Value Added Tax, Goods & Service Tax, cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six month from the date they became payable.

- (b) According to the information and explanations given to us and based on the records of the company, the company does not have any dues on account of GST, VAT, CST, Service Tax, Excise, ESIC, Provident fund, Income Tax and cess and other material statutory dues outstanding at the year - end on account of dispute. Except as disclosed under:

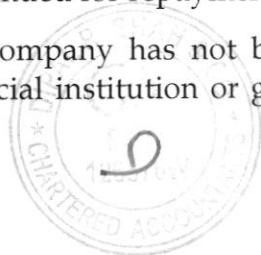
Sr. No.	Name of Statute	Nature of Dues	Financial Year to which it relates	Amount Of Dispute Amount in ₹ Thousands	Amount Deposited	Forum where dispute is pending
1.	GST Act	GST	2022 -23	2,707	2,707	Deputy Comm. Of State Tax Appeals

- (viii) The company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as an income during the year. Accordingly, the requirement to report on clause 3(viii) of the order is not applicable to the company.

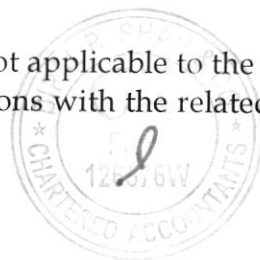
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to banks or financial institutions.

The company has taken a loan from director and its relatives which is repayable on demand. The repayment terms of the loan including interest payment thereon have not been agreed yet. According to the information and explanation given to us, such loan and interest thereon have not been demanded for repayment during the relevant financial year.

- (b) The company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

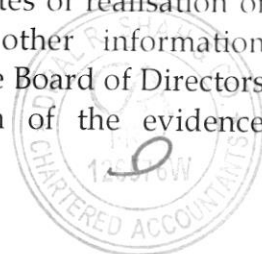


- (c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment by the company.
- (e) According to the information and explanations given to us and based on the verification of records of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) According to the information and explanations given to us and based on the verification of records of the company, we report that the company has not raised loans during the year by pledge of securities held in its subsidiary.
- (x) (a) The company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under audit) hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the company.
- (xi) (a) No fraud by the company or no fraud on the company has been noticed or reported during the year.
- (b) During the year 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;
- (c) The company is not a class of company to which section 177(9) of The Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its powers) Rules, 2014 applies. However, based on the representation of the management, we report that management has not received any whistle blower complaints during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) (a),(b) and (c) of the Order is not applicable to the company.
- (xiii) Section 177 is not applicable to the company hence the same is not commented upon. Transactions with the related parties are in compliance with section 188



of Companies Act where applicable and the details have been disclosed in the financial statements, etc. as required by the applicable accounting standard

- (xiv) (a) In our opinion and based on the examination, the company does not have and internal audit system and is not required to have an internal audit system as per the provisions of The Companies Act, 2013. Hence, the requirement to report on clause 3(xiv)(a) and (b) of the Order is not applicable to the company.
- (xv) According to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence the requirement to report on clause 3(xv) of the Order is not applicable to the company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the company. Accordingly the requirement to report on clause (xvi)(a) of the order is not applicable to the company.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Accordingly the requirement to report on clause (xvi)(c) of the order is not applicable to the company.
- (d) There is not a Core Investment Company as a part of the Group Accordingly the requirement to report on clause (xvi)(d) of the order is not applicable to the company.
- (xvii) The company has not incurred cash loss during the financial year under audit. Company has not incurred any cash loss during the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year accordingly the requirement to report on clause (xviii) of the order is not applicable to the company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 on the date of the audit report 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 the 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) The company does not fall within the criteria of Corporate Social Responsibility Spent under section 135 of the Companies Act, 2013 accordingly the requirement to report on clause (xx)(a) and (b) of the order is not applicable to the company.

For, DIPAL R. SHAH & CO.
Chartered Accountants
FRN : 126576W



Date: 03/09/2024
Place: Ahmedabad

CA Dhruv N. Sheth
Partner
Membership No.: 173704
UDIN: 24173704BKFIJY7780

ANNEXURE 2:

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF APOLLOTECHNO INDUSTRIES PRIVATE LIMITED

Report on the Internal Financial Controls under clause (1) of Sub Section 3 of Section 143 of the Companies Act, 2013 "the Act")

We have audited the Internal Financial controls over financial reporting of **ApolloTechno Industries Private Limited ('the company')** as of 31st March, 2024 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls 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. 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.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these Financial Statements and their

