



INDEPENDENT AUDITOR'S REPORT

To
The Members of
SOTAC PHARMACEUTICAL LIMITED
(FORMERLY KNOWN AS SOTAC PHARMACEUTICAL PRIVATE LIMITED)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **SOTAC PHARMACEUTICAL LIMITED (FORMERLY KNOWN AS SOTAC PHARMACEUTICAL PRIVATE LIMITED)** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprises of the Consolidated Balance sheet as at 31st March 2023, and the Consolidated statement of Profit and Loss, and Consolidated Statement of Cash flows for the period then ended, and Notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our knowledge and according to the explanations given to us, the aforesaid Consolidated Financial Statements gives the information required by the Companies Act, 2013, in the manner so required, and gives true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at, 31st March 2023 of Consolidated statement of Profit and Loss, and Consolidated Statement of Cash flows for the period then ended.

Basis for Opinion

We have conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters and there is no any Key Audit Matters which need to be reported.



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated financial position and Consolidated financial performance and consolidated cash flows, of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statement, that gives a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objective is to obtain reasonable assurance about whether the consolidated 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are Independent Auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.

Other Matters

We did audit the financial statements / financial information of 3 subsidiary, whose financial statements / financial information reflect total assets of Rs. 2,101.33 Lakhs as at March 31, 2023, revenue from operation of Rs. 2,015.13 Lakhs and net cash flows amounting to Rs. 8.31 for the period ended on March 31, 2023, as considered in the consolidated financial statements. This financial statements / financial information has been audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.



Report on other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statement have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statement.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 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 over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its Subsidiary companies incorporated in India.
 - The management has represented that, to the best of its knowledge and belief, as disclosed in to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("intermediaries"), with the



understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The management has represented, that, to the best of its knowledge and belief, as disclosed in the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.

iii. Company has not declared or paid dividend during the period.

(h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current period is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W



Keyur Shah
Proprietor
Membership No.: 153774
UDIN: 23153774BGWLVK6281



Date: 29th May, 2023
Place: Ahmedabad

evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these Consolidated Financial Statements

A Company's internal financial control over financial reporting with reference to these Consolidated 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 over financial reporting with reference to these Consolidated 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated 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 over financial reporting with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements 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, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Holding Company, its subsidiary, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding 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.



Other Matters

Other report under Section 143(3)(i) of Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to those Consolidated Financial Statement of the Holding Company, in so far as it relates to separate financial statement of 3 subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W



Keyur Shah
Proprietor
Membership No.: 153774
UDIN: 23153774BGWLVK6281



Date: 29th May, 2023
Place: Ahmedabad

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Plot No PF-Z1, Nr. ACME Pharam, Opp. Teva Pharam, Sanand GIDC-II, Ahmedabad-382110

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2023

(Amount in Lakhs)

Particulars	Sch. No.	As at 31st March, 2023
I. EQUITY AND LIABILITIES		
EQUITY		
(a) Share Capital	2	805.00
(b) Reserves and Surplus	3	193.88
Total Equity		998.88
Share application money pending allotment	4	947.05
Minority Interest		22.62
Non-Current Liabilities		
(a) Long-Term Borrowings	5	776.89
(b) Deferred Tax Liabilities (Net)	6	27.71
(c) Long Term Provisions	7	9.59
Total Non-Current Liabilities		814.19
Current Liabilities		
(a) Short-Term Borrowings	8	1,426.99
(b) Trade Payable	9	
i) Total outstanding dues of micro enterprise and small enterprise		527.36
ii) Total outstanding dues other than micro enterprise and small enterprise		2,012.00
(c) Other Current Liabilities	10	408.77
(d) Short-Term Provisions	11	206.04
Total Current Liabilities		4,581.16
TOTAL EQUITY & LIABILITIES		7,363.90
II. ASSETS		
Non-Current Assets		
(a) Property, Plant & Equipment & Intangible Assets	12	
(i) Property, Plant & Equipment		2,400.89
(ii) Intangible Assets		0.34
(iii) Capital work In -Progress		4.06
(iv) Goodwill on Consolidation		190.59
(b) Long Term Loans and Advances	13	54.15
Total Non-Current Assets		2,650.03



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Plot No PF-21, Nr. ACME Pharam, Opp. Teva Pharam, Sanand GIDC-II, Ahmedabad-382110

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2023

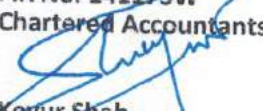
(Amount in Lakhs)

Particulars	Sch. No.	As at 31st March, 2023
Current Assets		
(a) Inventories	14	1,364.24
(b) Trade Receivables	15	1,493.99
(c) Cash and Cash Equivalents	16	968.16
(d) Short-Term Loans And Advances	17	1.00
(e) Other Current Assets	18	886.47
Total Current Assets		4,713.86
TOTAL ASSETS		7,363.89

Significant Policies

Schedules referred to above and notes attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.

1

For, Keyur Shah & Co.
F.R No: 141173W
Chartered Accountants

Keyur Shah
Proprietor
M No. : 153774



For, Sotac Pharmaceuticals Limited


Sharad Patel
Director
Din No-07252252


Vishal D Patel
Director
Din No-07252191

Place: Ahmedabad
Date: 29th May, 2023

Place: Ahmedabad
Date: 29th May, 2023



SOTAC PHARMACEUTICALS LIMITED

(Formerly known as Sotac Pharmaceuticals Private Limited)

Plot No PF-20, Sanand GIDC-II, Nr. ACME Pharam, Opp. Teva Pharam, Sanand GIDC-II, Ahmedabad-382110

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31st MARCH, 2023

(Amount in Lakhs)

Sr. No	Particulars	Sch. No.	For the year ended 31st March, 2023
Incomes			
I	Revenue from operations	19	7,748.32
II	Other Income	20	34.96
III	Total Income (I +II)		7,783.28
IV Expenses:			
	Cost of Material Consumed	21	6,115.23
	Purchase of Stock in Trade	22	52.64
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	(440.96)
	Employee Benefit Expense	24	422.70
	Financial Costs	25	197.55
	Depreciation and Amortization Expense	12	227.78
	Other total Expenses	26	873.69
	IV. Total Expenses		7,448.63
V	Profit before exceptional and extraordinary items and tax	(III - IV)	334.65
VI	Prior Period Items		58.02
VII	Profit before extraordinary items and tax (V - VI)		392.67
VIII	Extraordinary Items		-
IX	Profit before tax (VII - VIII)		392.67
X	Tax expense:		
	(1) Current tax		168.39
	(2) Reversal of Deferred tax		(4.33)
XI	Profit(Loss) from the period from continuing operations	(IX-X)	228.61
XII	Profit/(Loss) for the period		228.61
XVI	Earning per equity share:		
	(1) Basic		2.84
	(2) Diluted		2.84

For, Keyur Shah & Co.
F.R No: 141173W
Chartered Accountants



For, Sotac Pharmaceuticals Limited

Keyur Shah
Proprietor
M No. : 153774

Sharad Patel
Director
Din No-07252252

Vishal D Patel
Director
Din No-07252191

Place: Ahmedabad
Date: 29th May, 2023



Place: Ahmedabad
Date: 29th May, 2023

SOTAC PHARMACEUTICALS LIMITED
 (Formerly known as Sotac Pharmaceuticals Private Limited)
 Plot No PF-21, Nr. ACME Pharam, Opp. Teva Pharam, Sanand GIDC-II, Ahmedabad-382110
Cash Flow Statement for the year ended on 31st March,2023

Particulars	(Amount in Lakhs) For the year ended 31st March,2023
Cash Flow from Operating Activities	
Net Profit before tax paid	392.67
Adjustments for :	
Depreciation and amortization	227.77
Interest income	(4.60)
Finance Cost	197.55
Prior Period Item	11.98
Operating profit before working capital changes (A)	825.37
Adjustment for Changes in Working Capital :	
Increase in Trade Payables	(478.49)
Increase in Other Current Liabilities	228.65
Decrease in Short term Provisions	38.16
Increase in Inventories	(446.53)
Increase in Trade Receivables	381.13
Increase in Short Term Loans and Advances	192.75
Increase in Other Current Assets	241.61
Operating profit after working capital changes (B)	157.28
Cash generated from Operations (A + B)	982.65
Taxes paid (net of refund)	(168.39)
Net Cash generated from Operations (A)	814.26
Cash Flow from Investing Activities	
Addition in Property, Plant and Equipments and Intangible Assets	(899.96)
Decrease in of Loans and advacnes	(3.21)
Purchase of Investment in Sotac Healthcare Pvt Ltd.	(400.21)
Interest income	4.60
Reversal/Disposal in PPE	131.40
Net Cash generated / (used) in Investing Activities (B)	(1,167.38)



SOTAC PHARMACEUTICALS LIMITED
 (Formerly known as Sotac Pharmaceuticals Private Limited)
 Plot No PF-21, Nr. ACME Pharam, Opp. Teva Pharam, Sanand GIDC-II, Ahmedabad-382110
 Cash Flow Statement for the year ended on 31st March,2023

Particulars	(Amount in Lakhs) For the year ended 31st March,2023
Cash Flow from Financing Activities	
Proceeds from Share Application Money received	947.05
Decrease in long term Provisions	8.56
Increase in in Long Term Borrowings	65.35
Decrease in of Short term Borrowings	310.71
Finance Cost	(197.55)
Issue of New Equity shares	179.50
Net Cash Used in Financing Activities (C)	1,313.62
Net Increase in Cash and Cash Equivalents (A + B + C)	960.51
Cash and Cash Equivalents as on 1st April, 2022	7.65
Cash and Cash Equivalents as on 31st March,2023	968.16

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

For, Keyur Shah & Co.

F.R No: 141173W

Chartered Accountants

Keyur Shah

Proprietor

M No. : 153774



For, Sotac Pharmaceuticals Limited

Sharad Patel

Director

Din No-07252252

Vishal D Patel

Director

Din No-07252191

Place: Ahmedabad

Date: 29th May, 2023

Place: Ahmedabad

Date: 29th May, 2023

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as SOTAC PHARMACEUTICAL PRIVATE LIMITED)

NOTE -01 Note to the Consolidated Financial Statements for the year ended on 31st March, 2023

Significant Accounting Policies

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the applicable Accounting Standards notified under Section 133 of the the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 under historical cost convention on accrual basis. All the assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B. PRINCIPLES OF CONSOLIDATION

Following subsidiary company, associate and jointly controlled entities have been considered in the preparation of the consolidated financial statement as at reporting date 31.03.2023:

Name of the Entity	Relationship	% of Holding	Voting Power Either Directly or indirectly thought Subsidiary	Reporting date As at
Sotac Healthcare Private Limited	Subsidiary	71.00	Directly	31.03.2023
Sotac Research Private Limited	Subsidiary	100.00	Directly	31.03.2023
Sotac Lifesciences Private Limited	Subsidiary	51.00	Directly	31.03.2023

The Consolidated audited financials statements related to Sotac Pharmaceuticals Limited ("the company") and its subsidiary entity viz Sotac Healthcare Private Limited, Sotac Research Private Limited and Sotac Lifesciences Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the company and its subsidiary entity, used in the consolidation are drawn up to the same date as that of the company i.e. 31.03.2023
- ii. The financial statements of the Company and its subsidiary entity have been combined on line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profit or losses, unless cost cannot be recovered.
- iii. The excess of cost to the company of its investment in the subsidiary entity over its share of equity of the subsidiary entity, at the date on which the investment in the subsidiary entity were made, is recognized as 'Goodwill' being an asset in the consolidated financial statement and is tested for impairment on annual basis.



- iv. Goodwill arising on consolidation is not amortized but tested for impairment.
- v. The consolidated financial statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements.

C. USE OF ESTIMATES

The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

D. REVENUE RECOGNITION:

- (i) Revenue from sale of goods is recognized when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognized net of GST and other taxes as the same is recovered from customers and passed on to the government.
- (ii) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Other items of income and expenses are recognized on accrual basis.
- (iv) Income from export entitlement is recognized as on accrual basis.

E. FOREIGN CURRENCY TRANSACTIONS.

A) Initial recognition

Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.

Measurement of foreign currency monetary items at Balance Sheet date

Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are Restated Standalone at the year end rates.

B) Exchange difference

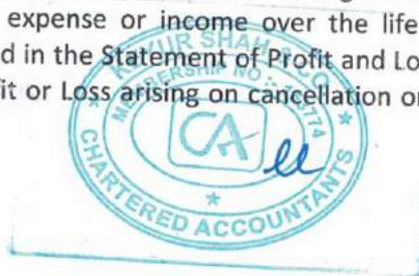
"Exchange differences arising on settlement of monetary items are recognized as income or expense in the period in which they arise.

Exchange difference arising on restatement of foreign currency monetary items as at the year end being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year. "

Any expense incurred in respect of Forward contracts entered into for the purpose of hedging is charged to the Statement of Profit and loss.

C) Forward Exchange Contract

The Premium or discount arising at the inception of the Forward Exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange Differences on such contracts are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such a forward



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

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

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

J. "RETIREMENT BENEFITS:

(i) Short-term employee benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognized as expenses in the period in which the employee renders the related service

(ii) Post employment benefits:

Defined Contribution Plan

'Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit Plans

Unfunded Plan: The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity.

Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

"Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.



'The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.'

K. BORROWING COST

Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they are incurred.

L. EARNINGS PER SHARE:

"The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax attributable to Equity Shareholders (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period."

M. TAXATION:

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognized only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognized. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.

N. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

(i) Provisions

A provisions is recognized when the Company has a present obligation as a result of past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.



(ii) Contingent Liability

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on 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 or a reliable estimate of the amount cannot be made.

(ii) Contingent Assets

Contingent Assets are neither recognized nor disclosed in the financial statements.

O. SEGMENT REPORTING

In accordance with the Accounting Standard 17 "segment reporting" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended), as the company is covered under categories of SMC companies, the said accounting standard is not applicable to it.

P. CASH & CASH EQUIVALENTS

Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

Q. LEASES

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases". Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term.

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

R. GOVERNMENT GRANTS

Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses.



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Integral Part Of Balance Sheet as at 31st March, 2023

(Amount in Lakhs)

Schedule : 2 Share Capital

Particulars	As at 31st March, 2023
AUTHORIZED CAPITAL	1,150.00
1,15,00,000 (P.Y.23,00,000) Equity Shares of Rs. 10/- each.	1,150.00
ISSUED, SUBSCRIBED & PAID UP CAPITAL	805.00
80,50,000 (P.Y.23,00,000) Equity Shares of Rs. 10/- each.	805.00
Total	805.00

The details of share holders holding more than 5% of shares as at 31st March, 2023 are as follows:

Name of the Share Holder	As at 31st March, 2023
Equity shares of Rs. 10 each	
Kiranben Baldevbhai Jotania	14,49,000
- Number of shares	18.00%
- Percentage holding (%)	
Chetankumar Bachubhai Patel	10,69,250
- Number of shares	13.28%
- Percentage holding (%)	
Dineshkumar Babulal Gelot	14,31,500
- Number of shares	17.78%
- Percentage holding (%)	
Vishalkumar Devarajbhai Patel	14,31,500
- Number of shares	17.78%
- Percentage holding (%)	
Shailesh V Patel	8,05,000
- Number of shares	10.00%
- Percentage holding (%)	
Sharadkumar Dasharathbhai Patel	14,31,500
- Number of shares	17.78%
- Percentage holding (%)	

The details of share holding of Promoters as at 31st March, 2023 are as follows:

Name of the Share Holder	As at 31st March, 2023		
	No. of Shares	% Held	% Change
Kiranben Baldevbhai Jotania	4,14,000	18.00%	0.00%
Chetankumar Bachubhai Patel	3,05,500	13.28%	0.00%
Dineshkumar Babulal Gelot	4,09,000	17.78%	0.00%
Vishalkumar Devarajbhai Patel	4,09,000	17.78%	0.00%
Sharadkumar Dasharathbhai Patel	4,09,000	17.78%	0.00%
Shailesh V Patel	2,30,000	10.00%	0.00%



SOTAC PHARMACEUTICALS LIMITED
(Formally known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Integral Part Of Balance Sheet as at 31st March, 2023

(Amount in Lakhs)

Reconciliation of equity share capital

Particulars	As at 31st March, 2023
Balance at the beginning of the period/year	
- Number of shares	
- Amount in Rs.	23,00,000
Add: Bouns Shares issued during the period/year	230.00
- Number of shares	-
- Amount in Rs.	57,50,000
Balance at the end of the period/year	575.00
- Number of shares	
- Amount in Rs.	80,50,000
Closing Balance of Equity share capital	805.00

Note: Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. 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 will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company allotted of 57,50,000 bonus equity shares of Rs. 10/- each as fully paid- up against existing 23,00,000 equity shares of Rs.10/- each to the existing shareholders of the Company in the ratio of 5 : 2 (5 new equity shares of Rs. 10/- each fully paid up for each 2 exiting equity share of Rs. 10/- each fully paid-up).

Schedule : 3 Reserve & Surplus

Particulars	As at 31st March, 2023
Balance in Statement of Profit & Loss	
Balance as at the beginning of the year	
Add : Current Year Profit after Dividend Declared	95.19
Less: Adjustment in Fixed Assets	228.63
Less : Bonus Share	(558.00)
Less : Prior Period Item	(112.69)
Prior Period Adjustment	(0.88)
Prior Period Adjustment -Deffered Government Grants	(5.80)
Less: Capital Profit/Loss transferred to calculation of Intrinsic Value	(15.26)
Less: Capital Profit/Loss Related to Minority Interest Transferred	333.39
Less: Revenue Profit/Loss Transferred to Minority Interest	136.05
	59.32
Balance as at the end of the year	159.95
Security Premium	
Balance as at the beginning of the year	
Less : Bonus Share	17.00
Balance as at the end of the year	17.00
Defered Government Grant	
Prior Period Item	
Less :- Amortisation of Deferred Income	37.26
Balance at the end of the period/year	(2.50)
	33.93
Total	193.88



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Integral Part Of Balance Sheet as at 31st March, 2023

(Amount in Lakhs)

Note - 4 - Share Application Money Pending Allotment

Particulars	As at 31st March, 2023
Share Application Money Pending Allotment	947.05
Total	947.05

Note: Initial Public offering of the company was initiated on 29th March, 2023 till 3rd April, 2023 the, company had received RS 947.05 Lakhs application money from ancore investors which has been shown under the head share application money pending allotement in the balance sheet.

Schedule : 5 Long Term Borrowings

Particulars	As at 31st March, 2023
Secured :	
Term Loan From Bank:	1,108.76
Less : Current maturities of Long - Term Debt	(344.60)
Sub Total (a)	764.16
Unsecured :	
From Director & Related Party	12.73
Sub Total (b)	12.73
Total (a+b)	776.89

Refer Schedule - 5.1 - For Detailed Term & Condition related to Borrowing

Schedule : 6 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2023
Opening Balance	32.06
Add: Provision for the Period	(4.33)
Closing Balance	27.71

Schedule : 7 Long Term Provisions

Particulars	As at 31st March, 2023
Provision for Gratuity	9.59
Total	9.59

Schedule : 8 Short Term Borrowing

Particulars	As at 31st March, 2023
Axis Bank Cash Credit	1,079.89
Current maturities of Long - Term Debt	344.60
Unsecured :	
From Director & Related Party	2.50
Total	1,426.99

Refer Schedule - 8.1 - For Detailed Term & Condition related to Borrowing



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Integral Part Of Balance Sheet as at 31st March, 2023

(Amount in Lakhs)

Schedule : 9 Trade Payable

Particulars	As at 31st March, 2023
Total outstanding dues of micro enterprise and small enterprise :	
Less than 6 Months	
6 Months- 1 year	513.89
1-2 Years	13.28
2-3 Years	0.19
More than 3 years	-
Total outstanding dues other than micro enterprise and small enterprise	
Less than 6 Months	
6 Months- 1 year	1,889.98
1-2 Years	121.03
2-3 Years	-
More than 3 years	-
Total	2,539.36

Note : The Company has initiated the process of identification of Vendors which falls under category of MSME, the disclosure relating to amount due to MSME are made to the extent information received.

Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

Schedule : 10 Other Current Liabilities

Particulars	As at 31st March, 2023
Statutory Dues	
Advances from Customer	49.70
Other Current Liability	357.61
	1.46
Total	408.77

Schedule : 11 Short Term Provisions

Particulars	As at 31st March, 2023
Provision for Expenses	
Provision For Gratuity (Short Term)	46.10
Provision For Tax F Y 2022-23	0.47
	159.47
Total	206.04

Schedule : 13 Long Term Loans and Advances

Particulars	As at 31st March, 2023
Security Deposit	
Other Deposit	52.49
Other Loans & Advances	
Loans To Others	1.66
Total	54.15



SOTAC PHARMACEUTICALS LIMITED
(Formally known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Integral Part Of Balance Sheet as at 31st March, 2023

(Amount in Lakhs)

Schedule : 14 Inventories

Particulars	As at 31st March, 2023
Raw Material & Packing Material	778.99
Finished Goods	455.74
Work In Progress	129.51
Total	1,364.24

Note : Raw Material, Work in Progress and Stores and Spares are valued at landed Cost. Finished goods are valued at cost or net realisable value which ever is less.

Schedule : 15 Trade Receivables

Particulars	As at 31st March, 2023
<u>From Directors / Promoters / Promotor Group / Associates / Relative of Directors / Group Companies</u>	
<u>Others</u>	
<u>Unsecured, Considered Good :</u>	
Less than 6 Months	1,394.46
6 Months to 1 Year	32.06
1 Year to 2 Years	26.28
2 Years to 3 Years	20.61
More Than 3 Years	0.64
Advance paid to supplier	19.94
Total	1,493.99

Schedule : 16 Cash & Cash Equivalent

Particulars	As at 31st March, 2023
<u>Cash-in-Hand</u>	
Cash Balance	18.19
Sub Total (A)	18.19
<u>Bank Balance</u>	
Axis Bank Ltd	2.92
AXIS BANK PUBLIC ISSUE	947.05
Sub Total (B)	949.97
Total [A + B]	968.16

Note:- Cash in hand is certified and verified by the management of the company as on last date of Respective Financial Year



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Integral Part Of Balance Sheet as at 31st March, 2023

(Amount in Lakhs)

Schedule :17 Short Terms Loans and Advances

Particulars	As at 31st March, 2023
Advance to Others	1.00
Total	1.00

Schedule :18 Other Current Assets

Particulars	As at 31st March, 2023
Balance with government Authorities	686.23
FD with SIDBI	41.19
Subsidy Receivable	32.19
Pre IPO Exps	35.38
Other Deposit	17.19
Prepaid Expenses	5.54
Advances to supplier	68.75
Total	801.71



Notes to the Consolidated Financial Statements for the period ended on 31st March, 2023

Note - 12: Property, Plant & Equipments, Right Of Use, Intangibles & Capital Work-In-Progress

A. PROPERTY, PLANT & EQUIPMENTS

Particulars	Land & Development	Building	Xerox M/c-Scrp	Plant & Machinery	Staff Bus	Electric & Fitting	Refrigerator	Eco/Maruti Car	Director Car	Furniture & Fixtures	Computers & Printer	Total
Gross Block												
As at 31 March 2022	250.43	517.43	0.18	1,465.51	8.14	46.52	0.85	1.39	71.89	87.37	13.45	2,463.16
Additions	141.72	327.09	0.07	207.83	0.07	51.77	0.24	2.05	26.81	17.87	2.68	778.22
Disposals/ Adjustments	-	0.48	-	18.37	-	-	-	0.20	-	-	-	-
Adjustment	-	17.06	-	95.97	-	3.03	-	-	-	-	-	19.06
As at 31 March 2023	392.16	826.99	0.25	1,559.00	8.21	95.26	1.09	3.24	98.70	99.33	15.05	3,029.76
Accumulated Depreciation												
As at 31 March 2022	-	50.36	0.06	352.71	4.29	11.37	0.22	0.73	37.68	21.25	7.59	486.47
Depreciation charge for the year	-	51.43	0.10	139.12	1.21	4.95	0.12	0.78	18.09	9.66	2.11	227.57
Reversal on Disposal/ Adjustments	-	-	-	5.29	-	-	-	-	-	-	-	-
Adjustment	-	0.12	-	3.64	-	0.45	-	-	-	-	-	5.29
As at 31 March 2023	-	101.68	0.16	482.90	5.50	15.87	0.34	1.51	55.97	25.78	1.02	688.39
Net Block												
Balance as on 31 March 2022	250.43	467.07	0.12	1,112.79	3.85	35.15	0.63	0.66	34.01	66.12	5.85	1,976.69
Balance as on 31 March 2023	392.16	725.31	0.09	1,076.09	2.72	79.39	0.75	1.73	42.73	73.55	6.37	2,406.89

B. CWIP

Particulars	Building	Total
Gross Block		
As at 31 March 2022	-	-
Additions	4.06	4.06
Disposals/ Adjustments	-	-
As at 31 March 2023	4.06	4.06
Accumulated Depreciation		
As at 31 March 2022	-	-
Depreciation charge for the year	-	-
Reversal on Disposal/ Adjustments	-	-
As at 31 March 2023	-	-
Net Block		
Balance as on 31 March 2022	-	-
Balance as on 31 March 2023	4.06	4.06

C. INTANGIBLE ASSETS

Particulars	Computer Software	Total
Gross Block		
As at 31 March 2022	6.67	6.67
Additions	0.03	0.03
Disposals/ Adjustments	-	-
As at 31 March 2023	6.70	6.70
Accumulated Depreciation		
As at 31 March 2022	0.16	0.16
Depreciation charge for the year	0.21	0.21
Reversal on Disposal of Assets	-	-
As at 31 March 2023	0.37	0.37
Net Block		
Balance as on 31 March 2022	6.51	6.51
Balance as on 31 March 2023	6.34	6.34



SOTAC PHARMACEUTICALS LIMITED
 (Formerly known as Sotac Pharmaceuticals Private Limited)
 Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2023

(Amount in Lakhs)

Schedule : 19 Revenue from Operations

Particulars	For the year ended 31st March,2023
Revenue from operations	
Domestic Sales	
Manufacturing Sales	7,690.86
Export Sales	
Manufacturing Sales	57.47
Total	7,748.32

Schedule : 20 Other Income

Particulars	For the year ended 31st March,2023
Freight income	1.64
Subsidy Income	4.21
Interest on Deposits	4.60
Providend Fund Subsidy	0.19
Interest on I T Refund	0.04
Other income	8.05
Scrap Income	16.23
Total	34.96

Schedule : 21 Cost of Material Consumed

Particulars	For the year ended 31st March,2023
PURCHASES OF RAW MATERIALS AND STORES	
Opening Stock	773.43
Add: Domestic Purchases	6,120.80
Less: Closing Stock	778.99
Total	6,115.23

Schedule : 22 Purchase of Stock in Trade

Particulars	For the year ended 31st March,2023
Stock In Trade	
Purchase of Stock-In- Trade	52.64
Total	52.64



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2023

(Amount in Lakhs)

Schedule : 23 Change in Inventories

Particulars	For the year ended 31st March,2023
Stock In Trade / Finished Goods	
Opening Stock	9.77
Less: Closing Stock	455.74
	(445.97)
WIP	
Opening Stock	134.52
Less: Closing Stock	129.51
	5.01
Total	(440.96)

Schedule : 24 Employment Benefit Expenses

Particulars	For the year ended 31st March,2023
Salaries, Bonus, PF & ESIC	249.41
Staff Welfare Expense	4.92
Director Remuneration	165.00
Gratuity	3.37
Total	422.70

Schedule : 25 Financial Cost

Particulars	For the year ended 31st March,2023
Interest to Bank:	
Interest on Short Term Loan	153.91
Interest on Long Term Loan	32.50
Others :	
Loan Processing Charges	10.98
Bank Charges	0.16
Total	197.55



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2023

(Amount in Lakhs)

Schedule : 26 Other Expenses

Particulars	For the year ended 31st March, 2023
AMC for ETP operation and Maintenance	3.28
Bank Charges	2.85
Laboratory Maintenance charges	7.79
Labour and Wages cost	262.96
Cylinder Charge	8.30
Loading and Unloading charges	1.55
Stereo Rubber expense	1.19
Electricity Expense	90.46
Frieght Expense	5.02
GIDC Water Expense	4.36
Production Expense	1.10
Audit Fees	7.28
Accounting & GST Fees	0.93
Amozon Purchase Expense	0.11
Petrol & Conveyance Expense	4.79
Insurance Expense	11.38
FDA Test Expense & Government Fees	2.70
Office Expense	5.21
ROC Expense	5.79
Consumable & Stores	81.28
Legal & Professional Expense	24.28
Internet Expense	0.82
Repairs & Maintaing to Building	0.60
Repair and Maintanance Expense	36.37
Postage and Courier Expense	0.50
Electric Bills Exp	37.22
Stationery and Printing Expense	11.36
Tea and Refreshment	2.42
Telephone and Mobile Expense	0.95
Office Rent	3.60
Laboratory and testing Expense	8.15
Misc Expense	34.72
Calibration Services	1.61
Consultancy and Service Expense	1.37
Factory and Maintanance Expense	10.23
Software Expense	0.50



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2023

Particulars	(Amount in Lakhs) For the year ended 31st March, 2023
Product Permission Expense	1.94
Interest on TDS	0.93
Computer & Maintaaince Expense	0.60
Medical Expense	1.35
Commission Expense	31.74
Advertising Expenses	2.96
Sitting charges	1.80
Discount Expense	1.24
House keeping Expense	4.98
License and Certificate Fees	0.46
Apron & Uniform Expense	2.16
Lab Chemical Purchase	8.33
Production Expense	0.35
Travelling Expense	11.22
Outward Freight Charges	3.63
Domain & Hosting Expense	0.77
Interest on late payment of PF & ESIC	2.82
Export Import expense	1.01
Administrative Expenses	0.08
Transport Expense	7.77
Tall Expense	0.61
Security Expense	12.61
Membership Fees	0.41
Professional Fees	37.27
Other Charges	0.66
AMC charges and contract	1.42
Donation Expense	1.01
Pf Penalty	0.31
GST Expenses	50.24
Total	873.69



Schedule 5.1: Consolidated Statement of Details regarding Long Term Loan From Bank (Secured & Unsecured)

SNo.	Lender	Nature of Facility	Loan (In Lakhs)	Outstanding as on 31st March, 2023	Long Term Borrowings (Secured & Unsecured)		Repayment Term	Security/ Principal terms and conditions	Collateral Security/ other Condition
					Secured	Unsecured			
					Rate of Interest/Margin				
1	Axis Bank	Term Loan-1	288.00	272.10	Repo Rate+3.0%		In equal 60 monthly instalments of Rs. 535000/- each after the date of first disbursement.	(A) Immovable Property situated at Plot No. 21, SRV no 37/p, 39/p Sanand GIDC-II, Sanand, Ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1. Dineshkumar Babulal Gelot 2. Vishalkumar Patel 3. Sharadkumar Patel 4. Chetankumar Patel 5. Pinki Sharadkumar Patel 6. Kiran Baldevbhai Jataia 7. Sarojben Dineshkumar Gelot 8. Vasantkumar Patel 9. Dhara Chetankumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for	
2	Axis Bank	WCTL under ECGLS (Existing)	21.00	23.60	Repo Rate+3.0%		Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant & Machinery financed out of Term Loan of the Company both present & future *Ranking: Exclusive *Ranking: Second Charge for WCTL for ECGLS		
3	Axis Bank	WCTL under ECGLS II (New)	24.00	17.18	Repo Rate+3.0%		60 months (including 24 months moratorium)		
4	Hdfc Bank	Auto Loan	12.06	3.12	9.00%		48 Months (From 07.12.2019)	Primary Security Vehicle	
5	Hdfc Bank	Auto Loan	12.06	2.84	9.00%		48 Months (From 05.11.2019)	Primary Security Vehicle	
6	Mahindra Finance	Auto Loan	12.05	2.06	9.25%		48 Monthly installment of Rs. 30140 From the date of First Disbursement	Primary Security Vehicle	
7	Mahindra Finance	Auto Loan	12.05	2.06	9.25%		48 Monthly installment of Rs. 30140 From the date of First Disbursement	Primary Security Vehicle	
8	ICICI Bank	EV Auto Loan	13.00	10.94	8.30%		48 Monthly installment of Rs.31,943.00 From the date of First Disbursement	Primary Security Vehicle	
9	BMW India Financial Services Private Limited	Auto Loan	29.00	18.71	9.35%		48 Monthly installment of Rs.43555 From the date of First Disbursement	Primary Security Vehicle	
10	ICICI Bank	Bus Loan	14.45	-	9.10%		54 Monthly installment of Rs. 36030 From the date of First Disbursement	Staff Bus	



						(Amount in Lakhs)
11	SIDBI	Term Loan	50.00	25.95	5.00%	<p>15 monthly instalments comprising first 14 monthly instalment of Rs. 3,33,000/- each followed by 15th monthly instalment of Rs. 3,38,000/- after a moratorium of 3 months from the date of first disbursement of the loan.</p> <p>1. All Current Asset of Company including but not limiting to all Stock of raw materials, WIP, Semi Finished goods, Finished goods, Packing Materials, Stores Etc. FDRs issued by SIDBI for Rs. 12.50 Lakhs.</p> <p>If at any time during the currency of the loan, SIDBI is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the loan then outstanding, then, on SIDBI advising the Borrower to that effect, the Borrower shall provide and furnish to SIDBI to their satisfaction such additional security as may be acceptable to SIDBI to cover such deficiency.</p>
12	SIDBI	Working Capital Loan	100.00	77.80	5.50%	<p>15 monthly instalments comprising first 14 monthly instalment of Rs. 6,66,000/- each followed by 15th monthly instalment of Rs. 6,76,000/- after a moratorium of 3 months from the date of first disbursement of the loan.</p> <p>1. Hypothecation of all Current Asset of Company including but not limiting to all Stock of raw materials, WIP, Semi Finished goods, Finished goods, Packing Materials, Stores Etc.</p> <p>2. FDRs issued by SIDBI for Rs. 25.00 Lakhs.</p> <p>If at any time during the currency of the loan, SIDBI is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the loan then outstanding, then, on SIDBI advising the Borrower to that effect, the Borrower shall provide and furnish to SIDBI to their satisfaction such additional security as may be acceptable to SIDBI to cover such deficiency.</p>
13	Axis Bank	Term loan	335.00	215.00	Repo Rate + 3.50%	<p>Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant & Machinery financed out of Term Loan of the Company both present & future</p> <p>(A) Immovable Property situated at Plot No. 20, Sanand GIDC-II, Sanand, Ahmedabad, Gujarat-382110</p> <p>(B) Personal Guarantee of</p> <p>1. Dineshkumar Babulal Gelot 2. Kamleshbhai Patel 3. Sharadkumar Patel 4. Mukeshbhai Patel</p> <p>(C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd</p> <p>Ranking: Exclusive Charge by way of EM</p>
14	Axis Bank	ECLGS	62.00	32.13	Repo Rate + 3.75%	
15	ICICI Bank	Auto Loan	13.00	10.40	8.30%	Primary Security Vehicle
16	Unsecured Loan from Directors and Others	Loan	-	12.73	15.00%	Repayable on Demand Unsecured loan



Schedule 8.1: Consolidated Statement of Details regarding Short Term Loan From Bank (Secured)

(Amount in Lakhs)

Sl.No.	Lender	Nature of Facility	Loan (In Lakhs)	Outstanding as on 31st March, 2023	Short Term Borrowings (Secured & Unsecured)		Security/ Principal terms and conditions	Collateral Security/ other Condition
					Repayment Term	Rate of Interest/Margin		
1	Axis Bank	Cash Credit	600.00	214.57	Repo Rate+3.0%	12 months	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant & Machinery financed out of Term Loan of the Company both present & future *Ranking: Exclusive *Ranking: Second Charge for WCTL for ECGLS	(A) Immoveable Property situated at Plot No. 21, SRV no 37/P, 39/P, Sanand GIDC-II, Sanand, Ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1. Dineshkumar Babulal Gohil 2. Vishalkumar Patel 3. Sharadkumar Patel 4. Chetan Kumar Patel 5. Pinki Sharadkumar Patel 6. Kiran Baldevbhai Jataria 7. Sarojben Dineshkumar Gelot 8. Vasantkumar Patel 9. Dhara Chetan Kumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for ECGLS
2	Axis Bank	Term Loan	200.00	198.22	Repo Rate+2.75%	60 monthly instalments comprising first 59 monthly instalment of Rs. 3,33,300/- each followed by 60 th monthly instalment of Rs. 3,35,300/-	i) First and Exclusive Charge by Way of Hypothecation Over Entire Movable Fixed Asset of Company Present and Future Except the one Charged to SIDBI against the TL availed of Rs.1.50. Cr ii) First Charge by Way of Mortgage of Property Situated at Industrial Plot-Final Plot No. 22/A at Sanand-II Industrial estate Consisting. Revenue Survey no. 37/P, 38/P, 39/P, 40/P with the Village limits of Chhatral Taluka Sanand Dist. Ahmedabad. Having Area 2791.50 Sq.mt. Owned by Sotac Pharmaceutical Pvt. Ltd.	(B) Personal Guarantee of 1. Dineshkumar Babulal Gohil 2. Vishalkumar Patel 3. Sharadkumar Patel 4. Chetan Kumar Patel 5. Pinki Sharadkumar Patel 6. Kiran Baldevbhai Jataria 7. Sarojben Dineshkumar Gelot 8. Vasantkumar Patel 9. Dhara Chetan Kumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for ECGLS
3	Axis Bank	Cash Credit	200.00	196.67	Repo Rate+2.75%	60 monthly instalments comprising first 59 monthly instalment of Rs. 3,33,300/- each followed by 60 th monthly instalment of Rs. 3,35,300/-	i) Duly Signed Standing Instruction Form With One Undated Cheque With Amount Kept Blank To be Obtained, However "Not Exceeding Amount- Sanction Loan Amount" to be Written on Cheque. ii) Extension Of First Charge by Way of Hypothecation Over Entire Current Asset of the Company(Both Existing & Future). Including Receivable and Inventory.	(A) Immoveable Property situated at Plot No. 20, Sanand GIDC-II, Sanand, Ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1) Dineshkumar Babulal Gohil 2) Kamleshbhai Patel 3) Sharadkumar Patel 4) Mukeshbhai Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd Ranking: Exclusive Charge by way of EM
4	Axis Bank	Cash Credit	350.00	865.32	Repo Rate + 3.50%	12 months	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant & Machinery financed out of Term Loan of the Company both present & future	(A) Immoveable Property situated at Plot No. 20, Sanand GIDC-II, Sanand, Ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1) Dineshkumar Babulal Gohil 2) Kamleshbhai Patel 3) Sharadkumar Patel 4) Mukeshbhai Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd Ranking: Exclusive Charge by way of EM
5	Unsecured Loan from Directors and Others					Repayable on Demand		



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

Notes to the Consolidated Financial Statements for the Period ended 31st March, 2023

Note - 27 - Accounting Ratios:

(Amount in Lakhs)

Ratio	As at 31st March, 2023
A Current ratio (In times)	
Current Assets	4,713.86
Current Liabilities	4,581.16
Current ratio (In times)	<u>1.03</u>
B Debt-Equity Ratio (In times)	
Total Debts	2,203.88
Share Holder's Equity + RS	998.88
Debt-Equity Ratio	<u>2.21</u>
C Debt Service Coverage Ratio(In times)	
Earning available for debt service	759.98
Interest + installment	2,203.88
Debt Service Coverage Ratio,	<u>0.34</u>
D Return on Equity Ratio (in %)	
Net After Tax	228.61
Average Share Holder's Equity	998.88
Return on Equity Ratio,	<u>22.89%</u>
E Inventory Turnover Ratio (In times)	
Cost of Goods Sold	5,726.91
Average Inventory	1,364.24
Inventory Turnover Ratio	<u>4.20</u>
F Trade Receivables turnover ratio (In times)	
Net Credit Sales	7,748.32
Average Receivable	1,493.99
Trade Receivables turnover ratio,	<u>5.19</u>
G Trade payables turnover ratio (in times)	
Credit Purchase	6,115.23
Average Payable	2,539.36
Trade payables turnover ratio (In times)	<u>2.41</u>
H Net capital turnover ratio (In times)	
Revenue from Operations	7,748.32
Net Working Capital	132.70
Net capital turnover ratio	<u>58.39</u>
I Net profit ratio (in %)	
Net Profit	228.61
Revenue form Operation	7,748.32
Net profit ratio	<u>2.95%</u>
J Return on Capital employed (in %)	
Earning Before Interest and Taxes	532.20
Capital Employed	1,813.07
Return on Capital employed	<u>29.35%</u>
K. Return on investment (in %)	
Income Generated from Investment Funds	4.60
Invested funds	41.19
Return on investment	<u>11.17%</u>



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

Notes to the Consolidated Financial Statements for the period ended 31st March, 2023

(Amount in Lakhs)

Note 28 : Standalone Statement of Related Party Transaction

Name of Party	Nature of Relation	Nature of Transaction	Amount outstanding as on 31.03.2023 Payable/(Receivable)	Amount of Transaction debited in 1-4-22 to 31-3-23	Amount of Transaction credited in 1-4-22 to 31-3-23	Amount outstanding as on 31.03.2022 Payable/(Receivable)
Sharadkumar Dasrathbhai Patel	Director	Unsecured Loan	0.50	35.00	35.00	0.50
		Remuneration	-	37.80	37.80	-
		Expense	-	16.19	16.19	-
Pinki Sharadkumar Patel	Director's Relative	Creditors	1.01	1.65	2.65	-
		Salary	-	2.00	2.00	-
Chetankumar Bachubhai Patel	Director	Unsecured Loan	-	14.80	14.80	-
		Remuneration	-	23.00	23.00	-
		Loans & Advances	0.50	2.50	2.81	0.81
		Expense	-	11.47	11.47	-
		Creditors	-	0.13	0.13	-
Dhara Chetankumar Patel	Director's Relative	Salary	-	2.00	2.00	-
		Unsecured Loan	0.50	60.00	60.00	0.50
Dineshkumar Babulal Gelot	Director	Remuneration	-	37.80	37.80	-
		Expense	0.20	13.85	14.05	-
		Creditors	-	0.13	0.13	-
Sarojben Dineshkumar Gelot	Director's Relative	Salary	-	2.00	2.00	-
		Unsecured Loan	5.23	75.24	79.97	0.50
Vishalkumar Devrajibhai Patel	Director	Expense	(1.42)	31.19	29.45	0.31
		Remuneration	-	37.80	37.80	-
Kiren Baldevbhai Jotania	Relative	Creditor salary	-	13.02	13.02	-
		Unsecured Loan	-	2.00	2.00	-
Baldevbhai T Jotania	Director	Remuneration	-	-	-	-
Mitul Shalleshkumar Patel	Relative	Creditors	-	2.75	2.75	-
Shalleshkumar V. patel	Relative	Creditors	-	6.12	6.12	-
Vasankumar D. Patel	Relative	Salary	-	2.13	2.13	-
Dashrathbhai Ramabhai Patel	Director's Relative	Unsecured Loan	-	47.15	6.15	41.00
Narmadaben Dashrathbhai Patel	Director's Relative	Unsecured Loan	-	79.10	20.10	59.00
Bhavababen Manishbhai Patel	Director's Relative	Unsecured Loan	-	23.00	3.00	20.00
Tejaben Babulal Mali	Director's Relative	Unsecured Loan	-	5.72	0.72	5.00
Kalpeshkumar Babulal Gelot	Director's Relative	Unsecured Loan	-	5.75	0.75	5.00
Varshaben Kapilkumar Solanki	Director's Relative	Unsecured Loan	-	11.50	1.50	10.00
Ranjaben Shashikant Patel	Director's Relative	Unsecured Loan	-	22.54	22.54	-
Sarojaben Patel	Director's Relative	Unsecured Loan	-	23.00	3.00	20.00
Patel Trading Company	Business	Unsecured Loan	-	22.47	22.47	-
Saral Pharma	Business	Unsecured Loan	-	10.35	1.35	9.00
Aiura Salt Works	Business	Unsecured Loan	-	11.20	11.20	-
Suchiben Kalpeshkumar Patel	Director's Relative	Unsecured Loan	-	5.72	0.72	5.00
CHANDABEN G. SHAH	Director's Relative	Unsecured Loan	-	28.75	28.75	-



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

Notes to the Consolidated Financial Statements for the period ended 31st March, 2023

(Amount in Lakhs)

Note 28 : Standalone Statement of Related Party Transaction

Name of Party	Nature of Relation	Nature of Transaction	Amount outstanding as on 31.03.2023 Payable/(Receivable)	Amount of Transaction debited in 1-4-22 to 31-3-23	Amount of Transaction credited in 1-4-22 to 31-3-23	Amount outstanding as on 31.03.2022 Payable/(Receivable)
MONA NIRBHAY DESAI	Director's Relative	Unsecured Loan	-	31.18	31.18	-
Babubhai Mali	Director's Relative	Unsecured Loan	-	11.50	1.50	10.00
Kapilkumar Chunilal	Director's Relative	Unsecured Loan	-	11.50	1.50	10.00
Chetankumar Prahaladbhai Patel	Director's Relative	Unsecured Loan	-	-	-	-
Manishkumar Madhubhai Patel	Director's Relative	Unsecured Loan	-	6.90	0.90	6.00
Mukesh G Patel	Share Holder	Share Capital	-	-	-	-
		Unsecured Loan	-	19.95	1.95	18.00
Hardik Chunilal Khanpara	Share Holder	Share Capital	8.00	-	-	8.00
		Unsecured Loan	-	-	-	-
Pragnaben N Patel	Director's Relative	Unsecured Loan	-	-	10.00	(10.00)
Akshesh patel	Share Holder	Share Capital	-	3.00	-	3.00
Meenaben Bharatbhai Patel	Director's Relative	Unsecured Loan	-	-	1.00	(1.00)
Hetal Amitkumar Patel	Share Holder	Unsecured Loan	1.00	1.00	1.00	1.00
Bharatbhai V Patel	Director's Relative	Unsecured Loan	-	-	1.00	(1.00)
		Reimbursement of Expense	(0.11)	1.24	1.14	-
		Directors Remuneration	-	14.80	14.80	-
Kamleshbhai Joitaram Patel	Director	Unsecured Loan	-	-	10.00	(10.00)



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

Notes to the Consolidated Financial Statements for the period ended 31st March, 2023

Note - 29 - Additional regulatory information

- A) 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) are held in the name of the Company.
- B) The Company does not have any investment property.
- C) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.
- D) There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 31st March, 2023:
- (i) repayable on demand; or
 - (ii) without specifying any terms or period of repayment
- E) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
- F) The company is not declared willful defaulter by any bank or financial institution or other lender.
- G) The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- H) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- i) The company has not advanced or loan or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- J) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- K) No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.
- L) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- M) The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company during the period and hence reporting under this clause is not applicable.



SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

Notes to the Consolidated Financial Statements for the period ended 31st March, 2023

Note - 30 - Contingent liabilities

As per details available on the website of Income Tax Department, M/s. Sotac Pharmaceuticals Limited (hereinafter referred to as the "assessee") have been issued with a notice u/s. 143(1)(a) of Income Tax Act, 1961, proposing adjustments u/s. 143(1)(1)(a) of the Act for A.Y. 2022-23, and the same is pending for assessee's response, amount related to the same is not quantifiable

On the basis of available information received from the Management of the company it is pertinent to note that company has created professional tax liability in books of account on which GIDC association has gone for litigation with respect to not to pay professional tax liability against which in future it may be possible to pay interest and penalty in the professional tax liability if GIDC association fails to win the litigation. and as on date amount related to interest and penalty is not quantifiable.

