

AGGARWAL PAWAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Independent Auditor's Examination Report on Restated Financial Statements

To,
The Board of Directors
Paramount Syntex Limited

Dear Sirs/Madam,

1. Report on the Restated Financial Statements:

We have examined the attached **Restated Financial Statements** of **Paramount Syntex Limited** (herein after referred to as "the Company"), as further defined in Paragraph 4, as approved by the Board of Directors of the Company in their meeting held on 14th April, 2026 for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus ("DRHP/RHP/Prospectus") prepared by the Company in connection with its proposed Initial Public Offer of Equity shares, the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- a) Section 26 of Companies Act, 2013 (hereinafter referred to as the- "Act"), read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended;
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto from time to time;
 - c) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE ("IPO" or "SME IPO");
 - d) The (Revised) Guidance Note on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India ("ICAI"); and
 - e) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts, we, M/s Aggarwal Pawan and Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid Certificate issued by the "Peer Review Board" of the ICAI.
2. The Restated Summary Statements and Financial information of the Company have been extracted/ prepared by the management from the Audited Financial Statements of the Company for the period beginning from April 1, 2025 and ending on January 31, 2026; and the financial years ended on March 31, 2025, March 31, 2024 & March 31, 2023 which have been approved by the Board of Directors.
 3. Special Purpose Financial Statements for the period from April 1, 2025 to January 31, 2026 have been audited by us on which we have issued an unmodified opinion vide our report dated 14th April, 2026, Financial Statements for the year ended March 31, 2025 have been audited by us on which we have issued an unmodified opinion vide our report dated 25th September, 2025. Financial Statements for the financial year ended March 31, 2024 and for the year ended March 31, 2023 have been audited by M/s Rajesh Mehru & Co., Chartered Accountants, on which they have issued an unmodified opinion vide their report dated 2nd September, 2024, and 1st September, 2023 and respectively.
 4. For the purpose of our examination, we have relied on:
 - a) Auditors' reports issued by us dated 14th April, 2026 on the Special Purpose Financial Statements as at and for the period from April 1, 2025 to January 31, 2026; and



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Continuation to Independent Auditor's Examination Report on Restated Financial Statements of M/s Paramount Syntex Limited for the Period from April 1, 2025 to January 31, 2026 and the Financial Year ended on 31.03.2023, 31.03.2024 and 31.03.2025.

b) Auditors' reports issued by us dated 25th September, 2025 on the Financial statements of the Company as at and for the year ended March 31, 2025; and

c) Auditors' Report issued by the Previous Auditors dated 2nd September, 2024 and 1st September, 2023 on the financial statements of the Company as at and for the years ended March 31, 2024 and March 31, 2023.

The audits for the financial years ended March 31, 2024 and March 31, 2023 were conducted by the Company's previous auditors, M/s Rajesh Mehru & Co., Chartered Accountants (the "Previous Auditors"), and accordingly reliance has been placed on the Audited Balance Sheet and the Audited Statements of Profit and Loss, Audited Cash flow statements, the Significant Accounting Policies, and the other explanatory information and (collectively, the "2024 and 2023 Audited Financial Statements") audited by them for the said years. The examination report included for the said years is based on the audit report submitted by the Previous Auditors.

5. Financial Information as per Audited Financial Statements:

We have examined:

➤ The attached Restated Statement of Assets and Liabilities of the Company as at January 31, 2026, March 31, 2025, March 31, 2024 and March 31, 2023;

➤ The attached Restated Statement of Profit and Losses of the Company for the period from April 1, 2025 to January 31, 2026, and for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023;

➤ The attached Restated Statement of Cash Flows of the Company for the period from April 1, 2025 to January 31, 2026, and for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023;

➤ The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments to the Financial Statements for the period from April 1, 2025 to January 31, 2026, and for the financial year ended on March 31, 2024 and March 31, 2023 on account of audit qualifications / adjustments / regroupings.

(Collectively hereinafter referred as "Restated Financial Statements")

6. Other Financial Information:

We have also examined the following financial information as set out in notes and annexures prepared by the Management and as approved by the Board of Directors of the Company for the period from April 1, 2025 to January 31, 2026, and for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023.

Restated Statement of Equity Share Capital	Note 2
Restated Statement of Reserves and Surplus	Note 3
Restated Statement of Non-current Borrowings	Note 4
Restated Statement of Long term Provisions	Note 5
Restated Statement of Current Borrowings	Note 6
Restated Statement of Trade Payable	Note 7
Restated Statement of Other current Liabilities	Note 8



Continuation to Independent Auditor's Examination Report on Restated Financial Statements of M/s Paramount Syntex Limited for the Period from April 1, 2025 to January 31, 2026 and the Financial Year ended on 31.03.2023, 31.03.2024 and 31.03.2025.

Restated Statement of Short term provisions	Note 9
Restated Statement of Property Plant and Equipment	Note 10
Restated Statement of Non- current Investments	Note 11
Restated Statement of Deferred tax Liabilities /Assets	Note 12
Restated Statement of Long term loans and advances	Note 13
Restated Statement of Other Non- current assets	Note 14
Restated Statement of Inventories	Note 15
Restated Statement of Trade receivables	Note 16
Restated Statement of Cash and cash equivalents	Note 17
Restated Statement of Short Term Loans and Advances	Note 18
Restated Statement of Other Current Assets	Note 19
Restated Statement of Revenue from operations	Note 20
Restated Statement of Other Income	Note 21
Restated Statement of Cost of Material Consumed	Note 22.1
Restated Statement of Change in Inventories	Note 22.2
Restated Statement of Employee Benefits	Note 23 and 28
Restated Statement of Finance Cost	Note 24
Restated Statement of Other Expenses	Note 25
Restated Statement of Accounting Ratios	Note 29
Restated Statement of Related Party Transactions	Note 30
Reconciliation of adjustments, Material regroupings and Non-adjusting items	Annexure I
Re-classification of Items from Audited to Restated Financial Information	Annexure II
Restated Statement of Other Financial Information	Annexure III
Restated Statement of Tax Shelters	Annexure IV
Restated Statement of Capitalization	Annexure V
Restated Statement Of Contingent Liabilities	Annexure VI

7. Responsibility of Board of Directors:

The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus ("DRHP/RHP/Prospectus") prepared by the Company in connection with its proposed Initial Public Offer of Equity shares. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in note 1.1 to the Restated Financial Statements. The Board of Directors of the Company are responsible for the designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

8. Opinion

In our opinion and to the best of our information and according to the explanations given to us, we report that the **Restated Financial Statements** have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note, and:



Continuation to Independent Auditor's Examination Report on Restated Financial Statements of M/s Paramount Syntex Limited for the Period from April 1, 2025 to January 31, 2026 and the Financial Year ended on 31.03.2023, 31.03.2024 and 31.03.2025.

- a) The "**Restated Statement of Assets and Liabilities**" of the Company for the period from April 1, 2025 and ended on January 31, 2026, and the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, *as restated for the financial year ended on March 31, 2024 and March 31, 2023* have been arrived at after incorporating *adjustments for the changes in accounting policies, errors and regrouping/reclassifications retrospectively* to the Audited Financial Statements. *In our opinion, certain adjustments were appropriate in order to present a true and fair view of the financial statements of the Company. These adjustments were not reflected in the previously Audited Financial Statements and have therefore been made in the Restated Financial Statements. The basis for these adjustments is explained in the Significant Accounting Policies and Notes to the Restated Summary Statements and its Annexures.*
- b) The "**Restated Statement of Profit and Loss**" of the Company for the period from April 1, 2025 to January 31, 2026, and the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, *as restated for the financial year ended on March 31, 2024 and March 31, 2023* have been arrived at after incorporating *adjustments for the changes in accounting policies, errors and regrouping/reclassifications retrospectively* to the Audited Financial Statements. *In our opinion, certain adjustments were appropriate in order to present a true and fair view of the financial statements of the Company. These adjustments were not reflected in the previously Audited Financial Statements and have therefore been made in the Restated Financial Statements. The basis for these adjustments is explained in the Significant Accounting Policies and Notes to the Restated Summary Statements and its Annexures.*
- c) The "**Restated Statement of Cash Flow**" of the Company for the period from April 1, 2025 to January 31, 2026, and for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, *as restated for the financial year ended on March 31, 2024 and March 31, 2023* have been arrived at after incorporating *adjustments for the changes in accounting policies, errors and regrouping/reclassifications retrospectively* to the Audited Financial Statements. *In our opinion, certain adjustments were appropriate in order to present a true and fair view of the financial statements of the Company. These adjustments were not reflected in the previously Audited Financial Statements and have therefore been made in the Restated Financial Statements. The basis for these adjustments is explained in the Significant Accounting Policies and Notes to the Restated Summary Statements and its Annexures.*
- d) Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditors of the Company for the financial year ended on March 31, 2024 and March 31, 2023, we are of the opinion that "**Restated Financial Statements**" have been made after incorporating:
- (i) Adjustments for the amounts in the financial years ended on March 31, 2024 and March 31, 2023;
- (ii) There are no Extra-ordinary items except as shown in the Restated Profit & Loss Statement of that need to be disclosed separately in the Restated Summary Statements.
- (iii) There were no qualifications in the Audit Reports issued by the statutory auditors for the period from April 1, 2025 to January 31, 2026 and for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023, which would require adjustments in this Restated Financial Statements of the Company.



Continuation to Independent Auditor's Examination Report on Restated Financial Statements of M/s Paramount Syntex Limited for the Period from April 1, 2025 to January 31, 2026 and the Financial Year ended on 31.03.2023, 31.03.2024 and 31.03.2025.

(iv) Further, the audit report on the Special Purpose Financial Statements for the period from April 1, 2025 to January 31, 2026 contains Emphasis of Matters which are reproduced as under:

Emphasis of Matter

1. We draw attention to Note No. 16 to the Special Purpose Financial Information, which describes that certain trade receivables of Rs. 405.30 Lacs are outstanding for a period exceeding 300 days, the amounts due from such parties are material in nature. For which management have made a provision for doubtful debts of Rs. 20.27 Lacs @ 5% of the said outstanding amount based on the past estimate.

In accordance with Accounting Standard (AS) 9 "Revenue Recognition" issued by the Institute of Chartered Accountants of India, where uncertainty regarding collectability arises subsequent to the recognition of revenue, it is appropriate to recognise a separate provision to reflect such uncertainty rather than adjusting the revenue originally recorded.

Based on the audit procedures performed by us and the information and explanations provided to us, the long-outstanding balances from these parties indicate significant uncertainty with respect to their recoverability. We further note that no sales transactions have been recorded with the said parties during the period under review, which, in our professional judgement, constitutes a material indicator of deterioration in the commercial relationship. However, the management is of the view that suitable provision in this respect is made, considering that active follow-up for recovery of the dues from the concerned parties is ongoing. We have considered this representation; nonetheless, in the absence of substantive evidence of recovery, we are unable to concur with the management's assessment.

Our audit procedures in this regard were performed in accordance with the Standards on Auditing and were limited to evaluating the disclosures made by the management and considering the information and explanations provided to us. We have not independently assessed the recoverability of such receivables nor the outcome of the management's recovery efforts.

2. We draw attention to Note No. 9 to the Special Purpose Financial Information, which describes that there are certain statutory dues towards income tax pertaining to Assessment Year 2024-25 amounting to INR 188.02 lacs, in respect of which a recovery notice has been issued by the Income-tax Department dated 14 December 2025.

As stated therein, the aforesaid income-tax dues have been adequately provided for in the books of account and appropriately disclosed in the Special Purpose Financial Information. **The net outstanding income-tax dues as at the reporting date amount to INR 188.02 lacs for Assessment Year 2024-25, after considering the amount of INR 29.34 lacs which is disputed and under appeal.**

We further draw attention to the fact that the recovery notice issued by the Income-tax Department is for an amount of INR 347.98 lacs. The Company has already paid an amount of INR 125 lacs on 29 September 2025 and the balance is pending to be paid by the company.

We also draw attention to Annexure VI relating to contingent liabilities, which discloses contingent liabilities aggregating to INR 29.34 lacs in respect of the aforesaid Assessment Year 2024-25.

Further, for Assessment Year 2023-24, an admitted income tax liability of INR 20.98 Lacs has also been disclosed in the Note No. 9 to the Special Purpose Financial Information.



Continuation to Independent Auditor's Examination Report on Restated Financial Statements of M/s Paramount Syntex Limited for the Period from April 1, 2025 to January 31, 2026 and the Financial Year ended on 31.03.2023, 31.03.2024 and 31.03.2025.

Our audit procedures in this regard were performed in accordance with the Standards on Auditing and were limited to evaluating the accounting treatment adopted and the adequacy of the related disclosures made by the management based on the information and explanations provided to us. We have not independently examined the validity of the demand, nor have we assessed any potential legal proceedings or consequences arising therefrom.

Our opinion is not modified in respect of the above matters.

(v) Adjustments in Financial Statements have been made in accordance with the correct accounting policies as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Restated Financial Statements.

(vi) There are no revaluation reserves, which need to be disclosed separately in the "Restated Financial Statements".

(vii) The Company has not paid any dividend on its equity shares during the period from April 1, 2025 to January 31, 2026 and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023.

9. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 3 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Restriction of Use

Our report is intended solely for use of the Board of Directors for the purpose mentioned in Paragraph 1 above. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Aggarwal Pawan & Associates**

Chartered Accountants

ICAI Firm Reg. No: 031570N

Peer Review Cert. No.: 018869,

CA Pawan K. Aggarwal
Partner

Membership No.: 522474

Place: New Delhi

Date: 23rd April, 2026

UDIN: 26522474KXYUBJ9T59

