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CHARTERED ACCOUNTANTS

Independent Auditor's Report on Audit of Standalone Financial Statements

To the Members of Clean Aromatics Private Limited

Opinion

We have audited the standalone Financial Statements of Clean Aromatics Private Limited "the Company" which comprise the Balance Sheet as at March 31, 2021, statement of Profit and Loss Account and Statement of Cash Flows for the year ended as on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, it's loss and loss and cash flow for the year ended on that date.

Basis of Opinion

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

Information other than the Standalone Financial Statements and Auditor's Opinion thereon

1. The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon.

2. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance thereon.

3. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibility of Management and Those Charged with Governance for Standalone Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 based on these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.

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CLEAN AROMATICS PRIVATE LIMITED *

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Due to the continuous spreading of COVID -19 across India, the Indian Government and various state governments including Maharashtra, wherein the place of business of the company is situated, imposed lockdown, travel restrictions and social distancing norms across India and state to contain the spread of the virus. This has resulted in restrictions on a physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI). As a result of the above, certain portion of the audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable, and are directly generated by the accounting system of the Company without any further manual modifications. We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions. Our audit opinion is not modified in respect of the above.

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Report on other Legal and Regulatory Requirements

Since the Company falls within the exceptions mentioned in Companies (Auditor's Report) Order 2016, requirement of inclusion of a statement in the audit report on the matters specified in Paragraphs 3 and 4 of the Companies (Auditor's Report) Order 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act, 2013 is not applicable.

As required by section 143(3) of the Act, we report that:

i. 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.

ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

iii. The Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows dealt with by this report agree with the books of account.

iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

v. Based on written representations received from the directors as on March 31, 2021, and taken on record, none of the directors are disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act.

vi. Since the company falls within the exception mentioned in Serial No. 9A of Notification no. G.S.R. 464(E) dated 5th June 2015 as amended by Notification no. G.S.R. 583(E) dated 13th June 2017, reporting of the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls is not applicable.

vii. 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:

   a) The Company does not have any pending litigations which would impact its financial position.

   b) The company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c) There were no amounts which were required to be transferred Investor Education and Protection Fund by the Company.

   d) i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other person

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or entities identified in any manner whatsoever by or in behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or like on behalf of the Ultimate Beneficiary.

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

iii) In our opinion based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under the sub-clause (i) and (ii) above contain any material misstatement.

e) The Company have not declared any dividend during the year.

For abm & associates LLP
Chartered Accountants
FRN: 105016W/ W-100015

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Narayan Kendre
Partner
Membership No. 185732
UDIN: 21185732AAAABO2069
Place: Pune
Date: 12/06/2021

CLEAN AROMATICS PRIVATE LIMITED

Clean Aromatics Private limited (CIN : U24304PN2019PTC187496)

Standalone Balance Sheet
(Currency: Indian Rupees)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Current assets			
Financial assets			
(i) Cash and cash equivalents	2	9,50,111	10,00,000
Total current assets		**9,50,111**	**10,00,000**
Total assets		**9,50,111**	**10,00,000**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3	10,00,000	10,00,000
Other equity	4	(72,889)	(41,531)
Total equity		**9,27,111**	**9,58,469**
Liabilities			
Current liabilities			
Financial liabilities			
(i) Trade payables	5		
a) total outstanding dues of micro enterprises and small enterprises		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		23,000	41,531
Total current liabilities		**23,000**	**41,531**
Total liabilities		**23,000**	**41,531**
Total equity and liabilities		**9,50,111**	**10,00,000**

Significant accounting policies *1*
The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

abm & associates LLP
FRN 105016W/ W-100015
CHARTERED ACCOUNTANTS

CLEAN AROMATICS PRIVATE LIMITED

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN : 21185732AAAAB02069

For **and on behalf of the Board of Directors of**
Clean Aromatics Private Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Aromatics Private limited (CIN : U24304PN2019PTC187496)

Standalone Statement of Profit and Loss
(Currency: Indian Rupees)

	Note	For the year ended 31 March 2021	For the period 25 October 2019 to 31 March 2020
Income			
Revenue from operations		-	-
Other income		-	-
Total income		-	-
Expenses			
Cost of materials consumed		-	-
Changes in inventories of finished goods and work-in-progress		-	-
Employee benefits expenses		-	-
Finance costs		-	-
Depreciation and amortisation expenses		-	-
Other expenses	*6*	31,358	41,531
Total expenses		31,358	41,531
Profit / (Loss) before tax		**(31,358)**	**(41,531)**
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) for the period/year (A)		(31,358)	(41,531)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability / (asset)		-	-
(i) Income tax relating to remeasurements of defined benefit liability / (asset)		-	-
		-	-
Other comprehensive income for the period/year (B)		-	-
Total comprehensive income for the period/year (A+B)		(31,358)	(41,531)
Earnings per equity share			
[nominal value of Rs. 10]			
Basic	*7*	(0.31)	(0.42)
Diluted		(0.31)	(0.42)

Significant accounting policies *1*
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN :

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CLEAN AROMATICS PRIVATE LIMITED ★

For **and on behalf of the Board of Directors of Clean Aromatics Private Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Aromatics Private limited (CIN : U24304PN2019PTC187496)
Standalone Statement of Changes in Equity
(Currency: Indian Rupees)

(a) Equity share capital

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Number of shares	Number of shares	Number of shares
Balance at the beginning of the reporting period/year	1,00,000	10,00,000	-	-
Changes in equity share capital during the period/year	-	-	1,00,000	10,00,000
Balance at the end of the reporting period/year	1,00,000	10,00,000	1,00,000	10,00,000

(b) Other equity

Particulars	Reserves and surplus
	Surplus of profit and loss account
Balance at 1 April 2019	-
Profit/(Loss) for the period/year	(41,531)
Balance at 31 March 2020	**(41,531)**
Balance at 1 April 2020	**(41,531)**
Profit/(Loss) for the period/year	(31,358)
Balance at 31 March 2021	**(72,889)**

Significant accounting policies 1
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

abm & associates LLP FRN 105016W/ W-100015 CHARTERED ACCOUNTANTS

Place : Pune
Date : 12th June 2021
ICAI UDIN :

For **and on behalf of the Board of Directors of**
Clean Aromatics Private Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

CLEAN AROMATICS PRIVATE LIMITED

Clean Aromatics Private limited (CIN : U24304PN2019PTC187496)

Standalone Statement of Cash Flows
(Currency: Indian Rupees)

	For the year ended 31 March 2021	For the period 25 October 2019 to 31 March 2020
A. Cash flow from operating activities		
Net profit / (loss) before taxation	**(31,358)**	**(41,531)**
Operating profit before working capital changes	**(31,358)**	**(41,531)**
Movement in working capital:		
(Decrease) / Increase in trade payables	(18,531)	41,531
Cash generated from operations	**(49,889)**	-
Net income tax (paid)	-	-
Net cash flow generated from operating activities (A)	**(49,889)**	-
B. Cash flow from investing activities	-	-
Net cash flow (used in) investing activities (B)	-	-
C. Cash flow from financing activities		
Equity shares issued	-	10,00,000
Net cash flow (used in)/from financing activities (C)	-	**10,00,000**
Net (decrease) in Cash and cash equivalents (A+B+C)	**(49,889)**	**10,00,000**
Cash and cash equivalents at the beginning of the period	10,00,000	-
Cash and cash equivalents at the end of the period	**9,50,111**	**10,00,000**

Notes:-		
Cash on hand		
Balances with bank		
- Current accounts	9,50,111	10,00,000
	9,50,111	**10,00,000**

(i) The above restated cash flow statement has been prepared under the indirect method set out in Ind AS 7 on "Statement of Cash Flows".

Significant accounting policies 1

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN :

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CLEAN AROMATICS PRIVATE LIMITED

For **and on behalf of the Board of Directors of Clean Aromatics Private Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Aromatics Private Limited
Notes to Standalone Financial Statements for the year ended 31 March, 2021

1. Corporate overview

Clean Aromatics Private Limited is a private company domiciled and headquartered in India. The company is a subsidiary of Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Limited') which is a Chemical organisation. The Company is engaged in the business of buying and selling of organic and inorganic chemicals.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Standalone financial statements. The Company has consistently applied the following accounting policies to all periods presented in the Standalone financial statements.

2.1. Basis of preparation and presentation:

The Standalone Balance Sheet of the Company as at 31 March 2021 and the Standalone Statement of Profit and Loss including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash flows for the year ended 31 March 2021 and a summary of the significant accounting policies and other explanatory information (together referred to as 'Standalone Financial Statements') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act as amended from time to time.

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

Functional and presentation currency

These Standalone Financial Statements are presented in Indian Rupees, which is the Company's functional currency, unless otherwise stated.

2.2. Current and non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as 12 months.

2.3. Use of judgements estimates and assumptions

The preparation of Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Such estimates are on a reasonable and prudent basis considering all available information, however, due to uncertainties about these judgments, estimates and assumptions, actual results could differ from estimates. Information about each of these estimates and judgements is included in relevant notes.

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2.4. Revenue recognition

Sales are recognised when control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

2.5. Inventories:

Inventories are valued at cost or net realisable value whichever is lower after providing for cost of obsolescence. Cost is determined on a FIFO formula.

Raw materials are valued at cost of purchase net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials. Finished goods are valued at lower of cost and net realizable value. The net realizable value of the finished goods is determined with reference to the selling prices of related finished goods.

Cost of finished goods and work-in-progress comprises cost of raw material and appropriate fixed production overheads which are allocated on the basis of normal capacity of production facilities and variable production overheads on the basis of actual production of material and after deduction of the realisable value of the by-product.

Raw Materials, Components, Stores, and Spares cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Obsolete and slow-moving inventories are identified and wherever necessary, such inventories are written off/provided during the year.

2.6. Property, plant and equipment:

• Recognition and measurement

Property, plant and equipment's are carried at cost which includes capitalised borrowing costs, less accumulated depreciation and impairment loss, if any. Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is

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materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

• Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

• Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/ expenses in the statement of profit and loss.

• Depreciation

Depreciation on tangible assets is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013 (except of assets as mentioned below). Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairments of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, 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 fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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2.7. Income taxes:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income (OCI).

• Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting period end in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

• Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting period end.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,

- Taxable temporary differences arising on the initial recognition of goodwill.

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses (including unabsorbed depreciation) can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting period end and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting period end and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period end.

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Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2.8. Earnings per share (EPS):

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.9. Provision and contingent liabilities / assets:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Contingent liabilities are obligations arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liability is disclosed in case of:
- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent asset is not recognised in the Standalone Financial Statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

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2.10. Employee benefits:

• Short-term employee benefits

The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognised in the period in which the employee renders the related service. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

• Post-employment benefits

Defined contribution plans

Contributions to the provident fund and superannuation schemes which is defined contribution scheme, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due. Contributions are made in accordance with the rules of the statute and are recognised as expenses when employees render service entitling them to the contributions. The Company has no obligation, other than the contribution payable to the provident fund.

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

The employees' gratuity scheme is a defined benefit plan which is administered by a trust formed for this purpose through the group schemes of Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting period end, having maturity periods approximating to the terms of related obligations.

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Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

- **Other long-term employee benefits**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

- **Termination benefits**

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting period end, then they are discounted.

2.11. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.12. Financial instruments

2.12.1. Financial assets

Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options, and embedded derivatives in the host contract. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in one of the three categories:
a) At amortised cost
b) At fair value through Other Comprehensive Income ('FVTOCI')
c) At fair value through profit or loss ('FVTPL')

(a) Financial assets classified as measured at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment charge. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance expense/ (income) in the statement of profit and loss. The losses arising

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from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, security and other deposits receivable by the Company.

(b) Financial assets classified as measured at FVTOCI

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from OCI to retained earnings.

(c) Financial assets classified as measured at FVTPL

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a mutual fund investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

Trade receivables and loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

De-recognition of financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables.

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The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting period end, right from its initial recognition.

For recognition of impairment loss on other financial assets the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting period end, the credit risk has not increased significantly since its original recognition. However, if credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) recognized in the statement of profit and loss.

2.12.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost. The company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated as such upon initial recognition at the initial date of recognition if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

(a) Financial liabilities at amortised cost

This is the most relevant category to the Company. The Company generally classifies interest bearing borrowings as financial liabilities carried at amortised cost. After initial recognition, these instruments are

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subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liability

A financial liability (or a part of a financial liability) is derecognised from the balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13. Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of not more than three months, which are subject to an insignificant risk of changes in value.

2.14. Cash flow statement:

Cash Flows are reported using the indirect method, whereby net Profit before tax is adjusted for the effects of transactions of a non-cash nature, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. In the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above net of outstanding bank overdrafts as they are considered as integral part of the Company's cash management.

2.15. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Standalone financial statements is required to be disclosed.

2.16. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no

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such recently issued standards or amendments to the existing standards for which the impact on the Financial statements is required to be disclosed.

However, on 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

These amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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2	Cash and cash equivalents	As at 31 March 2021	As at 31 March 2020
	Balance with banks		
	In current accounts	9,50,111	10,00,000
		9,50,111	**10,00,000**

5	Trade payables	As at 31 March 2021	As at 31 March 2020
	Total outstanding dues of micro enterprises and small enterprises (Refer note 8)	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	23,000	41,531
		23,000	**41,531**

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3 Equity share capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised :		
1,000,000 (31 March 2020 : 1,000,000) equity shares of Rs.10 each.	1,00,00,000	1,00,00,000
TOTAL	**1,00,00,000**	**1,00,00,000**
Issued and subscribed and paid up :		
1,00,000 (31 March 2020 : 1,00,000) equity shares of Rs.10 each fully paid-up	10,00,000	10,00,000
TOTAL	**10,00,000**	**10,00,000**

Reconciliation of number of shares outstanding at the beginning and end of the year :

Equity share :	As at 31 March 2021 Number of shares	As at 31 March 2020 Number of shares
Outstanding at the beginning of the period/year	1,00,000	-
Equity shares issued during the period/year in consideration for cash	-	1,00,000
Outstanding at the end of the period/year	**1,00,000**	**1,00,000**

Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Shareholders holding more than 5% shares in the Company is set out below:

Equity shares of Rs 10 each fully paid	As at 31 March 2021		As at 31 March 2020	
	Number of shares	%	Number of shares	%
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')	**1,00,000**	**100%**	1,00,000	100%

4 Other equity

	As at 31 March 2021	As at 31 March 2020
Surplus of profit and loss account		
Balance as at the beginning of the period/year	(41,531)	-
Add : Profit / (Loss) for the period/year	(31,358)	(41,531)
Balance as at the end of the period/year	**(72,889)**	**(41,531)**
	(72,889)	**(41,531)**

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6	Other expenses	For the year ended 31 March 2021	For the period 25 October 2019 to 31 March 2020
	Audit fees	17,440	8,000
	Bank charges	118	-
	Consultancy fees	13,800	7,000
	Preliminary expenses	-	26,531
		31,358	**41,531**

Payment to auditors

As auditor		
Statutory audit fees	17,440	8,000
Tax audit fees	-	-
In other capacity		
Other services	-	-
	17,440	**8,000**

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7 Earnings per share

Particulars	For the year ended 31 March 2021	For the period 25 October 2019 to 31 March 2020
Profits attributable to equity shareholders		
Profit for basic earning per share of Rs. 10 each		
Profit for the year	**(31,358)**	**(41,531)**
Basic earnings per share		
Weighted average number of equity shares outstanding during the year	1,00,000	1,00,000
Basic EPS (Rs.)	**(0.31)**	**(0.42)**
Diluted earnings per share		
Profit for diluted earning per share of Rs. 10 each		
Profit for the year	(31,358)	(41,531)
Weighted average number of equity shares outstanding during the year for diluted EPS	1,00,000	1,00,000
Diluted EPS (Rs.)	**(0.31)**	**(0.42)**

8 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	-	-
Capital creditors	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	-	-
Capital creditors	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	-	-
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

9 Related party disclosures

(a) List of related parties and description of relationship:

Holding company
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')

Fellow subsidiaries
1. Clean Science Private Limited
2. Clean Organics Private Limited

Key Management Personnel (KMP)
1. Mr. Ashok Boob
2. Mr. Siddhartha Sikchi
3. Mr. Krishnakumar Boob

(b) Balances outstanding at the end of the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Holding company		
a. Other current financial liabilities	-	-

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10 Financial instruments

10.1 Financial instruments by category

The carrying value of financial instruments by categories are as follows :

Particulars	As at 31 March 2021 Amortised cost	As at 31 March 2021 Total carrying value	As at 31 March 2020 Amortised cost	As at 31 March 2020 Total carrying value
Category	Level 2		Level 2	
Assets				
Cash and cash equivalents	9,50,111	9,50,111	10,00,000	10,00,000
Total assets	**9,50,111**	**9,50,111**	**10,00,000**	**10,00,000**
Liabilities				
Trade payables	23,000	23,000	41,531	41,531
Total liabilities	**23,000**	**23,000**	**41,531**	**41,531**

10.2 Fair value hierarchy

Fair value of financial assets and financial liabilities measured at amortised cost :
The management believes that the fair values of current financial assets (e.g. cash and cash equivalents) and current financial liabilities (e.g. trade payables) approximate their carrying amounts largely due to the short term nature.

10.3 Financial risk management

The Company's activities exposes it to credit risks and liquidity risks. The Company's management have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risks are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company has exposure to the following risks arising from financial instruments :

a. **Credit risk**

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

i. The company has not made any provision on expected credit loss on trade receivables, based on the management estimates.

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10.3 Financial risk management *(continued)*

ii. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial

The liquidity position at each reporting date is given below:

Particulars	As at 31 March 2021	As at 31 March 2020
Total current assets (A)	9,50,111	10,00,000
Total current liabilities (B)	23,000	41,531
Working capital (A-B)	**9,27,111**	**9,58,469**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2021.

Particulars	Less than one year	More than one year	Total
Trade payables	23,000	-	23,000

The following are the remaining contractual maturities of financial liabilities as on 31 March 2020.

Particulars	Less than one year	More than one year	Total
Trade payables	41,531	-	41,531

11 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2021 and 31 March 2020.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

Particulars	As at 31 March 2021	As at 31 March 2020
Total liabilities	23,000	41,531
Less: cash and cash equivalents and bank balances	(9,50,111)	(10,00,000)
Net debt	**(9,27,111)**	**(9,58,469)**
Total equity	9,27,111	9,58,469
Debt-equity ratio	-	-

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732
Place : Pune
Date : 12th June 2021
ICAI UDIN :

abm & associates LLP
FRN
105016W/
W-100015
CHARTERED ACCOUNTANTS

For **and on behalf of the Board of Directors of**
Clean Aromatics Private Limited

Krishnakumar Boob
Director
DIN : 00410672
Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154
Place : Pune
Date : 12th June 2021

CLEAN AROMATICS PRIVATE LIMITED

Independent Auditor's Report on Audit of Standalone Financial Statements

To the Members of Clean Organics Private Limited

Opinion

We have audited the standalone Financial Statements of Clean Organics Private Limited "the Company" which comprise the Balance Sheet as at March 31, 2021, statement of Profit and Loss Account and Statement of Cash Flows for the year ended as on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, it's loss and loss and cash flow for the year ended on that date.

Basis of Opinion

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

Information other than the Standalone Financial Statements and Auditor's Opinion thereon

1. The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon.

2. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance thereon.

3. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibility of Management and Those Charged with Governance for Standalone Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 based on these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Due to the continuous spreading of COVID -19 across India, the Indian Government and various state governments including Maharashtra, wherein the place of business of the company is situated, imposed lockdown, travel restrictions and social distancing norms across India and state to contain the spread of the virus. This has resulted in restrictions on a physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI). As a result of the above, certain portion of the audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable, and are directly generated by the accounting system of the Company without any further manual modifications. We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions. Our audit opinion is not modified in respect of the above.

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Report on other Legal and Regulatory Requirements

Since the Company falls within the exceptions mentioned in Companies (Auditor's Report) Order 2016, requirement of inclusion of a statement in the audit report on the matters specified in Paragraphs 3 and 4 of the Companies (Auditor's Report) Order 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act, 2013 is not applicable.

As required by section 143(3) of the Act, we report that:

i. 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.

ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

iii. The Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows dealt with by this report agree with the books of account.

iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

v. Based on written representations received from the directors as on March 31, 2021, and taken on record, none of the directors are disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act.

vi. Since the company falls within the exception mentioned in Serial No. 9A of Notification no. G.S.R. 464(E) dated 5th June 2015 as amended by Notification no. G.S.R. 583(E) dated 13th June 2017, reporting of the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls is not applicable.

vii. 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:

   a) The Company does not have any pending litigations which would impact its financial position.

   b) The company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c) There were no amounts which were required to be transferred Investor Education and Protection Fund by the Company.

   d) i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other person

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or entities identified in any manner whatsoever by or in behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or like on behalf of the Ultimate Beneficiary.

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

iii) In our opinion based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under the sub-clause (i) and (ii) above contain any material misstatement.

e) The Company have not declared any dividend during the year.

For abm & associates LLP
Chartered Accountants
FRN: 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732
UDIN: 21185732AAAABL8579
Place: Pune
Date: 12/06/2021

Clean Organics Private limited (CIN : U24304PN2017PTC169475)

Standalone Balance Sheet
(Currency: Indian Rupees)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Current assets			
Financial assets			
(i) Cash and cash equivalents	2	1,12,333	1,57,255
Total current assets		**1,12,333**	**1,57,255**
Total assets		**1,12,333**	**1,57,255**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3	2,00,000	2,00,000
Other equity	4	(1,12,667)	(77,845)
Total equity		**87,333**	**1,22,155**
Current liabilities			
Financial liabilities			
(i) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	5	25,000	15,000
(ii) Other financial liabilities	6	-	20,100
Total current liabilities		**25,000**	**35,100**
Total liabilities		**25,000**	**35,100**
Total equity and liabilities		**1,12,333**	**1,57,255**

Significant accounting policies — 1

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

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CLEAN ORGANICS PVT. LTD.

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN : 21185732AAAABL8579

For **and on behalf of the Board of Directors of Clean Organics Private Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Organics Private limited (CIN : U24304PN2017PTC169475)

Standalone Statement of Profit and Loss

(Currency: Indian Rupees)

	Note	For year ended 31 March 2021	For year ended 31 March 2020
Income			
Revenue from operations		-	-
Other income		-	-
Total income		-	-
Expenses			
Cost of materials consumed		-	-
Changes in inventories of finished goods and work-in-progress		-	-
Employee benefits expenses		-	-
Finance costs		-	-
Depreciation and amortisation expenses		-	-
Other expenses	7	34,822	18,500
Total expenses		**34,822**	**18,500**
Profit / (Loss) before tax		**(34,822)**	**(18,500)**
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total Tax Expenses		-	-
Profit / (Loss) for the year (A)		**(34,822)**	**(18,500)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations		-	-
Income tax related to above items		-	-
		-	-
Other comprehensive income for the year (B)		-	-
Total comprehensive income for the year (A+B)		**(34,822)**	**(18,500)**
Earnings per equity share	8		
[nominal value of Rs 10]			
Basic		(1.74)	(0.93)
Diluted		(1.74)	(0.93)

Significant accounting policies — 1

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN :

abm & associates LLP CHARTERED ACCOUNTANTS FRN 105016W/ W-100015

CLEAN ORGANICS PVT. LTD.

For **and on behalf of the Board of Directors of Clean Organics Private Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Organics Private limited (CIN : U24304PN2017PTC169475)
Standalone Statement of Changes in Equity
(Currency: Indian Rupees)

(a) Equity share capital

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the reporting year	20,000	2,00,000	20,000	2,00,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	**20,000**	**2,00,000**	**20,000**	**2,00,000**

(b) Other equity

Particulars	Reserves and surplus
	Surplus of profit and loss account
Balance at 1 April 2019	**(59,345)**
Profit for the year	(18,500)
Balance at 31 March 2020	**(77,845)**
Balance at 1 April 2020	**(77,845)**
Profit for the year	(34,822)
Balance at 31 March 2021	**(1,12,667)**

Significant accounting policies 1

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN :

abm & associates LLP ★ FRN 105016W/ W-100015 ★ CHARTERED ACCOUNTANTS

CLEAN ORGANICS PVT. LTD. ★

For and on behalf of the Board of Directors of
Clean Organics Private Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Organics Private limited (CIN : U24304PN2017PTC169475)

Standalone Statement of Cash Flows
(Currency: Indian Rupees)

	For year ended 31 March 2021	For year ended 31 March 2020
A. Cash flow from operating activities		
Net profit / (loss) before taxation	(34,822)	(18,500)
Operating profit / (loss) before working capital changes	**(34,822)**	(18,500)
Movement in working capital:		
Increase in trade payables	10,000	-
(Decrease) in other current financial liabilities	(20,100)	-
Cash generated from operations	**(44,922)**	(18,500)
Net income tax (paid)	-	-
Net cash flow generated from operating activities (A)	**(44,922)**	**(18,500)**
B. Cash flow from investing activities	-	
Net cash flow (used in) investing activities (B)	-	-
C. Cash flow from financing activities	-	
Net cash flow (used in) financing activities (C)	-	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**(44,922)**	**(18,500)**
Cash and cash equivalents at the beginning of the period	1,57,255	1,75,755
Cash and cash equivalents at the end of the period	**1,12,333**	**1,57,255**
Notes:-		
Cash on hand	-	-
Balances with bank		
- Current accounts	1,12,333	**1,57,255**
	1,12,333	**1,57,255**

(i) The above cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 - on Statement of Cash Flows as notified under Comapnies (Accounts) Rules, 2015.

Significant accounting policies 1
The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN :

For **and on behalf of the Board of Directors of Clean Organics Private Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Organics Private Limited
Notes to Standalone Financial Statements for the year ended 31 March, 2021

1. Corporate overview

Clean Organics Private Limited is a private company domiciled and headquartered in India. The company is a subsidiary of Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Limited') which is a Chemical organisation. The Company is engaged in the business of buying and selling of organic and inorganic chemicals.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Standalone financial statements. The Company has consistently applied the following accounting policies to all periods presented in the Standalone financial statements.

2.1. Basis of preparation and presentation:

The Standalone Balance Sheet of the Company as at 31 March 2021 and the Standalone Statement of Profit and Loss including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash flows for the year ended 31 March, 2021 and a summary of the significant accounting policies and other explanatory information (together referred to as 'Standalone Financial Statements') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act as amended from time to time.

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

Functional and presentation currency

These Standalone Financial Statements are presented in Indian Rupees, which is the Company's functional currency, unless otherwise stated.

2.2. Current and non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as 12 months.

2.3. Use of judgements estimates and assumptions

The preparation of the Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Such estimates are on a reasonable and prudent basis considering all available information, however, due to uncertainties about these judgments, estimates and assumptions, actual results could differ from estimates. Information about each of these estimates and judgements is included in relevant notes.

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2.4. Revenue recognition

Sales are recognised when control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

2.5. Inventories:

Inventories are valued at cost or net realisable value whichever is lower after providing for cost of obsolescence. Cost is determined on a FIFO formula.

Raw materials are valued at cost of purchase net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials. Finished goods are valued at lower of cost and net realizable value. The net realizable value of the finished goods is determined with reference to the selling prices of related finished goods.

Cost of finished goods and work-in-progress comprises cost of raw material and appropriate fixed production overheads which are allocated on the basis of normal capacity of production facilities and variable production overheads on the basis of actual production of material and after deduction of the realisable value of the by-product.

Raw Materials, Components, Stores, and Spares cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Obsolete and slow-moving inventories are identified and wherever necessary, such inventories are written off/provided during the year.

2.6. Property, plant and equipment:

• Recognition and measurement

Property, plant and equipment's are carried at cost which includes capitalised borrowing costs, less accumulated depreciation and impairment loss, if any. Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is

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CLEAN ORGANICS PVT. LTD.

materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

• Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

• Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/ expenses in the statement of profit and loss.

• Depreciation

Depreciation on tangible assets is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013 (except of assets as mentioned below). Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairments of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, 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 fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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CLEAN ORGANICS PVT. LTD. *

Clean Organics Private Limited
Notes to Standalone Financial Statements for the year ended 31 March, 2021

2.7. Income taxes:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income (OCI).

• Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting period end in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

• Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting period end.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,

- Taxable temporary differences arising on the initial recognition of goodwill.

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses (including unabsorbed depreciation) can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting period end and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting period end and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period end.

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Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2.8. Earnings per share (EPS):

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.9. Provision and contingent liabilities / assets:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Contingent liabilities are obligations arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liability is disclosed in case of
- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent asset is not recognised in the Standalone Financial Statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.10. Employee benefits:

- **Short-term employee benefits**

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The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognised in the period in which the employee renders the related service. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

• **Post-employment benefits**

Defined contribution plans

Contributions to the provident fund and superannuation schemes which is defined contribution scheme, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due. Contributions are made in accordance with the rules of the statute and are recognised as expenses when employees render service entitling them to the contributions. The Company has no obligation, other than the contribution payable to the provident fund.

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

The employees' gratuity scheme is a defined benefit plan which is administered by a trust formed for this purpose through the group schemes of Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting period end, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the

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period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

- **Other long-term employee benefits**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

- **Termination benefits**

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting period end, then they are discounted.

2.11. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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• Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.12. Financial instruments

2.12.1. Financial assets

Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options, and embedded derivatives in the host contract. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in one of the three categories:
a) At amortised cost
b) At fair value through Other Comprehensive Income ('FVTOCI')
c) At fair value through profit or loss ('FVTPL')

(a) Financial assets classified as measured at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment charge. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance expense/ (income) in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, security and other deposits receivable by the Company.

(b) Financial assets classified as measured at FVTOCI

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling

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financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from OCI to retained earnings.

(c) Financial assets classified as measured at FVTPL

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a mutual fund investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

Trade receivables and loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

De-recognition of financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting period end, right from its initial recognition.

For recognition of impairment loss on other financial assets the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting period end, the credit risk has

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not increased significantly since its original recognition. However, if credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) recognized in the statement of profit and loss.

2.12.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost. The company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated as such upon initial recognition at the initial date of recognition if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

(a) Financial liabilities at amortised cost

This is the most relevant category to the Company. The Company generally classifies interest bearing borrowings as financial liabilities carried at amortised cost. After initial recognition, these instruments are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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De-recognition of financial liability

A financial liability (or a part of a financial liability) is derecognised from the balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13. Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of not more than three months, which are subject to an insignificant risk of changes in value.

2.14. Cash flow statement:

Cash Flows are reported using the indirect method, whereby net Profit before tax is adjusted for the effects of transactions of a non-cash nature, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. In the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above net of outstanding bank overdrafts as they are considered as integral part of the Company's cash management.

2.15. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Standalone financial statements is required to be disclosed.

2.16. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Financial statements is required to be disclosed.

However, on 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate

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to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

These amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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		As at 31 March 2021	As at 31 March 2020
2	**Cash and cash equivalents**		
	Balance with banks		
	In current accounts	1,12,333	1,57,255
		1,12,333	**1,57,255**

5	**Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises (Refer note 9)	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	25,000	15,000
		25,000	**15,000**

6	**Other financial liabilities**		
	Payable for expenses*	-	20,100
		-	**20,100**

* Refer note 10 for related party transactions

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3 Equity share capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised :		
1,00,000 (31 March 2020 : 1,00,000) equity shares of Rs.10 each.	10,00,000	10,00,000
TOTAL	**10,00,000**	**10,00,000**
Issued and subscribed and paid up :		
20,000 (31 March 2020 : 20,000) equity shares of Rs.10 each.	2,00,000	2,00,000
TOTAL	**2,00,000**	**2,00,000**

Reconciliation of number of shares outstanding at the beginning and end of the year :

Equity share :	As at 31 March 2021 Number of shares	As at 31 March 2020 Number of shares
Outstanding at the beginning of the year	20,000	20,000
Equity shares issued during the year in consideration for cash	-	
Outstanding at the end of the year	**20,000**	**20,000**

Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Shareholders holding more than 5% shares in the Company is set out below:

Equity shares of Rs 10 each fully paid	As at 31 March 2021	
	Number of shares	%
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')	20,000	100%

Equity shares of Rs 10 each fully paid	As at 31 March 2020	
	Number of shares	%
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')	20,000	100%

4 Other equity

	As at 31 March 2021	As at 31 March 2020
Surplus of profit and loss account		
Balance as at the beginning of the year	(77,845)	(59,345)
Add : Profit / (Loss) for the year	(34,822)	(18,500)
Balance as at the end of the year	(1,12,667)	(77,845)
	(1,12,667)	**(77,845)**

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7 Other expenses	For year ended 31 March 2021	For year ended 31 March 2020
Audit fees	17,440	8,000
Consultancy fees	17,380	10,500
	34,822	18,500

Payment to auditors		
As auditor		
Statutory audit fees	17,440	8,000
Tax audit fees	-	-
In other capacity		
Other services	-	-
	17,440	8,000

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8 Earnings per share

Particulars	For year ended 31 March 2021	For year ended 31 March 2020
Profits attributable to equity shareholders		
Profit for basic earning per share of Rs. 10 each		
Profit for the year	(34,822)	(18,500)
Basic earnings per share		
Weighted average number of equity shares outstanding during the year	20,000	20,000
Basic EPS (Rs.)	(1.74)	(0.93)
Diluted earnings per share		
Profit for basic earning per share of Rs. 10 each		
Profit for the year	(34,822)	(18,500)
Weighted average number of equity shares outstanding during the year for diluted EPS	20,000	20,000
Diluted EPS (Rs.)	(1.74)	(0.93)

9 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	For year ended 31 March 2021	For year ended 31 March 2020
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	-	-
Capital creditors	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	-	-
Capital creditors	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	-	-
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

10 Related party disclosures

(a) List of related parties and description of relationship:

Holding company

Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')

Fellow subsidiaries

1. Clean Science Private Limited
2. Clean Aromatics Private Limited

Key Management Personnel (KMP)

1. Mr. Ashok Boob
2. Mr. Siddharth Sikchi
3. Mr. Krishna Boob

(b) Related party transactions:

Nature of Transaction	As at 31 March 2021		As at 31 March 2020	
	Amount	Total	Amount	Total
Sale or Right of use asset	-	-	89,07,298	**89,07,298**
	-	-	89,07,298	**89,07,298**

(b) Balances outstanding at the end of the year :

Particulars	For year ended 31 March 2021	-
Holding company		
a. Other financial liabilities	-	20,100

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11 Financial instruments

11.1 Financial instruments by category

The carrying value of financial instruments by categories are as follows :

Particulars	As at 31 March 2021		As at 31 March 2020	
	Amortised cost	Total carrying value	Amortised cost	Total carrying value
Category	Level 2		Level 2	
Assets				
Cash and cash equivalents	1,12,333	1,12,333	1,57,255	1,57,255
Total assets	**1,12,333**	**1,12,333**	**1,57,255**	**1,57,255**
Liabilities				
Trade payables	25,000	25,000	15,000	15,000
Other financial liabilities	-	-	20,100	20,100
Total liabilities	**25,000**	**25,000**	**35,100**	**35,100**

11.2 Fair value hierarchy

Fair value of financial assets and financial liabilities measured at amortised cost :
The management believes that the fair values of current financial assets (e.g. cash and cash equivalents) and current financial liabilities (e.g. trade payables and other financials liabilities) approximate their carrying amounts largely due to the short term nature.

11.3 Financial risk management

The Company's activities exposes it to credit risks and liquidity risks. The Company's management have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risks are reviewed regularly to reflect changes in market conditions and the company's activities.
The Company has exposure to the following risks arising from financial instruments :

a. **Credit risk**
Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

i. The company has not made any provision on expected credit loss on trade receivables, based on the management estimates.

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★ CLEAN ORGANICS PVT. LTD.

Clean Organics Private limited (CIN : U24304PN2017PTC169475)
Notes to Standalone Financial Statements
(Currency: Indian Rupees)

11.3 Financial risk management *(continued)*

ii. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

Particulars	As at 31 March 2021	As at 31 March 2020
Total current assets (A)	1,12,333	1,57,255
Total current liabilities (B)	25,000	35,100
Working capital (A-B)	**87,333**	**1,22,155**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2021.

Particulars	Less than one year	More than one year	Total
Trade payables	25,000	-	25,000
Other financial liabilities	-	-	-

The following are the remaining contractual maturities of financial liabilities as on 31 March 2020.

Particulars	Less than one year	More than one year	Total
Trade payables	15,000	-	15,000
Other financial liabilities	20,100	-	20,100

12 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021, 31 March 2020.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

Particulars	As at 31 March 2021	As at 31 March 2020
Total liabilities	25,000	35,100
Less: cash and cash equivalents and bank balances	(1,12,333)	(1,57,255)
Net debt	**(87,333)**	**(1,22,155)**
Total equity	**87,333**	**1,22,155**
Debt-equity ratio	-	-

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN :

ABM & Associates LLP CHARTERED ACCOUNTANTS FRN 105016W/ W-100015

For **and on behalf of the Board of Directors of**
Clean Organics Private Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Independent Auditor's Report on Audit of Standalone Financial Statements

To the Members of Clean Science Private Limited

Opinion

We have audited the standalone Financial Statements of Clean Science Private Limited "the Company" which comprise the Balance Sheet as at March 31, 2021, statement of Profit and Loss Account and Statement of Cash Flows for the year ended as on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, it's loss and loss and cash flow for the year ended on that date.

Basis of Opinion

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

Information other than the Standalone Financial Statements and Auditor's Opinion thereon

1. The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon.

2. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance thereon.

3. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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info@abmllp.com
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Responsibility of Management and Those Charged with Governance for Standalone Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 based on these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.

Clean Science Private Limited Pune

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Due to the continuous spreading of COVID -19 across India, the Indian Government and various state governments including Maharashtra, wherein the place of business of the company is situated, imposed lockdown, travel restrictions and social distancing norms across India and state to contain the spread of the virus. This has resulted in restrictions on a physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI). As a result of the above, certain portion of the audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable, and are directly generated by the accounting system of the Company without any further manual modifications. We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions. Our audit opinion is not modified in respect of the above.

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Clean Science Private Limited ★ Pune

Report on other Legal and Regulatory Requirements

Since the Company falls within the exceptions mentioned in Companies (Auditor's Report) Order 2016, requirement of inclusion of a statement in the audit report on the matters specified in Paragraphs 3 and 4 of the Companies (Auditor's Report) Order 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act, 2013 is not applicable.

As required by section 143(3) of the Act, we report that:

i. 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.

ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

iii. The Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows dealt with by this report agree with the books of account.

iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

v. Based on written representations received from the directors as on March 31, 2021, and taken on record, none of the directors are disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act.

vi. Since the company falls within the exception mentioned in Serial No. 9A of Notification no. G.S.R. 464(E) dated 5th June 2015 as amended by Notification no. G.S.R. 583(E) dated 13th June 2017, reporting of the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls is not applicable.

vii. 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:

   a) The Company does not have any pending litigations which would impact its financial position.

   b) The company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c) There were no amounts which were required to be transferred Investor Education and Protection Fund by the Company.

   d) i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other person

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Science Private Limited ★ Pune

or entities identified in any manner whatsoever by or in behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or like on behalf of the Ultimate Beneficiary.

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

iii) In our opinion based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under the sub-clause (i) and (ii) above contain any material misstatement.

e) The Company have not declared any dividend during the year.

For abm & associates LLP
Chartered Accountants
FRN: 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732
UDIN: 21185732AAAABJ3234
Place: Pune
Date: 12/06/2021

abm & associates LLP ★ FRN 105016W/ W-100015 ★ CHARTERED ACCOUNTANTS

Clean Science Private Limited ★ Pune

Clean Science Private Limited (CIN : U74900PN2013PTC149834)

Standalone Balance Sheet
(Currency: Indian Rupees)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Right-of-use asset		-	-
Financial assets			
(i) Loans		-	-
Other non-current assets		-	-
Total non-current assets		-	-
Current assets			
Financial assets			
(i) Investments	1	64,17,615	-
(ii) Cash and cash equivalents	2	59,443	98,67,759
Other current assets	3	1,17,433	1,17,433
Total current assets		65,94,490	99,85,192
Total assets		65,94,490	99,85,192
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	98,15,000	98,15,000
Other equity	5	(33,00,279)	(34,21,235)
Total equity		65,14,721	63,93,765
Liabilities			
Non-current liabilities			
Deferred tax liabilities (Net)	11 (d)	54,769	-
Total non-current liabilities		54,769	-
Current liabilities			
Financial liabilities			
(i) Trade payables	6		
a) total outstanding dues of micro enterprises and small enterprises		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		25,000	41,722
(ii) Other financial liabilities	7	-	35,49,705
Total current liabilities		25,000	35,91,427
Total liabilities		79,769	35,91,427
Total equity and liabilities		65,94,490	99,85,192
Significant accounting policies	1		

The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For ABM & Associates LLP
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

abm & associates LLP FRN 105016W/ W-100015 CHARTERED ACCOUNTANTS

Clean Science Private Limited Pune

Place : Pune
Date: 12th June 2021
ICAI UDIN : 21185732AAAABJ3234

For and on behalf of the Board of Directors of
Clean Science Private Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date: 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date: 12th June 2021

Clean Science Private Limited (CIN : U74900PN2013PTC149834)

Standalone Statement of Profit and Loss
(Currency: Indian Rupees)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations		-	-
Other income	8	2,17,615	-
Total income		**2,17,615**	-
Expenses			
Depreciation and amortisation expenses	9	-	97,464
Other expenses	10	41,889	26,623
Total expenses		**41,889**	**1,24,087**
Profit / (loss) before tax		**1,75,726**	**(1,24,087)**
Tax expense:	11		
Current tax		-	-
Deferred tax		54,769	-
Total Tax Expenses		**54,769**	-
Profit for the year (A)		**1,20,956**	**(1,24,087)**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability / (asset)		-	-
(i) Income tax relating to remeasurements of defined benefit liability / (asset)		-	-
		-	-
Other comprehensive income for the year (B)		-	-
Total comprehensive income for the year (A+B)		**1,20,956**	**(1,24,087)**
Earnings per equity share	12		
[nominal value of Rs 10]			
Basic		0.12	(0.13)
Diluted		0.12	(0.13)

Significant accounting policies — 1

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

abm & associates LLP FRN 105016W/ W-100015 CHARTERED ACCOUNTANTS

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date: 12th June 2021
ICAI UDIN :

Clean Science Private Limited Pune

For **and on behalf of the Board of Directors of Clean Science Private Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date: 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date: 12th June 2021

Clean Science Private Limited (CIN : U74900PN2013PTC149834)
Standalone Statement of Cash Flows
(Currency: Indian Rupees)

	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities		
Net profit / (loss) before taxation	**1,75,726**	**(1,24,087)**
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	-	97,464
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	(2,17,615)	-
Operating profit before working capital changes	**(41,889)**	**(26,623)**
Movement in working capital:		
(Increase)in other non-current financial loans	-	3,09,100
Decrease in other non-current assets	-	14,998
Decrease in other current assets	-	(1,15,766)
(Decrease) in trade payables	(16,722)	(1,18,790)
(Decrease) / Increase in other current financial liabilities	(35,49,705)	7,12,219
(Decrease) in other current liabilities	-	(11,000)
Cash generated from operations	**(36,08,316)**	**7,64,138**
Net income tax (paid)	-	-
Net cash flow generated from operating activities (A)	**(36,08,316)**	**7,64,138**
B. Cash flow from investing activities		
Purchase of current investments	(62,00,000)	-
Net cash flow (used in) investing activities (B)	**(62,00,000)**	**89,97,271**
C. Cash flow from financing activities		
Net cash flow (used in)/from financing activities (C)	-	-
Net (decrease) in Cash and cash equivalents (A+B+C)	**(98,08,316)**	**97,61,409**
Cash and cash equivalents at the beginning of the period	98,67,759	1,06,350
Cash and cash equivalents at the end of the period	**59,443**	**98,67,759**
Notes:-		
Cash on hand	-	-
Balances with bank		
- Current accounts	59,443	98,67,759
	59,443	**98,67,759**

The above cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 - on Statement of Cash Flows as notified under Comapnies (Accounts) Rules, 2015.

Significant accounting policies 1

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report attached of even date

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date: 12th June 2021
ICAI UDIN :

abm & associates LLP ★ FRN 105016W/ W-100015 CHARTERED ACCOUNTANTS ★

Clean Science Private Limited ★ Pune

For **and on behalf of the Board of Directors of Clean Science Private Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Science Private Limited (CIN : U74900PN2013PTC149834)

Standalone Statement of Changes in Equity

(Currency: Indian Rupees)

(a) Equity share capital

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the reporting year	9,81,500	98,15,000	9,81,500	98,15,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	**9,81,500**	**98,15,000**	**9,81,500**	**98,15,000**

(b) Other equity

Particulars	Reserves and surplus
	Surplus of profit and loss account
Balance at 1 April 2019	(32,97,148)
Profit for the year	(1,24,087)
Balance at 31 March 2020	(34,21,235)
Balance at 1 April 2020	(34,21,235)
Profit for the year	1,20,956
Balance at 31 March 2021	(33,00,279)

Significant accounting policies 1

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached.

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date : 12th June 2021
ICAI UDIN :

abm & associates LLP ★ FRN 105016W/ W-100015 CHARTERED ACCOUNTANTS ★

Clean Science Private Limited ★ Pune

For **and on behalf of the Board of Directors of**
Clean Science Private Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021

Clean Science Private Limited (CIN : U74900PN2013PTC149834)

Notes to Standalone Financial Statements

(Currency: Indian Rupees)

Right-of-use assets

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2020	Additions	Disposals during the year	As at 31 March 2021	As at 1 April 2020	Depreciation for the year	Disposals during the year	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Leasehold land	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2019	Additions	Disposals during the year	As at 31 March 2020	As at 1 April 2019	Depreciation for the year	Disposals during the year	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020
Leasehold land	96,00,000	-	(96,00,000)	-	5,05,265	97,464	(6,02,729)	-	90,94,735	-
Total	**96,00,000**	-	**(96,00,000)**	-	**5,05,265**	**97,464**	**(6,02,729)**	-	**90,94,735**	-

abm & associates LLP
FRN 105016W/ W-100015
CHARTERED ACCOUNTANTS

Clean Science Private Limited
Pune

Clean Science Private Limited
Notes to Standalone Financial Statements for the year ended 31 March, 2021

1. Corporate overview

Clean Science Private Limited is a private company domiciled and headquartered in India. The company is a subsidiary of Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Limited') which is a Chemical organisation. The Company is engaged in the business of buying and selling of organic and inorganic chemicals.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the Standalone financial statements. The Company has consistently applied the following accounting policies to all periods presented in the Standalone financial statements.

2.1. Basis of preparation and presentation:

The Standalone Balance Sheet of the Company as at 31 March 2021 and the Standalone Statement of Profit and Loss including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash flows for the year ended 31 March 2021 and a summary of the significant accounting policies and other explanatory information (together referred to as 'Standalone Financial Statements') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act as amended from time to time.

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

Functional and presentation currency

These Standalone Financial Statements are presented in Indian Rupees, which is the Company's functional currency, unless otherwise stated.

2.2. Current and non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as 12 months.

2.3. Use of judgements estimates and assumptions

The preparation of the Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Such estimates are on a reasonable and prudent basis considering all available information, however, due to uncertainties about these judgments, estimates and assumptions, actual results could differ from estimates. Information about each of these estimates and judgements is included in relevant notes.

abm & associates LLP ★ CHARTERED ACCOUNTANTS ★ FRN 105016W/ W-100015

Clean Science Private Limited Pune

2.4. Revenue recognition

Sales are recognised when control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

2.5. Inventories:

Inventories are valued at cost or net realisable value whichever is lower after providing for cost of obsolescence. Cost is determined on a FIFO formula.

Raw materials are valued at cost of purchase net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials. Finished goods are valued at lower of cost and net realizable value. The net realizable value of the finished goods is determined with reference to the selling prices of related finished goods.

Cost of finished goods and work-in-progress comprises cost of raw material and appropriate fixed production overheads which are allocated on the basis of normal capacity of production facilities and variable production overheads on the basis of actual production of material and after deduction of the realisable value of the by-product.

Raw Materials, Components, Stores, and Spares cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Obsolete and slow-moving inventories are identified and wherever necessary, such inventories are written off/provided during the year.

2.6. Property, plant and equipment:

• Recognition and measurement

Property, plant and equipment's are carried at cost which includes capitalised borrowing costs, less accumulated depreciation and impairment loss, if any. Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is

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materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

• Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

• Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/ expenses in the statement of profit and loss.

• Depreciation

Depreciation on tangible assets is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013 (except of assets as mentioned below). Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairments of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, 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 fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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2.7. Income taxes:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income (OCI).

• Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting period end in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

• Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting period end.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,

- Taxable temporary differences arising on the initial recognition of goodwill.

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses (including unabsorbed depreciation) can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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The carrying amount of deferred tax assets is reviewed at each reporting period end and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting period end and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period end.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2.8. Earnings per share (EPS):

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.9. Provision and contingent liabilities / assets:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Contingent liabilities are obligations arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liability is disclosed in case of:
- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

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Contingent asset is not recognised in the Standalone Financial Statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.10. Employee benefits:

• Short-term employee benefits

The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognised in the period in which the employee renders the related service. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

• Post-employment benefits

Defined contribution plans

Contributions to the provident fund and superannuation schemes which is defined contribution scheme, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due. Contributions are made in accordance with the rules of the statute and are recognised as expenses when employees render service entitling them to the contributions. The Company has no obligation, other than the contribution payable to the provident fund.

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

The employees' gratuity scheme is a defined benefit plan which is administered by a trust formed for this purpose through the group schemes of Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting period end, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

- **Other long-term employee benefits**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

- **Termination benefits**

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting period end, then they are discounted.

2.11. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another

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The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

• Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

• Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

• Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.12. Financial instruments

2.12.1. Financial assets

Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options, and embedded derivatives in the host contract. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in one of the three categories:
a) At amortised cost
b) At fair value through Other Comprehensive Income ('FVTOCI')
c) At fair value through profit or loss ('FVTPL')

(a) Financial assets classified as measured at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment charge. Amortised cost is calculated by considering

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any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance expense/ (income) in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, security and other deposits receivable by the Company.

(b) Financial assets classified as measured at FVTOCI

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from OCI to retained earnings.

(c) Financial assets classified as measured at FVTPL

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a mutual fund investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

Trade receivables and loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

De-recognition of financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables.

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The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting period end, right from its initial recognition.

For recognition of impairment loss on other financial assets the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting period end, the credit risk has not increased significantly since its original recognition. However, if credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) recognized in the statement of profit and loss.

2.12.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost. The company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated as such upon initial recognition at the initial date of recognition if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

(a) Financial liabilities at amortised cost

This is the most relevant category to the Company. The Company generally classifies interest bearing borrowings as financial liabilities carried at amortised cost. After initial recognition, these instruments are

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subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liability

A financial liability (or a part of a financial liability) is derecognised from the balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13. Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of not more than three months, which are subject to an insignificant risk of changes in value.

2.14. Cash flow statement:

Cash Flows are reported using the indirect method, whereby net Profit before tax is adjusted for the effects of transactions of a non-cash nature, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. In the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above net of outstanding bank overdrafts as they are considered as integral part of the Company's cash management.

2.15. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Standalone financial statements is required to be disclosed.

2.16. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no

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such recently issued standards or amendments to the existing standards for which the impact on the Financial statements is required to be disclosed.

However, on 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

These amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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Clean Science Private Limited (CIN : U74900PN2013PTC149834)
Notes to Standalone Financial Statements
(Currency: Indian Rupees)

		As at 31 March 2021	As at 31 March 2020
1	**Investments**		
	A. Investments carried at fair value through profit & loss (FVTPL)		
	Investment in mutual funds - Quoted		
	1,24,556 (31 March 2020 : Nil) units of Kotak Banking and PSU Debt Fund Direct Growth	64,17,615	-
		64,17,615	-
	(a) Aggregate book value of quoted investments	**64,17,615**	-
	(b) Aggregate market value of quoted investments	**64,17,615**	-
2	**Cash and cash equivalents**		
	a. Balance with banks :		
	In current account	59,443	98,67,759
		59,443	**98,67,759**
3	**Other current assets**		
	(Unsecured, considered good)		
	TDS/TCS receivable	1,17,433	1,17,433
		1,17,433	**1,17,433**

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(Currency: Indian Rupees)

4 Share capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised :		
2,000,000 (31 March 2020 : 2,000,000) equity shares of Rs.10 each.	2,00,00,000	2,00,00,000
TOTAL	**2,00,00,000**	**2,00,00,000**
Issued and subscribed and paid up:		
Equity share capital		
981,500 (31 March 2020 : 981,500) equity shares of Rs.10 each fully paid-up	98,15,000	98,15,000
TOTAL	**98,15,000**	**98,15,000**

Reconciliation of number of shares outstanding at the beginning and end of the year :

Equity share :	As at 31 March 2021	As at 31 March 2020
	Number of Shares	**Number of Shares**
Outstanding at the beginning of the year	9,81,500	9,81,500
Changes during the year	-	-
Outstanding at the end of the year	**9,81,500**	**9,81,500**

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Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares having a par value of Rs. 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Shareholders holding more than 5% shares in the Company is set out below:

Equity shares of Rs. 10 each fully paid	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	Number of shares%	Number of Shares	Number of shares%
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')	9,81,500	100%	9,81,500	100%

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5 Other equity

	As at 31 March 2021	As at 31 March 2020
Reserves and surplus		
Surplus of profit and loss account	(33,00,279)	(34,21,235)
	(33,00,279)	**(34,21,235)**

	As at 31 March 2021	As at 31 March 2020
Surplus of profit and loss account		
Opening balance	(34,21,235)	(32,97,148)
Profit for the year	1,20,956	(1,24,087)
Closing balance	**(33,00,279)**	**(34,21,235)**

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6 Trade payables

	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of micro enterprises and small enterprises (Refer note 13)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,000	41,722
	25,000	**41,722**

7 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
Outstanding expenses*	-	35,49,705
	-	**35,49,705**

*** Refer note 14 for related party transactions.**

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8	**Other income**	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
	Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	2,17,615	-
		2,17,615	-

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9 Depreciation and amortisation	For the year ended 31 March 2021	For the year ended 31 March 2020
Amortisation of right-of-use asset (refer note)	-	97,464
	-	97,464

10 Other expenses	For the year ended 31 March 2021	For the year ended 31 March 2020
Payment to auditors	17,440	9,440
Consultancy fees	23,800	-
Membership and subscription fees	-	16,665
	41,889	26,623
Payment to Auditor (excluding service tax)		
As auditor		
Statutory audit fee	17,440	9,440
	17,440	9,440

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11 Taxes

(a) Statement of profit or loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax:		
Current income tax charge	-	-
Deferred tax (including MAT credit entitlement)	54,769	-
Income tax expense reported in the statement of profit or loss	**54,769**	-

(b) Other comprehensive income (OCI)

Taxes related to items recognised in OCI during in the year

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax:	-	-
Deferred tax (including MAT credit entitlement)	-	-
Income tax recognised in OCI	-	-

(c) Balance sheet

Tax assets

Particulars	As at 31 March 2021	As at 31 March 2020
Non- current tax assets	-	-
Current tax assets	-	-
Total tax assets	-	-

Current tax liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Income tax (net of advance tax)	-	-
Total current tax liabilities	-	-

(d) Deferred tax

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities (DTL)		
Mutual funds designated at fair value through profit and loss	54,769	-
	54,769	-
Deferred tax assets (DTA)		
Provision for employee benefits	-	-
Equity instruments measured at other comprehensive income	-	-
	-	-
Net deferred tax liability/(asset)	**54,769**	-

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(e) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**

	For the year ended 31 March 2021	For the year ended 31 March 2020
Accounting profit before tax	1,75,726	(1,24,087)
Tax rate	25.17%	25.17%
Tax as per IT Act on above	44,230	(31,233)
Tax expenses		
(i) Current tax	-	-
(ii) Deferred tax	54,769	-
(iii) Taxation in respect of earlier years	-	-
(B)	54,769	-
Difference	(10,539)	(31,233)
Tax reconciliation		
Adjustments:		
Deferred tax assets not recognised	10,539	31,233
	-	-

(f) **Movement in temporary differences:**

	1 April 2020	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2021
Deferred tax liabilities (DTL)				
Mutual funds designated at fair value through profit and loss	-	54,769	-	54,769
	-	54,769	-	54,769
Deferred tax assets (DTA)				
Provision for employee benefits	-	-	-	-
Equity instruments measured at other comprehensive income	-	-	-	-
	-	-	-	-
Net deferred tax liability/(asset)	-	54,769	-	54,769

	1 April 2019	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2020
Deferred tax liabilities (DTL)				
Mutual funds designated at fair value through profit and loss	-	-		-
	-	-	-	-
Deferred tax assets (DTA)				
Provision for employee benefits	-	-	-	-
Equity instruments measured at other comprehensive income	-	-	-	-
	-	-	-	-
Net deferred tax liability/(asset)	-	-	-	-

Note Section 115BAA of the Income Tax Act, 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Company has determined that it will recognize tax expense at the new reduced income tax rates after doing the benefit analysis of existing deductions as compared to reduced tax rates under the new tax regime.

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12 Earnings per share

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profits attributable to equity shareholders		
Profit for basic earning per share of Rs 10 each		
Profit for the year	1,20,956	(1,24,087)
Basic earnings per share		
Weighted average number of equity shares outstanding during the year for diluted EPS	9,81,500	9,81,500
Basic EPS (Rs.)	0.12	(0.13)
Diluted earnings per share		
Profit for basic earning per share of Rs 10 each		
Profit for the year	1,20,956	(1,24,087)
Weighted average number of equity shares outstanding during the year for diluted EPS	9,81,500	9,81,500
Diluted EPS (Rs.)	0.12	(0.13)

13 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	-	-
Capital creditors	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	-	-
Capital creditors	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	-	-
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

14 Related party disclosures

(a) List of related parties and description of relationship:

Holding company
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')

Fellow subsidiaries
1. Clean Organics Private Limited
2. Clean Aromatics Private Limited

Key Management Personnel (KMP)
1. Mr. Ashok Boob
2. Mr. Siddharth Sikchi
3. Mr. Krishna Boob

(b) Related party transactions:

Nature of Transaction	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Amount	Total	Amount	Total
Sale of Right-of-use asset	-	-	89,07,298	89,07,298
	-	-	89,07,298	89,07,298

(b) Balances outstanding at the end of the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Holding company		
a. Other current financial liabilities	-	35,49,705

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15 Financial instruments

15.1 Financial instruments by category

	As at 31 March 2021			As at 31 March 2020		
Particulars	**FVTPL**	**Amortised cost**	**Total carrying value**	**FVTPL**	**Amortised cost**	**Total carrying value**
Category	Level 1	Level 2		Level 1	Level 2	
Assets						
Investments in mutual funds	64,17,615	-	64,17,615	-	-	-
Loans	-	-	-	-	-	-
Cash and cash equivalents	-	59,443	59,443	-	98,67,759	98,67,759
Total assets	**64,17,615**	**59,443**	**64,77,057**	-	**98,67,759**	**98,67,759**
Liabilities						
Trade payables	-	25,000	25,000	-	41,722	41,722
Other financial liabilities	-	-	-	-	35,49,705	35,49,705
Total liabilities	-	**25,000**	**25,000**	-	**35,91,427**	**35,91,427**

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15.2 Fair value hierarchy

Fair value of financial assets and financial liabilities measured at amortised cost :

As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. As illustrated above, all financial instruments of the company which are carried at amortized cost approximates the fair value. Accordingly fair value disclosures have not been made for these financial instruments. Investments in Mutual Funds which are designated at FVTPL.

15.3 Financial risk management

The Company's activities exposes it to credit risks and liquidity risks. The Company's management have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risks are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company has exposure to the following risks arising from financial instruments :

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

i. The company has not made any provision on expected credit loss on trade receivables, based on the management estimates.

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15.3 Financial risk management *(continued)*

ii. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

Particulars	As at 31 March 2021	As at 31 March 2020
Total current assets (A)	65,94,490	99,85,192
Total current liabilities (B)	25,000	35,91,427
Working capital (A-B)	**65,69,490**	**63,93,765**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2021.

Particulars	Less than one year	More than one year	Total
Trade payables	25,000	-	25,000
Other financial liabilities	-	-	-

The following are the remaining contractual maturities of financial liabilities as on 31 March 2020.

Particulars	Less than one year	More than one year	Total
Trade payables	41,722	-	41,722
Other financial liabilities	35,49,705	-	35,49,705

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16 **Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021, 31 March 2020.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

Particulars	As at 31 March 2021	As at 31 March 2020
Total liabilities	79,769	35,91,427
Less: cash and cash equivalents and bank balances	(59,443)	(98,67,759)
Net debt	**20,327**	**(62,76,332)**
Total equity	65,14,721	63,93,765
Debt-equity ratio	-	(0.98)

As per our report of even date attached

For **ABM & Associates LLP**
Chartered Accountants
Firm registration no. 105016W/ W-100015

Narayan Kendre
Partner
Membership No. 185732

Place : Pune
Date: 12th June 2021
ICAI UDIN :

abm & associates LLP ★ FRN 105016W/ W-100015 ★ CHARTERED ACCOUNTANTS

Clean Science Private Limited ★ Pune

For **and on behalf of the Board of Directors of**
Clean Science Private Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12th June 2021

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12th June 2021