Clean Science

INTEGRATING INNOVATION AND GROWTH, SUSTAINABLY

Clean Science and Technology Limited

Subsidiaries Annual Report 2022–23

Clean Science and Technology Limited

Annual Report of Subsidiaries 2022-23

Index

CLEAN AROMATICS PRIVATE LIMITED
Registered Office Address: Shubham, 805 behind Tulsi Market, R 7859 132/24//
New Nagar Road, Sangamner, Ahmednagar - 422605
CIN: U24304PN2019PTC187496
E-mail – compliance@cleanscience.co.in

BOARD'S REPORT

To,
The Members of
M/s CLEAN AROMATICS PRIVATE LIMITED,

Your Directors are pleased to present the 4th Annual Report and the Audited Financial Statements of the Company for the year ended 31st March 2023.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY:

The financial summary of the Company is given below:

(Amount in Rs.)

Particulars	Financial Year ended Standalone 31/03/2023	Financial Year ended Standalone 31/03/2022
Total Income	35,803	98
Less: Total Expenses	38,350	41,008
Profit / (Loss) before Tax	(2,547)	(40,910)
Less: Tax Expense	-	-
Profit/(Loss) after Tax	(2,547)	(40,910)

2. REVIEW OF BUSINESS OPERATIONS & FUTURE OUTLOOK:

During the year the Company incurred loss of Rs. 2,547/-. Your directors are hopeful of bright future in the years to come.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the financial year under review there was no change in the nature of Company's business.

4. DIVIDEND:

The directors do not recommend any dividend for the financial year due to losses incurred by the Company.

5. RESERVES:

The Board of Directors do not propose to transfer any amount to general reserves.

6. CAPITAL STRUCTURE:

The Authorized Share Capital of the company is Rs. 10,00,000/- divided into 1,00,000 equity shares of Rs. 10/- each. The Paid-up Share Capital of the company is Rs 10,00,000/- divided into 1,00,000 equity shares of Rs 10/- each.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The present Directors of the Company are:

1. Mr. Ashok Ramnarayan Boob
2. Mr. Krishnakumar Ramnarayan Boob
3. Mr. Siddhartha Ashok Sikchi

Mr. Krishnakumar R. Boob (DIN: 00410672), Non-Executive Director, shall be liable to retire by rotation and being eligible, offers himself for re-appointment.

The provisions relating to the appointment Whole-time Key Managerial personnel do not apply to the Company.

8. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2023 and of the losses of the company for that period;

(iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors have prepared the annual accounts on a going concern basis;

(v) the directors have laid down internal financial controls which are adequate and operating effectively; and

(vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DECLARATION BY INDEPENDENT DIRECTORS:

The Company was not required to appoint an Independent Directors under Section 149 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, hence no declaration has been obtained.

10. PARTICULARS OF EMPLOYEES:

None of the employee have received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

11. DETAILS OF BOARD MEETINGS:

During the year 4 (Four) Board Meetings were convened and held. The intervening gap between the Meetings was not more than 120 days. The details of meetings are given below:

Sr. no.	Date of the meeting	No. of Directors attended the meeting
1.	28.05.2022	3
2.	27.07.2022	3
3.	19.10.2022	3
4.	01.02.2023	3

12. HOLDING/ SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have a subsidiary / associate Company. The Company is a wholly owned subsidiary of Clean Science and Technology Limited.

13. STATUTORY AUDITORS':

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and rules made thereunder, M/s. Sanjay S. Rathi & Co., Chartered Accountants, Sangamner (FRN: 109182W) were appointed as Statutory Auditors of the Company for a period of 5 (five) years as approved at the Annual General Meeting (AGM) held on 25th July 2022 and will complete their 5 years tenure on the conclusion of the Annual General Meeting to be held for the Financial Year 2026-27.

The Companies (Amendment) Act, 2017, has amended Section 139(1) of the Companies Act, 2013, effective from 7th May 2018, whereby first proviso to Section 139(1) has been omitted which provided for ratification of appointment of Auditors by members at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing Annual General Meeting. Pursuant to Section 139 of the Companies Act, 2013 and Rules made thereunder, the Statutory Auditors have confirmed that they are eligible to continue as Auditors. The notes to the Audited Financial Statements referred to in the Auditor's Report are self-explanatory and hence do not call for any further comments.

14. AUDITORS REPORT:

The report of the Statutory Auditors is enclosed and there are no adverse remarks, qualifications observations made and as such does not require any comments. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

15. MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF AUDIT REPORT:

There are no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate till the date of this report.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there were no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

17. DEPOSITS:

The Company has not invited/ accepted any deposits from the public during the year.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the period under review, the provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the financial year under review, Company has not entered into any Related Party Transaction. Hence, disclosure in form no. AOC-2 is not required.

20. DISCLOSURE UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and constituted Internal Complaints Committee. During the year no complaints were received by the Company.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHENGE EARNINGS AND OUTGO:

(A) CONSERVATION OF ENERGY: NIL

(B) TECHNOLOGY ABSORBTION: NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL

(D) RESEARCH AND DEVELOPMENT: NIL

22. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provision of the Section 135 of the Companies Act 2013 do not apply to the Company, hence Company is not required to make disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 during the year.

23. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amounts to Investor Education and Protection Fund (IEPF).

24. COMMITTEES OF BOARD:

a. **Audit Committee**: The constitution of the Audit Committee does not apply to the Company.
b. **Vigil mechanism:** The Company has not accepted public deposits nor it has borrowed funds more than Rs. 50 crores therefore the establishment of Vigil Mechanism committee was not required.

c. **Nomination & Remuneration Committee:** The constitution of the Nomination & Remuneration Committee does not apply to the Company.

d. **Corporate Social Responsibility Committee (CSR Committee):** The Company is not required to constitute a CSR committee as the provisions of Section 135 do not apply to the Company.

e. **Stakeholders Relationship Committee:** The constitution of the Stakeholders Relationship Committee does not apply to the Company.

25. DISCLOSURE ABOUT COST RECORDS AND AUDIT:

Maintenance of cost records as specified by the Central Government under section 148 (1) of the Companies Act, 2013, is not applicable to the Company for FY 22-23.

26. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS:

As stated in the Auditors' Report, there are no frauds required to be reported under sub-section (12) of Section 143.

27. COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the Company has complied with applicable Secretarial Standards.

28. APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPCTY CODE:

During the year no application was made or any proceeding were pending under Insolvency and Bankruptcy code.

29. DETAILS OF DIFFRENCE BETWEEN AMOUNT OF VALUATIONS:

During the year Company has not availed any loan facility from the Banks or financial institution and accordingly the question of difference between amount of valuation done at the time of one-time settlement and valuation done while taking loans from Banks or financial institutions did not arise.

30. ACKNOWLEDGEMENT:

Your Board of Directors takes this opportunity to convey their gratitude and sincere thanks for the co-operation and assistance received from the all stakeholders including Government, Banks, Institutions, Authorities etc. The Board acknowledges your confidence and continued support and looks forward for the same in future as well.

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

Sd/-	**Sd/-**
Krishnakumar Ramnarayan Boob	**Siddhartha Ashok Sikchi**
Director	**Director**
DIN: 0041067	**DIN: 02351154**

Place: Pune
Date: 12th May 2023

M/s. Sanjay S. Rathi & Co.
Chartered Accountants
H.O.: Malpani Plaza, Block No. 105, First Floor, Omkarnath Malpani Marg, Sangamner 422 605, Dist. Ahmednagar
Branch : Flat No. 6, Shri Sadguru Nivas Sanstha, 2nd Floor, F.C.Road, Shivajinagar, Pune - 411016.
Ph.: 02425 - 225041, 227042 Email : caadityasrathi@gmail.com Website : www.ssrca.co.in

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CLEAN AROMATICS PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **CLEAN AROMATICS PRIVATE LIMITED**, which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the Loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statement and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

M/s. Sanjay S. Rathi & Co. FRN: 109182W Chartered Accountant

In connection with our audit of the financial statements, our responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the 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 in this Other Information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Director's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

M/s. Sanjay S. Rathi & Co. FRN. 108182W Chartered Accountant

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2.
   (A) As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   c. The standalone balance sheet, 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 dealt with by this Report are in agreement with the books of account

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

M/s. Sanjay S. Rathi & Co. • FRN 109182W • Chartered Accountant •

e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(B) 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, as amended 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d.

i. The Management has represented that ,to the best of its knowledge and belief as disclosed in notes to accounts, no fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person or entities including foreign entities (Intermediaries) with the understandings , whether recorded in writings or otherwise ,that the intermediary shall ,directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiary") or provide any guarantee security or the like to or on behalf of the ultimate beneficiaries.

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

iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement

e. No Dividend Is declared and paid during the year by the company.

M/s. Sanjay S. Rathi & Co. FRN 109182W Chartered Accountant

f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
FRN - 109182W

CA Sanjay S Rathi
Partner
M. No – 042436
UDIN: 23042436BGVLET8460

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

Place of Signature: Sangamner
Date: 12/05/2023

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure Referred to in our Independent auditors' Report paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of CLEAN AROMATICS PRIVATE LIMITED of even date

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) The company does not have Property, Plant and Equipment and Intangible Assets. Accordingly, the provisions of clause 3(i) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

(ii) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, Paragraph 3(iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with. Therefore Paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable and as amounts deducted / accrued in the books of account, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

M/s. Sanjay S. Rathi & Co.
FRN 109182W
Chartered Accountant

(viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

(ix)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) The Company has not raised any short term loans and hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix) (e) of the Order is not applicable

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints, received during the year by the company;

(xii) Company is not a Nidhi Company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company:

(xiii) According to the information and explanations given to us, the company has not undertaken any transactions with related parties as mentioned in Section 177 and 188 of Companies Act, 2013, accordingly the provisions of clause 3(xiii) of the Order are not applicable to the company;

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN 109182W

(xiv) In our opinion, the company has no internal audit system commensurate with the size and the nature of its business.

(xv) In our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.

(xvi)

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year also. The quantum of cash losses are given as under :

Particulars	FY 2022-23	FY 2021-22
Cash Losses	Loss of Rs. 2,547/-	Loss of Rs. 40,910/-

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436

Place of Signature: Sangamner
Date: 12/05/2023

UDIN: 23042436BGVLET8460

Annexure B to the Independent Auditor's Report on the standalone financial statements of CLEAN AROMATICS PRIVATE LIMITED for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

We have audited the internal financial controls with reference to financial statements of **CLEAN AROMATICS PRIVATE LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

M/s. Sanjay S. Rathi & Co. FRN 108182W Chartered Accountant

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. • FRN. 109182W • Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436

Place of Signature: Sangamner
Date: 12/05/2023

UDIN: 23042436BGVLET8460

Clean Aromatics Private Limited (CIN : U24304PN2019PTC187496)

Standalone Balance Sheet
(All amounts are in rupees thousand,unless otherwise stated)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Current assets			
(a)Financial assets			
(i) Cash and cash equivalents	3	905.65	114.00
(ii) Bank balances other than (i) above	4	-	800.00
(b) Other current assets	5	-	0.10
Total current assets		**905.65**	**914.10**
Total Assets		**905.65**	**914.10**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	1,000.00	1,000.00
Other equity	7	(116.35)	(113.80)
Total equity		**883.65**	**886.20**
Liabilities			
Current liabilities			
Financial liabilities			
(i) Trade payables	8		
a) total outstanding dues of micro enterprises and small		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		22.00	27.90
Total current liabilities		**22.00**	**27.90**
Total liabilities		**22.00**	**27.90**
Total Equity and Liabilities		**905.65**	**914.10**

Significant accounting policies 2
The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023
UDIN: 23042436BGVLET8460

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

Krishnakumar Boob	**Siddhartha Sikchi**
Director	Director
DIN : 00410672	DIN : 02351154
Place : Pune	Place : Pune
Date : 12/05/2023	Date : 12/05/2023

Clean Aromatics Private Limited (CIN : U24304PN2019PTC187496)

Standalone Statement of Profit and Loss
(All amounts are in rupees thousand,unless otherwise stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations		-	-
Other income	*9*	**35.80**	**0.10**
Total income		35.80	0.10
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	*10*	38.35	41.01
Total expenses		38.35	41.01
Profit / (Loss) before tax		**(2.55)**	**(40.91)**
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) for the period/year (A)		**(2.55)**	**(40.91)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability/(asset)		-	-
(ii) Income tax relating to remeasurements of defined benefit liability/ (asset)		-	-
(iii) Equity instruments designated through other comprehensive income		-	-
(iv) Income tax related to equity instruments designated through other comprehensive income		-	-
Other comprehensive income/(loss) for the period/year (B)		-	-
Total comprehensive income/(loss) for the period/year (A+B)		**(2.55)**	**(40.91)**
Earnings per equity share	11		
[nominal value of Rs. 10]			
Basic		(0.03)	(0.41)
Diluted		(0.03)	(0.41)

Significant accounting policies *2*
The accompanying notes form an integral part of the Financial Statements
As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023
UDIN: 23042436BGVLET8460

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

Krishnakumar Boob
Director
DIN : 00410672
Place : Pune
Date : 12/05/2023

Siddhartha Sachi
Director
DIN : 02351154
Place : Pune
Date : 12/05/2023

Clean Aromatics Private Limited (CIN : U24304PN2019PTC187496)

Standalone Statement of Cash Flows
(All amounts are in rupees thousand,unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Net profit / (loss) before taxation	**(2.55)**	**(40.91)**
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Interest income	(35.80)	(0.10)
Operating profit before working capital changes	**(38.35)**	**(41.01)**
Movement in working capital:		
(Decrease) / Increase in trade payables	(5.90)	4.90
Cash generated from operations	**(44.25)**	**(36.11)**
Net income tax (paid)	-	
Net cash flow generated from operating activities (A)	**(44.25)**	**(36.11)**
B. Cash flow from investing activities		
Bank deposits placed during the year	-	(800.00)
Deposit Matured	800.00	
Interest received	35.90	
Net cash flow (used in) investing activities (B)	**835.90**	**(800.00)**
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)	**791.65**	**(836.11)**
Cash and cash equivalents at the beginning of the year	114.00	950.11
Cash and cash equivalents at the end of the year	**905.65**	**114.00**
Notes:-		
Cash on hand		
Balances with bank		
- Current accounts	905.65	114.00
	905.65	**114.00**

Significant accounting policies — *Note 2*

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023

UDIN: 23042436BGVLET8460

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Aromatics Private Limited (CIN : U24304PN2019PTC187496)
Standalone Statement of Changes in Equity
(All amounts are in rupees thousand,unless otherwise stated)

(a) Equity share capital

	As at March 31, 2023		As at March 31, 2022	
Equity share of Rs 10 each issues, subscribed and fully paid	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the reporting year	1,00,000	1,000.00	1,00,000	1,000.00
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting year	1,00,000	1,000.00	1,00,000	1,000.00
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	1,00,000.00	1,000.00	1,00,000.00	1,000.00

(b) Other equity

Particulars	Reserves and surplus Surplus/(Deficit) of profit and loss account
Balance at 1 April 2021	(72.89)
Profit/(Loss) for the year	(40.91)
Balance at 31 March 2022	**(113.80)**
Balance at 1 April 2022	(113.80)
Profit/(Loss) for the year	(2.55)
Balance at 31 March 2023	**(116.35)**

Significant accounting policies *Note 2*
The accompanying notes form an integral part of the Financial Statements
As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Aromatics Private Limited (CIN : U24304PN2019PTC187496)
Notes to Standalone Financial Statements
(All amounts are in rupees thousand,unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
3	**Cash and cash equivalents**		
	Balance with banks		
	In current accounts	905.65	114.00
		905.65	**114.00**
4	**Bank balances other than cash and cash equivalents**		
	Fixed Deposit with bank	-	800.00
		-	**800.00**
5	**Other current assets**		
	Accrued Interest on Fixed Deposit	-	0.10
		-	**0.10**

M/s. Sanjay S. Rathi & Co.
FRN. 109182W
Chartered Accountant

Clean Aromatics Private Limited (CIN : U24304PN2019PTC187496)
Notes to Standalone Financial Statements
(All amounts are in rupees thousand,unless otherwise stated)

6 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised :		
1,00,000 (31 March 2021 : 1,00,000) equity shares of Rs.10 each.	1,000.00	1,000.00
TOTAL	**1,000.00**	**1,000.00**
Issued and subscribed and paid up :		
1,00,000 (31 March 2021 : 1,00,000) equity shares of Rs.10 each fully paid-up	1,000.00	1,000.00
TOTAL	**1,000.00**	**1,000.00**

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

Equity share :	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the period/year	1,00,000.00	1,00,000.00
Equity shares issued during the period/year in consideration for cash	-	-
Outstanding at the end of the period/year	**1,00,000.00**	**1,00,000.00**

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 March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')	**100.00**	**0%**	**100.00**	**100%**

7 Other equity

	As at March 31, 2023	As at March 31, 2022
Surplus of profit and loss account		
Balance as at the beginning of the period/year	(113.80)	(72.89)
Add : Profit / (Loss) for the period/year	(2.55)	(40.91)
Balance as at the end of the period/year	**(116.35)**	**(113.80)**
	(116.35)	**(113.80)**

M/s. Sanjay S. Rathi & Co. Chartered Accountant FRN. 109182W

(All amounts are in rupees thousand,unless otherwise stated)

8	Trade payables	As at March 31, 2023	As at March 31, 2022
	Total outstanding dues of micro enterprises and small enterprises (Refer note 12)	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	22.00	27.90
		22.00	**27.90**

Trade payable ageing schedule

As at 31 March 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment				(Amount in Rs.)
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding for MSME due	-	-	-	-	-	-
Total outstanding for other than MSME due	22.00	-	-	-	-	**22.00**

As at 31 March 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment				(Amount in Rs.)
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding for MSME due	-	-	-	-	-	-
Total outstanding for other than MSME due	27.90	-	-	-	-	**27.90**

M/s. Sanjay S. Rathi & Co. • FRN. 109182W • Chartered A

Clean Aromatics Private Limited (CIN : U24304PN2019PTC187496)
Notes to Standalone Financial Statements
(All amounts are in rupees thousand,unless otherwise stated)

9 Other Income

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Received	35.80	0.10
	35.80	**0.10**

10 Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit fees	17.70	17.88
Bank charges	-	0.12
Consultancy fees	20.65	23.01
	38.35	**41.01**

Payment to auditors

	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor		
Statutory audit fees	17.70	17.88
	17.70	**17.88**

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

(All amounts are in rupees thousand,unless otherwise stated)

11 Earnings per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year	**(2.55)**	**(40.91)**
Basic earnings per share		
Weighted average number of equity shares outstanding during the year	1,00,000.00	1,00,000.00
Basic EPS (Rs.)	**(0.03)**	**(0.41)**
Diluted earnings per share		
Profit for the year	(2.55)	(40.91)
Weighted average number of equity shares outstanding during the year for diluted EPS	1,00,000.00	1,00,000.00
Diluted EPS (Rs.)	**(0.03)**	**(0.41)**

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

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
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 ye	-	-
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.	-	-

13 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
3. Clean Fino-Chem Limited

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

(b) Transactions during the year: Nil

(c) Balances outstanding at the end of the year: Nil

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

(All amounts are in rupees thousand,unless otherwise stated)

34 Ratio Analysis and its element

Ratio	Numerator	Demoninator	As at March 31, 2023	As at March 31, 2022	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	41.17	32.76	26%	Due to decrease in current liabilities
Debt-Equity Ratio	Total Debt	Shareholders Equity	-	-	-	
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	-	-	
Return on Equity Ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-0.29%	-4.44%	-94%	Due to decrease in current years loss.
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	-	-	-	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	-	-	-	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	-	-	-	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-	-	-	
Net Profit Ratio (%)	Net Profit After Tax	Net sales = Total sales - sales return	-	-	-	
Return on Capital Employed (%)	Earnings before interest, taxes and dividend income	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-0.29%	-4.62%	-94%	Due to decrease in current years loss.
Return on Investment (%)	Interest (Finance Income)	Investment	-	-	-	

M/s. Sanjay S. Rathi & Co.
FRN. 109182W
Chartered Accountant

(All amounts are in rupees thousand,unless otherwise stated)

15 Financial instruments

15.1 Financial instruments by category

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

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Amortised cost**	**Total carrying**	**Amortised cost**	**Total carrying**
Category	**Level 2**		**Level 2**	
Assets				
Cash and cash equivalents	905.65	905.65	114.00	114.00
Bank balances other than (i) above	-	-	800.00	800.00
Total assets	**905.65**	**905.65**	**914.00**	**914.00**
Liabilities				
Trade payables	22.00	22.00	27.90	27.90
Total liabilities	**22.00**	**22.00**	**27.90**	**27.90**

15.2 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.

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 estima
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 March 31, 2023**	**As at March 31, 2022**
Total current assets (A)	905.65	914.10
Total current liabilities (B)	22.00	27.90
Working capital (A-B)	**883.65**	**886.20**

The following are the remaining contractual maturities of financial liabilities as on March 31, 2023.

Particulars	**Less than one year**	**More than one year**	**Total**
Trade payables	22.00	-	22.00

The following are the remaining contractual maturities of financial liabilities as on March 31, 2022.

Particulars	**Less than one year**	**More than one year**	**Total**
Trade payables	27.90	-	27.90

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

(All amounts are in rupees thousand,unless otherwise stated)

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 period ended March 31, 2023 and March 31, 2022.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Total liabilities	22.00	27.90
Less: cash and cash equivalents and bank balances	(905.65)	(114.00)
Net debt	**(883.65)**	**(86.10)**
Total equity	883.65	886.20
Debt-equity ratio	-	-

17 Other Statutory Information

a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

b) The Company do not have any transactions with companies struck off.

c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) 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

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

g) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountants

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

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 March 31, 2023 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 March 31, 2023 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.

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 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 acquire 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.

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.

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

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 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.

- 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 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.

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 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.

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.

CLEAN ORGANICS PRIVATE LIMITED
Registered Office Address: 805, Behind Tulsi Market, R 7859 132/24//Sangamner Ahmednagar - 422605
CIN: U24304PN2017PTC169475
E-mail – compliance@cleanscience.co.in

BOARD'S REPORT

To,
The Members of
M/s CLEAN ORGANICS PRIVATE LIMITED,

Your Directors are pleased to present the 6th Annual Report and the Audited Financial Statements of the Company for the year ended 31st March 2023.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY:

The financial summary of the Company is given below:

(Amount in Rs.)

Particulars	Financial Year ended	
	Standalone	
	31/03/2023	31/03/2022
Total Income	-	-
Less: Total Expenses	38,357	38,895
Profit / (Loss) before Tax	(38,357)	(38,895)
Less: Tax Expense	-	-
Profit/(Loss) after Tax	(38,357)	(38,895)

2. REVIEW OF BUSINESS OPERATIONS & FUTURE OUTLOOK:

During the year the Company incurred loss of Rs. 38,357/-. Your directors are hopeful of bright future in the years to come.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the financial year under review there was no change in the nature of Company's business.

4. DIVIDEND:

The directors do not recommend any dividend for the financial year due to losses incurred by the Company.

5. RESERVES:

The Board of Directors do not propose to transfer any amount to general reserves.

6. CAPITAL STRUCTURE

The Authorized Share Capital of the company is Rs. 10,00,000/- divided into 1,00,000 equity shares of Rs. 10/- each. The Paid-up Share Capital of the company is Rs 2,00,000/- divided into 20,000 equity shares of Rs 10/- each.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The present Directors of the Company are:

1. Mr. Ashok Ramnarayan Boob
2. Mr. Krishnakumar Ramnarayan Boob
3. Mr. Siddhartha Ashok Sikchi

Mr. Krishnakumar R. Boob (DIN: 00410672), Non-Executive Director, shall be liable to retire by rotation and being eligible, offers himself for re-appointment.

The provisions relating to the appointment Whole-time Key Managerial personnel do not apply to the Company.

8. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2023 and of the losses of the company for that period;

(iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors have prepared the annual accounts on a going concern basis;

(v) the directors have laid down internal financial controls which are adequate and operating effectively; and

(vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DECLARATION BY INDEPENDENT DIRECTORS:

The Company was not required to appoint an Independent Directors under Section 149 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, hence no declaration has been obtained.

10. PARTICULARS OF EMPLOYEES:

None of the employee have received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

11.DETAILS OF BOARD MEETINGS:

During the year 4 (Four) Board Meetings were convened and held. The intervening gap between the Meetings was not more than 120 days. The details of meetings are given below:

Sr. no.	Date of the meeting	No. of Directors attended the meeting
1.	28.05.2022	3
2.	27.07.2022	3
3.	19.10.2022	3
4.	01.02.2023	3

12. HOLDING/ SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have a subsidiary / associate Company. The Company is a wholly owned subsidiary of Clean Science and Technology Limited.

13. STATUTORY AUDITORS':

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and rules made thereunder, M/s. Sanjay S. Rathi & Co., Chartered Accountants, Sangamner (FRN: 109182W) were appointed as Statutory Auditors of the Company for a period of 5 (five) years as approved at the Annual General Meeting (AGM) held on 25th July 2022 and will complete their 5 years tenure on the conclusion of the Annual General Meeting to be held for the Financial Year 2026-27.

The Companies (Amendment) Act, 2017, has amended Section 139(1) of the Companies Act, 2013, effective from 7th May 2018, whereby first proviso to Section 139(1) has been omitted which provided for ratification of appointment of Auditors by members at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing Annual General Meeting. Pursuant to Section 139 of the Companies Act, 2013 and Rules made thereunder, the Statutory Auditors have confirmed that they are eligible to continue as Auditors. The notes to the Audited Financial Statements referred to in the Auditor's Report are self-explanatory and hence do not call for any further comments.

14. AUDITORS REPORT:

The report of the Statutory Auditors is enclosed and there are no adverse remarks, qualifications observations made and as such does not require any comments. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

15. MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF AUDIT REPORT:

There are no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate till the date of this report.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there were no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

17. DEPOSITS:

The Company has not invited/ accepted any deposits from the public during the year.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the period under review, the provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the financial year under review, Company has not entered into any Related Party Transaction. Hence, disclosure in form no. AOC-2 is not required.

20. DISCLOSURE UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and constituted Internal Complaints Committee. During the year no complaints were received by the Company.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHENGE EARNINGS AND OUTGO:

(A) CONSERVATION OF ENERGY: NIL

(B) TECHNOLOGY ABSORBTION: NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL

(D) RESEARCH AND DEVELOPMENT: NIL

22. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provision of the Section 135 of the Companies Act 2013 do not apply to the Company, hence Company is not required to make disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 during the year.

23. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amounts to Investor Education and Protection Fund (IEPF).

24. COMMITTEES OF BOARD

a. **Audit Committee**: The constitution of the Audit Committee does not apply to the Company.
b. **Vigil mechanism:** The Company has not accepted public deposits nor it has borrowed funds more than Rs. 50 crores therefore the establishment of Vigil Mechanism committee was not required.

c. **Nomination & Remuneration Committee:** The constitution of the Nomination & Remuneration Committee does not apply to the Company.

d. **Corporate Social Responsibility Committee (CSR Committee):** The Company is not required to constitute a CSR committee as the provisions of Section 135 do not apply to the Company.

e. **Stakeholders Relationship Committee:** The constitution of the Stakeholders Relationship Committee does not apply to the Company.

25. DISCLOSURE ABOUT COST RECORDS AND AUDIT:

Maintenance of cost records as specified by the Central Government under section 148 (1) of the Companies Act, 2013, is not applicable to the Company for FY 22-23.

26. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

As stated in the Auditors‘ Report, there are no frauds required to be reported under sub-section (12) of Section 143.

27. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with applicable Secretarial Standards.

28. APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPCTY CODE:

During the year no application was made or any proceeding were pending under Insolvency and Bankruptcy code.

29. DETAILS OF DIFFRENCE BETWEEN AMOUNT OF VALUATIONS:

During the year Company has not availed any loan facility from the Banks or financial institution and accordingly the question of difference between amount of valuation done at the time of one-time settlement and valuation done while taking loans from Banks or financial institutions did not arise.

30.ACKNOWLEDGEMENT

Your Board of Directors takes this opportunity to convey their gratitude and sincere thanks for the co-operation and assistance received from the all stakeholders including Government, Banks, Institutions, Authorities etc. The Board acknowledges your confidence and continued support and looks forward for the same in future as well.

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

Sd/-	**Sd/-**
Krishnakumar Ramnarayan Boob	**Siddhartha Ashok Sikchi**
Director	**Director**
DIN: 00410672	**DIN: 02351154**

Place: Pune
Date: 12th May 2023

M/s. Sanjay S. Rathi & Co.
Chartered Accountants
H.O.: Malpani Plaza, Block No. 105, First Floor, Omkarnath Malpani Marg, Sangamner 422 605, Dist. Ahmednagar
Branch : Flat No. 6, Shri Sadguru Nivas Sanstha, 2nd Floor, F.C.Road, Shivajinagar, Pune - 411016.
Ph.: 02425 - 225041, 227042 Email : caadityasrathi@gmail.com Website : www.ssrca.co.in

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CLEAN ORGANICS PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **CLEAN ORGANICS PRIVATE LIMITED**, which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the Loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statement and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

M/s. Sanjay S. Rathi & Co. Chartered Accountant FRN. 109182W

In connection with our audit of the financial statements, our responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the 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 in this Other Information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Director's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

M/s. Sanjay S. Rathi & Co. FRN: 109182W Chartered Accountant

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2.

   (A) As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   c. The standalone balance sheet, 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 dealt with by this Report are in agreement with the books of account

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

M/s. Sanjay S. Rathi & Co. FRN 109182W Chartered Accountant

e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

(B) 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, as amended 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d.

i. The Management has represented that ,to the best of its knowledge and belief as disclosed in notes to accounts, no fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person or entities including foreign entities (Intermediaries) with the understandings , whether recorded in writings or otherwise ,that the intermediary shall ,directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiary") or provide any guarantee security or the like to or on behalf of the ultimate beneficiaries.

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

iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement

e. No Dividend Is declared and paid during the year by the company.

M/s. Sanjay S. Rathi & Co. FRN 109182W Chartered Accountant

f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436
UDIN: 23042436BGVLEV9872

Place of Signature: Sangamner
Date: 12/05/2023

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure Referred to in our Independent auditors' Report paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of CLEAN ORGANICS PRIVATE LIMITED of even date

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) The company does not have Property, Plant and Equipment and Intangible Assets. Accordingly, the provisions of clause 3(i) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

(ii) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, Paragraph 3(iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with. Therefore Paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable and as amounts deducted / accrued in the books of account, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

M/s. Sanjay S. Rathi & Co. FRN: 108182W Chartered Accountant

(viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

(ix)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) The Company has not raised any short term loans and hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix) (e) of the Order is not applicable

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints, received during the year by the company;

(xii) Company is not a Nidhi Company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company:

(xiii) According to the information and explanations given to us, the company has not undertaken any transactions with related parties as mentioned in Section 177 and 188 of Companies Act, 2013, accordingly the provisions of clause 3(xiii) of the Order are not applicable to the company;

M/s. Sanjay S. Rathi & Co. FRN: 109182W Chartered Accountant

(xiv) In our opinion, the company has no internal audit system commensurate with the size and the nature of its business.

(xv) In our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.

(xvi)

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year also. The quantum of cash losses are given as under :

Particulars	FY 2022-23	FY 2021-22
Cash Losses	Loss of Rs. 38,357/-	Loss of Rs. 38,895/-

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436

Place of Signature: Sangamner
Date: 12/05/2023

UDIN: 23042436BGVLEV9872

Annexure B to the Independent Auditor's Report on the standalone financial statements of CLEAN ORGANICS PRIVATE LIMITED for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

We have audited the internal financial controls with reference to financial statements of **CLEAN ORGANICS PRIVATE LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

M/s. Sanjay S. Rathi & Co. FRN 109182W Chartered Accountant

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436

Place of Signature: Sangamner
Date: 12/05/2023

UDIN: 23042436BGVLEV9872

Clean Organics Private Limited (CIN : U24304PN2017PTC169475)

Standalone Balance Sheet
(All amounts are in rupees thousand,unless otherwise stated)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Current assets			
Financial assets			
(i) Cash and cash equivalents	3	32.08	76.34
Total current assets		**32.08**	**76.34**
Total assets		**32.08**	**76.34**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	200.00	200.00
Other equity	5	(189.92)	(151.56)
Total equity		**10.08**	**48.44**
Liabilities			
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		22.00	27.90
Total current liabilities		**22.00**	**27.90**
Total liabilities		**22.00**	**27.90**
Total equity and liabilities		**32.08**	**76.34**

Significant accounting policies 2
The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For M/s Sanjay S Rathi & Co.
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023
UDIN: 23042436BGVLEV9872

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Organics Private Limited (CIN : U24304PN2017PTC169475)

Standalone Statement of Profit and Loss
(All amounts are in rupees thousand,unless otherwise stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
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	38.36	38.89
Total expenses		**38.36**	**38.89**
Profit / (Loss) before tax		**(38.36)**	**(38.89)**
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) for the year (A)		**(38.36)**	**(38.89)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability / (asset)		-	-
(ii) Income tax relating to remeasurements of defined benefit liability / (asset)		-	-
(iii) Equity instruments designated through other comprehensive income		-	-
(iv) Income tax related to equity instruments designated through other comprehensive income		-	-
Other comprehensive income / (loss) for the year (B)		-	-
Total comprehensive income / (loss) for the year (A+B)		**(38.36)**	**(38.89)**
Earnings per equity share			
[nominal value of Rs. 10]			
Basic	8	(1.92)	(1.94)
Diluted		(1.92)	(1.94)

Significant accounting policies	2		

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

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023

UDIN: 23042436BGVLEV9872

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12 /05 /2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12 /05 /2023

Clean Organics Private Limited (CIN : U24304PN2017PTC169475)

Standalone Statement of Cash Flows
(All amounts are in rupees thousand,unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
A. Cash flow from operating activities		
Net profit / (loss) before taxation	(38.36)	(38.89)
Operating profit before working capital changes	(38.36)	(38.89)
Movement in working capital:		
Increase in trade payables	(5.90)	2.90
(Decrease) in other current financial liabilities	-	-
Cash generated from operations	(44.26)	(35.99)
Net income tax (paid)	-	-
Net cash flow generated from operating activities (A)	(44.26)	(35.99)
B. Cash flow from investing activities	-	
Net cash flow (used in) investing activities (B)	-	-
C. Cash flow from financing activities		
Equity shares issued	-	-
Net cash flow (used in)/from financing activities (C)	-	-
Net (decrease) in Cash and cash equivalents (A+B+C)	**(44.26)**	**(35.99)**
Cash and cash equivalents at the beginning of the period	76.34	112.33
Cash and cash equivalents at the end of the period	**32.08**	**76.34**
Notes:-		
Cash on hand	-	-
Balances with bank		
- Current accounts	32.08	76.34
	32.08	**76.34**

Significant accounting policies Note 2
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co.
FRN. 109182W
Chartered Accountant

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023
UDIN: 23042436BGVLEV9872

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Organics Private Limited (CIN : U24304PN2017PTC169475)
Standalone Statement of Changes in Equity
(All amounts are in rupees thousand.unless otherwise stated)

(a) Equity share capital

	As at March 31, 2023		As at March 31, 2022	
Equity share of Rs 10 each issues, subscribed and fully paid	Number of shares	Number of shares	Number of shares	Number of shares
Balance at the beginning of the reporting year	20,000.00	200.00	20,000.00	200.00
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting year	20,000.00	200.00	20,000.00	200.00
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period/year	**20,000.00**	**200.00**	**20,000.00**	**200.00**

(b) Other equity

Particulars	Reserves and surplus
	Deficit of profit and loss account
Balance at 1 April 2021	(112.67)
Total comprehensive income for the period/year ended 31 March 2020	
Profit/(Loss) for the year	(38.89)
Balance at 31 March 2022	**(151.56)**
Balance at 1 April 2022	(151.56)
Total comprehensive income for the period/year ended 31 December 2020	
Profit/(Loss) for the year	(38.36)
Balance at 31 March 2023	**(189.92)**

Significant accounting policies *Note 2*
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

CA Sanjay S Rathi
Partner
Membership No. 42436

Place . Sangamner
Date : 12/05/2023

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

3 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balance with banks		
In current accounts	32.08	76.34
	32.08	**76.34**

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountants

(All amounts are in rupees thousand,unless otherwise stated)

4 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised :		
1,00,000 (31 March 2021 : 1,00,000) equity shares of Rs.10 each.	1,000.00	1,000.00
TOTAL	**1,000.00**	**1,000.00**
Issued and subscribed and paid up :		
20,000 (31 March 2021 : 20,000) equity shares of Rs.10 each.	200.00	200.00
TOTAL	**200.00**	**200.00**

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

Equity share :	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	20,000.00	20,000.00
Equity shares issued during the year in consideration for cash	-	-
Outstanding at the end of the year	**20,000.00**	**20,000.00**

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 March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')	20,000	100%	20,000	100%

5 Other equity

	As at March 31, 2023	As at March 31, 2022
Surplus of profit and loss account		
Balance as at the beginning of the year	**(151.56)**	(112.67)
Add : Profit / (Loss) for the year	(38.36)	(38.89)
Balance as at the end of the year	**(189.92)**	**(151.56)**
	(189.92)	(151.56)

M/s. Sanjay S. Rathi & Co. • FRN. 109182W • Chartered Accountants •

(All amounts are in rupees thousand,unless otherwise stated)

6 Trade payables

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (Refer note 9)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	22.00	27.90
	22.00	**27.90**

Trade Payable Ageing Schedule

As at 31 March 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment				(Amount in Rs.)
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding for MSME due	-	-	-	-	-	-
Total outstanding for other than MSME due	22.00	-	-	-	-	**22.00**

As at 31 March 2022

Particulars	Current but not due	Outstanding for following periods from the due				(Amount in Rs.)
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding for MSME due	-	-	-	-	-	-
Total outstanding for other than MSME due	27.90	-	-	-	-	**27.90**

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

Clean Organics Private Limited (CIN : U24304PN2017PTC169475)
Notes to Standalone Financial Statements
(All amounts are in rupees thousand,unless otherwise stated)

7 Other expenses	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit fees	17.70	17.88
Bank charges	0.01	0.00
Consultancy fees	20.65	21.01
	38.36	**38.89**

Payment to auditors		
As auditor		
Statutory audit fees	17.70	17.88
	17.70	**17.88**

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 100182W

(All amounts are in rupees thousand,unless otherwise stated)

8 Earnings per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profits attributable to equity shareholders		
Profit for the year	(38,357)	(38,895)
Basic earnings per share		
Weighted average number of equity shares outstanding during the year	20,000	20,000
Basic EPS (Rs.)	(1.92)	(1.94)
Diluted earnings per share		
Profit for the year	(38,357)	(38,895)
Weighted average number of equity shares outstanding during the year for diluted EPS	20,000	20,000
Diluted EPS (Rs.)	(1.92)	(1.94)

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

Particulars	As at March 31, 2023	As at March 31, 2022
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
3. Clean Fino-Chem Limited

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

(b) Transactions during the year: Nil

(c) Balances outstanding at the end of the year: Nil

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

Clean Organics Private limited (CIN : U24304PN2017PTC169475)
Notes to the Standalone Financial Statements (continued)
(All amounts are in rupees million, unless otherwise stated)

11 Ratio Analysis and its element

Ratio	Numerator	Demoninator	As at March 31, 2023	As at March 31, 2022	% Change	Remarks
Current Ratio	Current Assets	Current Liabulities	1.46	2.74	-47%	Due to reduction in cash and cash equivalent during the current year.
Debt-Equity Ratio	Total Debt	Shareholders Equity	-	-	-	
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	-	-	
Return on Equity Ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-131.09%	-45.60%	187%	Due to increase in losses in current year
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	-	-	-	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	-	-	-	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases purchase return	Average Trade Payables	-	-	-	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-	-	-	
Net Profit Ratio (%)	Net Profit After Tax	Net sales = Total sales - sales return	-	-	-	
Return on Capital Employed (%)	Earnings before interest, taxes and dividend income	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-380%	-80%	374%	Due to increase in losses in current year
Return on Investment (%)	Interest (Finance Income)	Investment	-	-	-	

M/s. Sanjay S. Rathi & Co.
FRN. 109182W
Chartered Accountant

(All amounts are in rupees thousand,unless otherwise stated)

12 Financial instruments

12.1 Financial instruments by category

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

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Amortised cost**	**Total carrying value**	**Amortised cost**	**Total carrying value**
Category	Level 2		Level 2	
Assets				
Cash and cash equivalents	32.08	32.08	76.34	76.34
Total assets	**32.08**	**32.08**	**76.34**	**76.34**
Liabilities				
Trade payables	22.00	22.00	27.90	27.90
Total liabilities	**22.00**	**22.00**	**27.90**	**27.90**

12.2 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.

12.3 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.
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 March 31, 2023**	**As at March 31, 2022**
Total current assets (A)	32.08	76.34
Total current liabilities (B)	22.00	27.90
Working capital (A-B)	**10.08**	**48.44**

The following are the remaining contractual maturities of financial liabilities as on March 31, 2023.

Particulars	**Less than one year**	**More than one year**	**Total**
Trade payables	22.00	-	22.00

The following are the remaining contractual maturities of financial liabilities as on March 31, 2022.

Particulars	**Less than one year**	**More than one year**	**Total**
Trade payables	27.90	-	27.90

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountants

Clean Organics Private Limited (CIN : U24304PN2017PTC169475)
Notes to Standalone Financial Statements
(All amounts are in rupees thousand,unless otherwise stated)

13 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 March 31, 2023 and March 31, 2022.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Total liabilities	22.00	27.90
Less: cash and cash equivalents and bank balances	(32.08)	(76.34)
Net debt	**(10.08)**	**(48.44)**
Total equity	10.08	48.44
Debt-equity ratio	-	-

14 Other Statutory Information

a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

b) The Company do not have any transactions with companies struck off.

c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) 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

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

g) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

As per our report of even date attached

For M/s Sanjay S Rathi & Co.
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
Membership No. 42436
Place : Sangamner
Date : 12/05/2023

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

Krishnakumar Booh
Director
DIN : 00410672
Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154
Place : Pune
Date : 12/05/2023

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 March 31, 2023 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 March 31, 2023 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.

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 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.

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.

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

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 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.

- 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. All financial assets are recognised initially at fair value plus except for trade receivables which are initially measured at transaction price, 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 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.

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 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.

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.

CLEAN SCIENCE PRIVATE LIMITED
Registered Office Address: Shubham, Tulshi Market, New Nagar Road, Sangamner, Ahmednagar- 422605
CIN: U74900PN2013PTC149834
Email - compliance@cleanscience.co.in

BOARD'S REPORT

To,
The Members of
M/s CLEAN SCIENCE PRIVATE LIMITED

Your Directors are pleased to present the 10th Annual Report and the Audited Financial Statements of the Company for the year ended 31st March 2023.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY:

The financial summary of the Company is given below:

(Amount in Rs.)

Particulars	Financial Year ended Standalone	
	31/03/2023	31/03/2022
Total Income	3,22,839	3,45,712
Less: Total Expenses	40,749	65,249
Profit / (Loss) before Tax	2,82,090	2,80,463
Less: Tax Expense	81,253	86,443
Profit/(Loss) after Tax	2,00,837	1,94,020

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE OUTLOOK:

During the year under review the Total Income was Rs.3,22,839/- and Profit after Tax was Rs.2,00,837/- Your directors are hopeful of bright future in the years to come.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the financial year under review there was no change in the nature of Company's business.

4. DIVIDEND:

Your directors do not recommend any dividend for the financial year.

5. RESERVES:

The Board of Directors do not propose to transfer any amount to general reserves.

6. CAPITAL STRUCTURE:

The Authorized Share Capital of the company is Rs.2,00,00,000/- divided into 20,00,000 Equity Shares of Rs.10/- each. The Paid-up Share Capital of the Company is Rs. 98,15,000/- divided into 9,81,500 Equity Shares of Rs.10/- each.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The present Directors of the Company are:

1. Mr. Ashok Ramnarayan Boob
2. Mr. Krishnakumar Ramnarayan Boob
3. Mr. Siddhartha Ashok Sikchi

Mr. Krishnakumar R. Boob (DIN: 00410672), Non-Executive Director, is liable to retire by rotation and being eligible, offers himself for re-appointment.

During the year the provisions relating to the appointment Whole-time Key Managerial Personnel do not apply to the Company.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2023 the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2023 and of the losses of the company for that period;

(iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors have prepared the annual accounts on a going concern basis;

(v) the directors have laid down internal financial controls which are adequate and operating effectively; and

(vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DECLARATION BY INDEPENDENT DIRECTORS:

The Company was not required to appoint an Independent Directors under Section 149 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, hence no declaration has been obtained.

10. PARTICULARS OF EMPLOYEES

None of the employee have received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

11. DETAILS OF BOARD MEETINGS

During the year 4 (Four) Board Meetings were convened and held. The intervening gap between the meetings was not more than 120 days. The details of meetings are given below:

Sr. no.	Date of the meeting	No. of Directors attended the meeting
1.	28.05.2022	3
2.	27.07.2022	3
3.	19.10.2022	3
4.	01.02.2023	3

12.HOLDING/ SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have a subsidiary / associate Company. The Company is a Wholly Owned Subsidiary of Clean Science and Technology Limited.

13. STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and rules made thereunder, M/s. Sanjay S. Rathi & Co., Chartered Accountants, Sangamner (FRN: 109182W) were appointed as Statutory Auditors of the Company for a period of 5 (five) years as approved at the Annual General Meeting (AGM) held on 25th July 2022 and will complete their 5 years tenure on the conclusion of the Annual General Meeting to be held for the Financial Year 2026-27.

The Companies (Amendment) Act, 2017, has amended Section 139(1) of the Companies Act, 2013, effective from 7th May 2018, whereby first proviso to Section 139(1) has been omitted which provided for ratification of appointment of Auditors by members at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing Annual General Meeting. Pursuant to Section 139 of the Companies Act, 2013 and Rules made thereunder, the Statutory Auditors have confirmed that they are eligible to continue as Auditors. The notes to the Audited Financial Statements referred to in the Auditor’s Report are self-explanatory and hence do not call for any further comments.

14. AUDITORS’ REPORT

The report of the Statutory Auditors is enclosed and there are no adverse remarks, qualifications observations made as such and does not require any comments. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

15. MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF AUDIT REPORT:

There are no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate till the date of this report.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there were no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

17. DEPOSITS:

The Company has not invited/ accepted any deposits from the public during the year.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the period under review, the provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

19.PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the financial year under review, Company has not entered into any Related Party Transaction. Hence, disclosure in form no. AOC-2 is not required.

20.DISCLOSURE UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and constituted Internal Complaints Committee. During the year no complaints were received by the Company.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY: NIL

(B) TECHNOLOGY ABSORBTION: NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL

(D) RESEARCH AND DEVELOPMENT: NIL

22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provision of the Section 135 of the Companies Act 2013 do not apply to the Company, hence Company is not required to make disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 during the year.

23. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

The Company was not required to transfer any amounts to Investor Education and Protection Fund (IEPF)
.

24. COMMITTEES OF BOARD

a. **Audit Committee**: The constitution of the Audit Committee do not apply to the Company.

b. **Vigil mechanism:** The Company has not accepted public deposits nor it has borrowed funds more than Rs. 50 crores therefore the establishment of Vigil Mechanism committee was not required.

c. **Nomination & Remuneration Committee:** The constitution of the Nomination & Remuneration Committee does not apply to the Company.

d. **Corporate Social Responsibility Committee (CSR Committee):** The Company is not required to constitute a CSR committee as the provisions of Section 135 do not apply to the Company.

e. **Stakeholders Relationship Committee:** The constitution of the Stakeholders Relationship Committee does not apply to the Company.

25. DISCLOSURE ABOUT COST RECORDS AND AUDIT:

Maintenance of cost records as specified by the Central Government under section 148 (1) of the Companies Act, 2013, is not applicable to the Company for FY 22-23.

26. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS:

As stated in the Auditors' Report, there are no frauds required to be reported under sub-section (12) of Section 143.

27.COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the Company has complied with applicable Secretarial Standards.

28.APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPCTY CODE:

During the year no application was made or any proceeding were pending under Insolvency and Bankruptcy code.

29.DETAILS OF DIFFRENCE BETWEEN AMOUNT OF VALUATIONS:

During the year Company has not availed any loan facility from the Banks or financial institution and accordingly the question of difference between amount of valuation done at the time of one-time settlement and valuation done while taking loans from Banks or financial institutions did not arise.

30.ACKNOWLEDGEMENT:

Your Board of Directors takes this opportunity to convey their gratitude and sincere thanks for the co-operation and assistance received from the all stakeholders including Government, Banks, Institutions, Authorities etc. The Board acknowledges your confidence and continued support and looks forward for the same in future as well.

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

Sd/-	**Sd/-**
Krishnakumar Ramnarayan Boob	**Siddhartha Ashok Sikchi**
Director	**Director**
DIN: 00410672	**DIN: 02351154**

Place: Pune
Date: 12th May 2023

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CLEAN SCIENCE PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **CLEAN SCIENCE PRIVATE LIMITED**, which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statement and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

M/s. Sanjay S. Rathi & Co. Chartered Accountant FRN. 109182W

In connection with our audit of the financial statements, our responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the 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 in this Other Information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Director's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2.
   (A) As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   c. The standalone balance sheet, 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 dealt with by this Report are in agreement with the books of account

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

M/s. Sanjay S. Rathi & Co. FRN 109182W Chartered Accountant

e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(B) 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, as amended 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d.

i. The Management has represented that ,to the best of its knowledge and belief as disclosed in notes to accounts, no fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person or entities including foreign entities (Intermediaries) with the understandings , whether recorded in writings or otherwise ,that the intermediary shall ,directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiary") or provide any guarantee security or the like to or on behalf of the ultimate beneficiaries.

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

iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement

e. No Dividend Is declared and paid during the year by the company.

M/s. Sanjay S. Rathi & Co. FRN 109182W Chartered Accountant

f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co.
FRN. 109182W
Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436
UDIN: 23042436BGVLEW6404

Place of Signature: Sangamner
Date: 12/05/2023

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure Referred to in our Independent auditors' Report paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of CLEAN SCIENCE PRIVATE LIMITED of even date

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) The company does not have Property, Plant and Equipment and Intangible Assets. Accordingly, the provisions of clause 3(i) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

(ii) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, Paragraph 3(iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with. Therefore Paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable and as amounts deducted / accrued in the books of account, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

M/s. Sanjay S. Rathi & Co.
FRN: 109182W
Chartered Accountant

(viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

(ix)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) The Company has not raised any short term loans and hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix) (e) of the Order is not applicable

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints, received during the year by the company;

(xii) Company is not a Nidhi Company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company:

(xiii) According to the information and explanations given to us, the company has not undertaken any transactions with related parties as mentioned in Section 177 and 188 of Companies Act, 2013, accordingly the provisions of clause 3(xiii) of the Order are not applicable to the company;

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

(xiv) In our opinion, the company has no internal audit system commensurate with the size and the nature of its business.

(xv) In our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.

(xvi)

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436

Place of Signature: Sangamner
Date: 12/05/2023

UDIN: 23042436BGVLEW6404

Annexure B to the Independent Auditor's Report on the standalone financial statements of CLEAN SCIENCE PRIVATE LIMITED for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

We have audited the internal financial controls with reference to financial statements of **CLEAN SCIENCE PRIVATE LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

M/s. Sanjay S. Rathi & Co. • Chartered Accountants • FRN 109182W

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436

Place of Signature: Sangamner
Date: 12/05/2023

UDIN: 23042436BGVLEW6404

Clean Science Private Limited (CIN : U74900PN2013PTC149834)

Standalone Balance Sheet
(All amounts are in rupees thousand,unless otherwise stated)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Current assets			
Financial assets			
(i) Investments	3	7,083.92	6,761.08
(ii) Cash and cash equivalents	4	70.12	115.02
Total current assets		**7,154.04**	**6,876.10**
Total assets		**7,154.04**	**6,876.10**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	9,815.00	9,815.00
Other equity	6	(2,905.42)	(3,106.26)
Total equity		**6,909.58**	**6,708.74**
Liabilities			
Non-current liabilities			
Deferred tax liabilities (Net)	7	222.46	141.21
Total non-current liabilities		**222.46**	**141.21**
Current liabilities			
Financial liabilities			
(i) Trade payables	8		
a) total outstanding dues of micro enterprises and small enterprises		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		22.00	26.15
Total current liabilities		**22.00**	**26.15**
Total liabilities		**244.46**	**167.36**
Total equity and liabilities		**7,154.04**	**6,876.10**

Significant accounting policies 2
The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023

UDIN: 23042436BGVLEW6404

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Science Private Limited (CIN : U74900PN2013PTC149834)

Standalone Statement of Profit and Loss
(All amounts are in rupees thousand,unless otherwise stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations		-	-
Other income	9	322.84	345.71
Total income		**322.84**	**345.71**
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	10	40.75	65.25
Total expenses		**40.75**	**65.25**
Profit / (Loss) before tax		**282.09**	**280.46**
Tax expense:			
Current tax		-	-
Deferred tax		**81.25**	**86.44**
Profit / (Loss) for the year (A)		**200.84**	**194.02**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability / (asset)		-	-
(ii) Income tax relating to remeasurements of defined benefit liability / (asset)		-	-
(iii) Equity instruments designated through other comprehensive income		-	-
(iv) Income tax related to equity instruments designated through other comprehensive income		-	-
Other comprehensive income / (loss) for the year (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**200.84**	**194.02**
Earnings per equity share			
[nominal value of Rs. 10]			
Basic	11	0.20	0.20
Diluted		0.20	0.20

Significant accounting policies — 2

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

As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

CA Sanjay S Rathi
Partner
Membership No. 42436

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

Place : Sangamner
Date : 12/05/2023

UDIN: 23042436BGVLEW6404

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

Krishnakumar Boob
Director
DIN : 00410672
Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154
Place : Pune
Date : 12/05/2023

Clean Science Private Limited (CIN : U74900PN2013PTC149834)

Standalone Statement of Cash Flows
(All amounts are in rupees thousand,unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Net profit / (loss) before taxation	**282.09**	**280.46**
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	(322.84)	(343.47)
Operating profit before working capital changes	**(40.75)**	**(63.01)**
Movement in working capital:		
Decrease in other current financial assets	-	117.44
Increase / (Decrease) in trade payables	(4.15)	1.15
(Decrease) in other current financial liabilities	-	-
Cash generated from operations	**(44.90)**	**55.58**
Net income tax (paid)	-	-
Net cash flow generated from operating activities (A)	**(44.90)**	**55.58**
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)/from financing activities (C)	-	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**(44.90)**	**55.58**
Cash and cash equivalents at the beginning of the period	115.02	59.44
Cash and cash equivalents at the end of the period	**70.12**	**115.02**
Notes:-		
Cash on hand	-	-
Balances with bank		
- Current accounts	70.12	115.02
	70.12	**115.02**

Significant accounting policies — *Note 2*
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For **M/s Sanjay Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. • FRN. 109182W • Chartered Accountant •

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023

UDIN: 23042436BGVLEW6404

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Science Private Limited (CIN : U74900PN2013PTC149834)
Standalone Statement of Changes in Equity
(All amounts are in rupees thousand,unless otherwise stated)

(a) Equity share capital

Equity share of Rs 10 each issues, subscribed and fully paid	As at March 31, 2022 Number of shares	As at March 31, 2022 Amount	As at March 31, 2021 Number of shares	As at March 31, 2021 Amount
Balance at the beginning of the reporting year	9,81,500	9,815	9,81,500	9,815
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting year	9,81,500	9,815	9,81,500	9,815
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period/year	**9,81,500**	**9,815**	**9,81,500**	**9,815**

(b) Other equity

Particulars	Reserves and surplus Surplus / (Deficit) of profit and loss account
Balance at 1 April 2021	**(3,300.28)**
Profit/(Loss) for the year	194.02
Balance at 31 March 2022	**(3,106.26)**
Balance at 1 April 2022	**(3,106.26)**
Profit/(Loss) for the year	200.84
Balance at 31 March 2023	**(2,905.42)**

Significant accounting policies *Note 2*
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date : 12/05/2023

M/s. Sanjay S. Rathi & Co. • FRN. 109182W • Chartered Accountant

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

(All amounts are in rupees thousand,unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
	Investments		
3	**A. Investments carried at fair value through profit & loss (FVTPL)**		
	Investment in mutual funds - Quoted 1,24,556 (31 March 2022: 1,24,556) units of Kotak Banking and PSU Debt Fund Direct Growth	7,083.92	6,761.08
		7,083.92	**6,761.08**

4	**Cash and cash equivalents**		
	Cash on hand		
	Balance with banks		
	In current accounts	70.12	115.02
	On deposit accounts (with original maturity of 3 months or less)		
		70.12	**115.02**

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

(All amounts are in rupees thousand,unless otherwise stated)

5 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised :		
2,000,000 (31 March 2020 : 2,000,000) equity shares of Rs.10 each.	20,000.00	20,000.00
TOTAL	**20,000.00**	**20,000.00**
Issued and subscribed and paid up :		
981,500 (31 March 2020 : 981,500) equity shares of Rs.10 each fully paid-up	9,815.00	9,815.00
TOTAL	**9,815.00**	**9,815.00**

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

Equity share :	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	9,81,500.00	9,81,500.00
Equity shares issued during the year in consideration for cash	-	
Outstanding at the end of the year	**9,81,500.00**	**9,81,500.00**

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 March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Clean Science and Technology Limited	9,81,500	100%	9,81,500	100%

	As at March 31, 2023	As at March 31, 2022
6 Other equity		
Surplus of profit and loss account		
Balance as at the beginning of the period/year	(3,106.26)	(3,300.28)
Add : Profit / (Loss) for the year	200.84	194.02
Balance as at the end of the year	**(2,905.42)**	**(3,106.26)**
	(2,905.42)	**(3,106.26)**

M/s. Sanjay S. Rathi & Co. • FRN. 109182W • Chartered Accountant •

(All amounts are in rupees thousand,unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
7 Deferred tax		
Deferred tax liabilities (DTL)		
Mutual funds designated at fair value through profit and loss	222.46	141.21
	222.46	**141.21**

Movement in temporary differences:

	April 01, 2022	Recognised in profit or loss during the year	Recognised in OCI during the year	March 31, 2023
Deferred tax liabilities (DTL)				
Mutual funds designated at fair value through profit and loss	141.21	81.25	-	222.46
	141.21	**81.25**	**-**	**222.46**

	April 01, 2021	Recognised in profit or loss during the year	Recognised in OCI during the year	March 31, 2022
Deferred tax liabilities (DTL)				
Mutual funds designated at fair value through profit and loss	54.77	86.44	-	**142.21**
	54.77	**86.44**	**-**	**142.21**

8 Trade payables

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (Refer note 12)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	22.00	26.15
	22.00	**26.15**

Trade Payable Ageing Schedule

As at 31 March 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment				(Amount in Rs.)
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding for MSME due	-	-	-	-	-	-
Total outstanding for other than MSME due	22.00	-	-	-	-	22.00

As at 31 March 2022

Particulars	Current but not due	Outstanding for following periods from the due date of payment				(Amount in Rs.)
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding for MSME due	-	-	-	-	-	-
Total outstanding for other than MSME due	26.15	-	-	-	-	26.15

M/s. Sanjay S. Rathi & Co. • FRN. 100182W • Chartered Accountant

Clean Science Private Limited (CIN : U74900PN2013PTC149834)
Notes to Standalone Financial Statements
(All amounts are in rupees thousand,unless otherwise stated)

9 Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	322.84	343.47
Interest on IT Refund	-	2.25
	322.84	**345.71**

10 Other expenses

Payment to auditors	17.70	17.88
Bank charges	0.65	0.65
Consultancy fees	22.40	19.26
Other Expenses	-	27.46
	40.75	**65.25**

Payment to auditors		
As auditor		
Statutory audit fees	17.70	17.88
	17.70	**17.88**

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

(All amounts are in rupees thousand,unless otherwise stated)

11 Earnings per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profits attributable to equity shareholders		
Profit for basic earning per share of Rs. 10 each		
Profit for the year	200.84	194.02
Basic earnings per share		
Weighted average number of equity shares outstanding during the year	9,81,500.00	9,81,500.00
Basic EPS (Rs.)	**0.20**	**0.20**
Diluted earnings per share		
Profit for the year	200.84	194.02
Weighted average number of equity shares outstanding during the year for diluted EPS	9,81,500.00	9,81,500.00
Diluted EPS (Rs.)	**0.20**	**0.20**

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
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.	-	-

13 Related party disclosures

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

Holding company
Clean Science and Technology Limited

Fellow subsidiaries
1. Clean Aromatics Private Limited
2. Clean Organics Private Limited
3. Clean Fino-Chem Limited

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

(b) Related party transactions during the year : nil

(c) Balances outstanding at the end of the year: nil

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

(All amounts are in rupees million, unless otherwise stated)

14 Ratio Analysis and its element

Ratio	Numerator	Demoninator	As at March 31, 2023	As at March 31, 2022	% Change	Remarks
Current Ratio	Current Assets	Current Liabulities	325.18	262.95	24%	
Debt-Equity Ratio	Total Debt	Shareholders Equity	-	-	-	
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	-	-	
Return on Equity Ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	2.95%	2.96%	0%	Due to increase in fair value gain on investments designated through fair value through profit and loss (FVTPL)
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	-	-	-	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	-	-	-	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	-	-	-	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-	-	-	
Net Profit Ratio (%)	Net Profit After Tax	Net sales = Total sales - sales return	-	-	-	
Return on Capital Employed (%)	Earnings before interest, taxes and dividend income	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	3.96%	4.09%	-3%	Due to increase in fair value gain on investments designated through fair value through profit and loss (FVTPL)
Return on Investment (%)	Interest (Finance Income)	Investment	5%	10.2%	-54%	

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

(All amounts are in rupees thousand,unless otherwise stated)

15 Financial Instruments

15.1 Financial instruments by category

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

	As at March 31, 2023			As at March 31, 2022		
Particulars	FVTPL	Amortised cost	Total carrying value	FVTPL	Amortised cost	Total carrying value
Category		Level 2			Level 2	
Assets						
Investment in Mutual Fund	7,083.92	-	7,083.92	6,761.08	-	6,761.08
Cash and cash equivalents	-	70.12	70.12	-	115.02	115.02
Total assets	**7,083.92**	**70.12**	**7,154.04**	**6,761.08**	**115.02**	**6,876.10**
Liabilities						
Trade payables	-	22.00	22.00	-	26.15	26.15
Total liabilities	**-**	**22.00**	**22.00**	**-**	**26.15**	**26.15**

15.2 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.

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.
   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	For the year ended March 31, 2023	For the year ended March 31, 2022
Total current assets (A)	7,154.04	6,876.10
Total current liabilities (B)	22.00	26.15
Working capital (A-B)	**7,132.04**	**6,849.95**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2023

Particulars	Less than one year	More than one year	Total
Trade payables	22.00	-	22.00

The following are the remaining contractual maturities of financial liabilities as on 31 March 2022.

Particulars	Less than one year	More than one year	Total
Trade payables	26.15	-	26.15

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

Clean Science Private Limited (CIN : U74900PN2013PTC149834)
Notes to Standalone Financial Statements
(All amounts are in rupees thousand,unless otherwise stated)

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 period ended 31 March 2023 and 31 March 2022.

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

Particulars	As at **March 31, 2023**	As at **March 31, 2022**
Total liabilities	22.00	26.15
Less: cash and cash equivalents and bank balances	(70.12)	(115.02)
Net debt	**(48.12)**	**(88.87)**
Total equity	9,815.00	9,815.00
Debt-equity ratio	-	-

17 Other Statutory Information

a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
b) The Company do not have any transactions with companies struck off.
c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Uitimate Beneficiaries) or
ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
i) 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
ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

g) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

As per our report of even date attached
For **M/s Sanjay S Rathi & Co.**
Chartered Accountants
Firm registration no. 109182W

CA Sanjay S Rathi
Partner
Membership No. 42436

Place : Sangamner
Date: 12/05/2023

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

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

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Science Private Limited
Notes to Standalone Financial Statements for the year ended 31 March, 2023

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 March 31,2023 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 March 31, 2023 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.

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 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.

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.

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

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 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.

- 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. All financial assets are recognised initially at fair value plus except for trade receivables which are initially measured at transaction price, 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 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.

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 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.

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.

CLEAN FINO-CHEM LIMITED
Registered Office: Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapasar, Pune, Maharashtra, 411013
CIN: U24290PN2022PLC209532
E-mail – compliance@cleanscience.co.in

BOARD'S REPORT

To,
The Members,

The Directors are pleased to present their first report on the business and operations of your Company along with the Audited Financial Statements for the year ended 31st March, 2023 from the date of its incorporation.

1. FINANCIAL HIGHLIGHTS:

(in Rs. million)

Particulars	**From 22nd March 2022 to 31st March 2023**
Revenue from Operations	--
Other Income	28.29
Total Revenue	**28.29**
Profit/Loss Before interest, tax, depreciation and amortization.	(95.28)
Finance Cost	0.42
Depreciation	2.66
Profit /Loss before tax	(98.35)
Tax	(14.87)
Net Profit/(Loss)	(83.48)

2. BUSINESS REVIEW

The Company was incorporated on 22nd March, 2022 as a Wholly Owned Subsidiary of Clean Science and Technology Limited ("CSTL") to manufacture specialty chemicals including HALS series with an initial capital of Rs.1 million. Subsequently, the Company purchased land admeasuring 32.78 acres at MIDC, Plot No. D-2, Kurkumbh, Taluka Daund, District Pune for establishing the manufacturing facility. The Company engaged reputed third-party consultants for project design and engineering for setting up the factory and has commenced procuring necessary plant, machinery and equipment's.

During the year, the Company raised further equity of Rs.120 million from its parent Company CSTL to meet its fund requirements for setting up the facility. The Company sought approvals from various Central, State, Local, Pollution Control authority and other regulatory bodies and has made applications in respect of others which are expected to be received soon. The progress of the project is satisfactory.

The Company has been utilizing the funds received from the parent Company judiciously for establishing the manufacturing facility and invested unutilized funds out of which the Company earned other Income of Rs.28.29 million for the year ended 31st March 2023.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There is no Change in the nature of business activity during the Financial Year.

4. DIVIDEND:

The directors do not recommend any dividend for the financial year.

5. RESERVES:

The Board of Directors do not propose to transfer any amount to general reserves.

6. CAPITAL STRUCTURE

The Authorised Share Capital of the Company as on 31st March, 2023 was Rs. 10,00,00,000 (Rupees Ten Crores Only) divided into 1,00,00,000 Equity Shares of Rs. 10 (Rupees Ten) each.

During the period under review:

(a) The Company allotted 4,471,545 Equity shares of Rs. 10/- each to CSTL on 29th March, 2022 by way of rights issue at a premium of Rs.113/- per share.

(b) Further the Company allotted 14,06,927 Equity shares of Rs. 10/- each to CSTL on 30th September, 2022 by way of rights issue at premium of Rs.452/- per share.

As a result, the issued, subscribed and paid-up equity share capital of the Company increased to Rs.5,97,84,720 (Rupees Five Crores Ninty-Seven Lakhs Eighty-Four Thousand Seven Hundred and Twenty Only) divided into 59,78,472 Equity Shares of Rs.10/- each.

There were no bonus issue or preferential issue etc. during the year under review. Also, the Company has not issued shares with differential voting rights or sweat equity shares.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The first and present Directors of the Company nominated by Clean Science and Technology Limited are:

1. Mr. Ashok Ramnarayan Boob
2. Mr. Krishnakumar Ramnarayan Boob
3. Mr. Siddhartha Ashok Sikchi

Mr. Ashok Ramnarayan Boob (DIN: 00410740), Non-Executive Director, shall be liable to retire by rotation and being eligible, offers himself for re-appointment.

The provisions relating to the appointment of Whole-time Key Managerial personnel do not apply to the Company.

8. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2023 and of the losses of the company for that period;

(iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors have prepared the annual accounts on a going concern basis;

(v) the directors have laid down internal financial controls which are adequate and operating effectively; and

(vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DECLARATION BY INDEPENDENT DIRECTORS:

The Company was not required to appoint an Independent Directors under Section 149 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, hence no declaration was required to be obtained.

10. PARTICULARS OF EMPLOYEES:

The Company has 9 employees as on 31st March, 2023. None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

11. DETAILS OF BOARD MEETINGS:

Since incorporation 12 (Twelve) Board Meetings were held by the Company and the intervening gap between the meetings was not more than 120 days. The details of meetings are given below:

Sr. No.	Date of the meeting	No. of Directors attended the meeting
1.	23/03/2022	3
2.	25/03/2022	3
3.	29/03/2022	3
4.	18/04/2022	3
5.	28/05/2022	3
6.	27/07/2022	3
7.	20/09/2022	3
8.	30/09/2022	3
9.	19/10/2022	3
10.	08/12/2022	3
11.	01/02/2023	3
12.	27/02/2023	3

12. HOLDING/ SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have a subsidiary / associate Company. The Company is a wholly owned subsidiary of CSTL.

13. STATUTORY AUDITORS:

The Board of Directors appointed M/s Sanjay S. Rathi & Co., Chartered Accountants, Sangamner (FRN: 109182W) as the first auditors of the Company who holds office upto the date of the conclusion of First Annual General Meeting.

In terms of the provisions of Section 139 of the Companies Act, 2013, and rules made thereunder, the Board of Directors at its meeting held on 12th May, 2023 proposed the appointment of M/s Sanjay S. Rathi & Co., Chartered Accountants, Sangamner (FRN: 109182W) as the Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of Annual General Meeting to be held for the year ended 31st March, 2023 till the conclusion of AGM to be held for the financial year ended 31st March, 2028. The said appointment would be subject to the approval of shareholders at the ensuing Annual General Meeting.

14. AUDITORS REPORT:

The report of the Statutory Auditors is enclosed and there are no adverse remarks, qualifications observations made and as such does not require any comments. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

15. MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF AUDIT REPORT:

The Board of Directors at the meeting held on 4th May, 2023 offered to the existing shareholders on right basis 18,39,827 Equity shares of Rs.10/- each at premium of Rs.452/- per share amounting to Rs.85 Crores to meet the capital requirements for setting up the manufacturing facility. The offer commenced from 6th May, 2023 and is valid upto 21st May, 2023.

Apart from the above there were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate till the date of this report.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there were no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

17. DEPOSITS:

The Company has not invited/ accepted any deposits from the public during the year.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the period under review, the Company has not made any loans or guarantees in terms of Section 186 of the Companies Act, 2013. Details of investments made by the Company are given in Note 8 Of Notes to Financial Statements for the year ended 31st March 2023.

19.PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into with related parties during the financial year were in ordinary course of business and at arm's length basis. The Company entered into following agreements with CSTL which were in ordinary course of business and at arm's length basis:-

1. Research and Development Services Agreement in which advisory and support services relating to R&D to be provided by CSTL to the Company for developing HALS Series at a fees as mutually agreed;
2. Management Service Agreement was entered to provide support to setup the business activities of the Company and includes services by CSTL Officers on Project management, HRD, Accounting, QC, IT, legal etc. and sharing of common infrastructure facilities etc.
3. Leave License Agreement was entered for sharing of common premises with CSTL.

There details of material contracts / arrangements made with related parties as required under Section 134(3)(h) of the Companies Act, 2013 are given in **Form AOC-2** which is attached as **Annexure - I** to this report. None of the transactions with any of the related parties were in conflict with the interest of the Company.

20. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In order to prevent sexual harassment of women at work place "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Company has adopted a policy for prevention of Sexual Harassment of Women at workplace. During the year no complaints were received by the Company.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHENGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and other details stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is attached to this report as **Annexure II.**

22. CORPORATE SOCIAL RESPONSIBILITY:

The provision of the Section 135 of the Companies Act 2013 do not apply to the Company, hence Company is not required to make disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 during the year.

23. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amounts to Investor Education and Protection Fund (IEPF)

24. COMMITTEES OF BOARD

a. **Audit Committee**: The constitution of the Audit Committee does not apply to the Company.

b. **Vigil mechanism:** The Company has not accepted public deposits nor it has borrowed funds more than Rs.50 crores therefore the establishment of Vigil Mechanism committee was not required.

c. **Nomination & Remuneration Committee:** The constitution of the Nomination & Remuneration Committee does not apply to the Company.

d. **Corporate Social Responsibility Committee (CSR Committee):** The Company is not required to constitute a CSR committee as the provisions of Section 135 do not apply to the Company.

e. **Stakeholders Relationship Committee:** The constitution of the Stakeholders Relationship Committee does not apply to the Company.

25.DISCLOSURE ABOUT COST RECORDS AND AUDIT:

During the period under review the provisions of Section 148 of the Companies Act, 2013 and Rule 4 of the Companies (Cost Records and Audit) Rules, 2014 for Cost Audit and records do not apply to the Company.

26. TRADEMEARK:

During the year the Company applied and received approval from the Trademark Registry for Trademarks **"CLEANLIGHTSTAB"**, **"CLEANSTABLIGHT"** and **"LIGHTSTABCLEAN"** under the Class 1 and 2 under Hindered amine light stabilizers (HALS) series.

27. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

As stated in the Auditors' Report, there are no frauds required to be reported under sub-section (12) of Section 143.

28. APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE

During the year no application was made or any proceeding were pending under Insolvency and Bankruptcy code.

29. DETAILS OF DIFFRENCE BETWEEN AMOUNT OF VALUATIONS

During the year no one-time settlement was done accordingly the question of difference between amount of valuation done at the time of one-time settlement and valuation done while taking loans from Banks or financial Institutions did not arise.

30. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with applicable Secretarial Standards.

31. ACKNOWLEDGMENT

Your Board of Directors takes this opportunity to convey their gratitude and sincere thanks for the co-operation and assistance received from the all stakeholders including Government, Banks, Institutions, Authorities etc. The Board acknowledges your confidence and continued support and looks forward for the same in future as well.

For and on behalf of the Board of Directors
For Clean Fino-Chem Limited

Sd/-	**Sd/-**
Krishnakumar Ramnarayan Boob	**Siddhartha Ashok Sikchi**
Director (DIN: 00410672)	**Director (DIN: 02351154)**

Date: 12.05.2023
Place: Pune

ANNEXURE –I

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms' length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.: - NIL

2. Details of material contracts or arrangements or transactions at Arm's length basis-.

Sr. No.	**Names(s) of the related party and nature of relationship**	**Nature of contracts/ arrangements/ transactions**	**Duration of contracts/ arrangements/ transactions**	**Salient terms of the contracts or arrangements or transactions including the value, if any**	**Details of approval by the Board, if any**	**Amount paid as advances, if any**
1	Clean Science and Technology Limited	Research and Development Service Agreement	Agreement will continue unless terminated by the Parties	To obtain need based R&D advisory support from CSTL for developing HALS Series. One time compensation and On-going support services by way of monthly billing.	28th May 2022	Nil
2	Clean Science and Technology Limited	Management Service Agreement	Agreement will continue unless terminated by the Parties	Management support, sharing of common infrastructure facilities to setup business activities etc. Operating Cost plus markup based on high/low value added services.	28th May 2022	Nil
3	Clean Science and Technology Limited	Leave License Agreement	Agreement will continue unless terminated by the Parties.	Sharing of common premises with CSTL at Rs.0.25 million per quarter.	28th May 2022	Nil

For and on behalf of the Board of Directors,
For Clean Fino-Chem Limited

Sd/-

Krishnakumar Ramnarayan Boob
Director (DIN: 00410672)

Sd/-

Siddhartha Ashok Sikchi
Director (DIN: 02351154)

Date: 12/05/2023
Place: Pune

ANNEXURE –II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO - FY 23

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

(A) Conservation of Energy:

i. The steps taken or impact on conservation of energy:

a. Process heat utilization by various ways (distillation columns feed & reflux preheating, generation & utilization of low pressure steam in distillation system, etc.)

b. Steam generation from waste heat boiler & flash steam utilization using TVR (Thermo vapour re-compressor)

c. Application of better quality insulation to avoid/minimize heat losses

d. Installation of energy efficient thermic fluid heaters, steam boilers & chilling units

e. Application of MVR (Mechanical vapour re-compressor) based evaporation system prior to drying of solids

1) Major emphasis on renewable energy:

a. Major electricity consumption from solar source
b. Heat recovery from incineration of organic waste

2) Installation of energy efficient equipment's:

a. Installation of energy efficient thermic fluid heaters, steam boilers & ultra-efficient chilling units
b. Use of IE3 (most energy efficient) motors for all continuous operations & those are above 3.7 kW
c. Use of VFDs (variable frequency device) for power saving of all major drives
d. Use of energy efficient dry vacuum pumps, which also lead to solvent recovery

ii. The steps taken by the company for utilising alternate sources of energy:

a. Installation of multi-fuel boiler for utilization of briquettes made from agricultural waste.

iii. The capital investment on energy conservation equipment's:

a. Rs.47.2 million for installation of TVR, MVR, Dry vaccum pumps.

(B) Technology Absorption:

i. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

a) the details of technology imported: Nil

b) the year of import: Nil

c) whether the technology been fully absorbed: Nil

d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Nil

(C) (i) Specific Areas in which Research and Development has been carried out

The Company has entered into Research and Development Services Agreement in which advisory and support services relating to Research and Development will be provided by CSTL to the Company for developing HALS Series at a fees as mutually agreed.

(ii) Benefits derived as a result of the above R&D

The said arrangement will enable the Company to absorb technical know-how relating to HALS series

(iii) Future Action Plan

The Company plans to setup in-house R&D facility and would gradually conduct in house R&D.

(D) Expenditure in Research and Development:

(in Rs.million)

Particulars	**FY 2022-23**	**FY 2021-22**
Capital Expenditure	---	---
Revenue Expenditure	115.09	---
Total Expenditure	**115.09**	---
Total R&D expenditure as % of Total Turnover	---	---

(E) Foreign Exchange Earnings and Outgo:

(in Rs. million)

Particulars	**Year ended 31st March, 2023**	**Year ended 31st March, 2022**
Foreign Exchange Earnings	---	---
Foreign Exchange outgo	12.10	---
Net Foreign Exchange Earnings	**(12.10)**	---

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CLEAN FINO-CHEM LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **CLEAN FINO-CHEM LIMITED**, which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statement and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

In connection with our audit of the financial statements, our responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the 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 in this Other Information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Director's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, based on our audit we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

    c. The standalone balance sheet, 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 dealt with by this Report are in agreement with the books of account

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

M/s. Sanjay S. Rathi & Co. • Chartered Accountants

e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(B) 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, as amended 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d.

i. The Management has represented that ,to the best of its knowledge and belief as disclosed in notes to accounts, no fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person or entities including foreign entities (Intermediaries) with the understandings , whether recorded in writings or otherwise ,that the intermediary shall ,directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiary") or provide any guarantee security or the like to or on behalf of the ultimate beneficiaries.

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

iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement

e. No Dividend Is declared and paid during the year by the company.

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

CA Sanjay S Rathi
Partner
M. No – 042436
UDIN: 23042436BQVLEU3211

Place of Signature: Sangamner
Date: 12/05/2023

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure Referred to in our Independent auditors' Report paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of CLEAN FINO-CHEM LIMITED of even date

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i)

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company does not have Intangible Assets. Accordingly, the provisions of clause 3(i) of the Companies (Auditor's Report) Order, 2020 relating to Intangibles are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) The company has not re-valued its Property, Plant and Equipment (including Right of Use assets) and intangible assets or both during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, Paragraph 3(iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with. Therefore Paragraph 3(iv) of the Order is not applicable.

M/s. Sanjay S. Rathi & Co.
FRN. 1[illegible]8182W
Chartered Accountant

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable and as amounts deducted / accrued in the books of account, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

(ix)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) The Company has not raised any short term loans and hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix) (e) of the Order is not applicable

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

M/s. Sanjay S. Rathi & Co. FRN. 108182W Chartered Accountants

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints, received during the year by the company;

(xii) Company is not a Nidhi Company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company:

(xiii) In our opinion, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) In our opinion, the company has no internal audit system commensurate with the size and the nature of its business.

(xv) In our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.

(xvi)

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year also. The quantum of cash losses are given as under :

Particulars	FY 2022-23	FY 2021-22
Cash Losses	Loss of Rs. 7,66,37,168/-	Loss of Rs. 12,08,131/-

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

CA Sanjay S Rathi
Partner
M. No – 042436

Place of Signature: Sangamner
Date: 12/05/2023
UDIN: 23042436BGVLEU3211

Annexure B to the Independent Auditor's Report on the standalone financial statements of CLEAN FINO-CHEM LIMITED for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

We have audited the internal financial controls with reference to financial statements of **CLEAN FINO-CHEM LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

M/s. Sanjay S. Rathi & Co. FRN. 1001

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountants

CA Sanjay S Rathi
Partner
M. No – 042436

Place of Signature: Sangamner
Date: 12/05/2023

UDIN: 23042436BGVLEU3211

Clean Fino-Chem Limited (CIN : U24290PN2022PLC209532)

Standalone Balance Sheet
(All amounts are in rupees million unless otherwise stated)

	Note	As at March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	3	1.08
Capital work-in-progress	5	163.95
Right-of-use asset	4	333.70
Financial assets		
(i) Other financial assets	6	3.34
Deferred tax assets (net)		16.68
Other non-current assets	7	108.43
Total non current assets		**627.18**
Current assets		
Financial assets		
(i) Investments in Mutual Fund	8	452.49
(ii) Cash and cash equivalents	9	0.10
Other current assets	10	87.19
Total current assets		**539.78**
Total assets		**1,166.96**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	11	59.78
Other equity	12	1,056.55
Total equity		**1,116.33**
Non current liabilities		
(a) Financial liabilities		
(i) Lease Liability	13	9.29
Total non current liabilities		**9.29**
Liabilities		
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	14	0.52
(ii) Lease Liability	13	0.74
(iii) Trade payables	15	
a) total outstanding dues of micro enterprises		-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		16.49
(iv) Other financial liabilities	16	21.58
(b) Other current liabilities	17	1.89
(c) Current tax liabilities	24	0.12
Total current liabilities		**41.34**
Total liabilities		**50.63**
Total equity and liabilities		**1,166.96**

Significant accounting policies 2

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

As per our report of even date attached

For **Sanjay S Rathi & Co**
Chartered Accountants
Firm registration no. 109182W

Sanjay S Rathi
Partner
Membership No. 042436

Place : Sangamner
Date : 12/05/2023

UDIN: 23042436BGVLEU3211

M/S. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountants

For **and on behalf of the Board of Directors of Clean Fino-Chem Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02354154

Place : Pune
Date : 12/05/2023

Clean Fino-Chem Limited (CIN : U24290PN2022PLC209532)

Statement of Profit and Loss for the period For the Period 22 March 2022 to 31 March 2023
(All amounts are in rupees million,unless otherwise stated)

	Note	**For the Period 22 March 2022 to 31 March 2023**
Income		
Revenue from operations		-
Other income	18	28.30
Total income		**28.30**
Expenses		
Employee benefits expenses	*19*	1.90
Finance costs	*20*	0.41
Depreciation and amortisation expenses	*21*	2.66
Other expenses	*22*	122.87
Total expenses		**127.84**
Profit / (Loss) before tax		**(99.54)**
Tax expense:		
Current tax		1.82
Deferred tax		(16.68)
Total Tax expense:		**(14.87)**
Profit / (Loss) for the year (A)		**(84.67)**
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
(i) Remeasurements of defined benefit liability / (asset)		-
(ii) Income tax relating to remeasurements of defined benefit liability/ (asset)		-
Total Other comprehensive income / (loss) (B)		-
Total comprehensive income for the year (A+B)		**(84.67)**
Profit attributable to:		
Earnings per equity share	*23*	
[nominal value of Rs. 10]		
Basic		(11.19)
Diluted		(11.19)

Significant accounting policies *2*
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For **Sanjay S Rathi & Co**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

Sanjay S Rathi
Partner
Membership No. 042436

Place : Sangamner
Date : 12/05/2023

UDIN: 23042436BGVLEU3211

For **and on behalf of the Board of Directors of Clean Fino-Chem Limited**

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Fino-Chem Limited (CIN : U24290PN2022PLC209532)

Standalone Statement of Cash Flows
(All amounts are in rupees million,unless otherwise stated)

	For the year ended March 31, 2023
A. Cash flow from operating activities	
Loss before tax	(99.54)
Adjustments to reconcile profit before tax to net cash flows:	
Finance costs (excluding foreign exchange adjustment)	0.41
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	(20.88)
Profit on instruments designated through fair value through profit and loss (FVTPL)	(7.42)
Depreciation and amortisation	2.66
Operating profit before working capital changes	**(124.77)**
Movement in working capital:	
(Increase) / Decrease in other non-current financial assets	(3.34)
Decrease in other current assets	(87.19)
Increase in other current financial liabilities	0.46
Increase in Trade Payable	16.29
Increase in other current liabilities	1.89
Cash generated from operations	**(196.66)**
Net income tax (paid)	(1.70)
Net cash flow generated from operating activities (A)	**(198.36)**
B. Cash flow from investing activities	
Purchase of property, plant and equipment, right-of-use asset, intangible	(578.70)
Purchase of current investments	(431.62)
Proceeds from sale of investments	7.42
Net cash flow (used in) investing activities (B)	**(1,002.90)**
C. Cash flow from financing activities	
Interest paid	(0.03)
Repayment of lease liabilities	(0.13)
Proceeds from issue of Equity shares	1,201.00
Net cash flow from financing activities (C)	**1,200.84**
Net increase in Cash and cash equivalents (A+B+C)	**(0.42)**
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	**(0.42)**
Notes:-	
Cash on hand	-
Balances with bank	
- Current accounts	0.10
Cash credit and overdraft facilities from banks (secured)	(0.52)
	(0.42)

Significant accounting policies *Note 2*
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For **Sanjay S Rathi & Co**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. • FRN. 109182W • Chartered Accountant •

Sanjay S Rathi
Partner
Membership No. 042436

Place : Sangamner
Date : 12/05/2023

UDIN: 23042436BGVLEU3211

For and on behalf of the Board of Directors of
Clean Fino-Chem Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

Clean Fino-Chem Limited (CIN : U24290PN2022PLC209532)
Standalone Statement of Changes in Equity
(All amounts are in rupees million,unless otherwise stated)

(a) Equity share capital

	As at Mar 31, 2023	
Equity share of Rs 10 each issues, subscribed and fully paid	**Number of shares**	**Amount**
Balance at the beginning of the reporting year	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting year	-	-
Changes in equity share capital during the year	59,78,472	59.78
Balance at the end of the reporting period/year	**59,78,472**	**59.78**

(b) Other equity

Particulars	Reserves and surplus		Total Equity
	Securities premium	Retained earnings	
Issue of Equity shares	1,141.22		1,141.22
Total comprehensive income for the year ended March 31, 2023			
Profit/(Loss) for the year	-	(84.67)	(84.67)
Other comprehensive income (net of tax)	-	-	-
- Remeasurements of post employment benefit obligations			
- Equity instruments designated through other comprehensive income			
Total comprehensive income	**-**	**(84.67)**	**(84.67)**
Balance at March 31, 2023	**1,141.22**	**(84.67)**	**1,056.55**

Significant accounting policies *Note 2*
The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For Sanjay S Rathi & Co
Chartered Accountants
Firm registration no. 109182W

Sanjay S Rathi
Partner
Membership No. 042436

Place : Sangamner
Date : 12/05/2023

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

For and on behalf of the Board of Directors of
Clean Fino-Chem Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

3 Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at April 01, 2022	Additions during the year	Disposals during the year	As at March 31, 2023	As at April 01, 2022	Charge for the year	Disposals during the year	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023
Furniture and fixtures	-	0.16	-	0.16	-	0.00	-	0.00	-	0.16
Computer	-	0.72	-	0.72	-	0.12	-	0.12	-	0.60
Vehicles	-	0.17	-	0.17	-	0.00	-	0.00	-	0.17
Office equipment	-	0.16	-	0.16	-	0.01	-	0.01	-	0.15
Total	-	**1.21**	-	**1.21**	-	**0.13**	-	**0.13**	-	**1.08**

4 Right-of-use asset

Particulars	Gross Block				Depreciation				Net Block	
	As at April 01, 2022	Additions during the year	Disposals during the year	As at March 31, 2023	As at April 01, 2022	Charge for the year	Deletion	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023
Leasehold land	-	336.22	-	336.22	-	2.53	-	2.53	-	333.70
Total Assets	-	336.22	-	336.22	-	2.53	-	2.53	-	333.70

5 Capital work-in-progress

Particulars	As at April 01, 2022	Additions during the year	Capitalised during the year	As at March 31, 2023
Buildings	-	126.87	-	126.87
Plant and machinery	-	37.08	-	37.08
Total	-	163.95	-	163.95

CWIP aging Schedule
As at March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	164	-	-	-	164
Projects temporarily suspended	-	-	-	-	-
Total CWIP	**164**	-	-	-	**164**

As at March 31, 2023 no projects under Capital Work in Progess are overdue or has exceeded its cost compared to its original plan.

M/s. Sanjay S. Rathi & Co.
FRN. 109182W
Chartered Accountant

(All amounts are in rupees million,unless otherwise stated)

		As at March 31, 2023
6	**Other financial assets- non-current**	
	Deposits	3.34
		3.34
7	**Other non-current assets**	
	Capital advances	108.43
		108.43
8	**Investments - Current**	
	A. Investments carried at fair value through profit and loss (FVTPL)	
	Investment in mutual funds - Quoted	
	78,017 (March 31, 2022: Nil) Axis Money Market Fund	94.99
	25,94,489 (March 31, 2022: Nil) Edelweiss Arbitrage Fund	45.27
	10,41,375 (March 31, 2022: Nil) Kotak Equity Arbitrage Fund	34.94
	26,819 (March 31, 2022: Nil) Nippon India Money Market Fund	95.14
	44,996 (March 31, 2022: Nil) Tata Money Market Fund Direct Growth	182.15
		452.49

		As at March 31, 2023
9	**Cash and cash equivalents**	
	Cash on hand	0.02
	Balance with banks	-
	In current accounts	0.08
		0.10
10	**Other current assets**	
	(Unsecured, considered good)	
	GST Receivable	87.08
	Prepaid Expenses	0.07
	Advance for supply of goods	0.04
		87.19
13	**Lease liabilities**	
	Lease liabilities - Non current	9.29
	Lease liabilities - Current	0.74
		10.03
14	**Borrowings - Current**	
	Unsecured	
	Cash credit and overdraft facilities from banks (secured)	0.52
		0.52

M/s. Sanjay S. Rathi & Co.
FRN. 109182W
Chartered Accountants

(All amounts are in rupees million,unless otherwise stated)

11 Equity share capital

Particulars	As at March 31, 2023
Authorised :	
10,000,000 equity shares of Rs. 10 each.	100.00
TOTAL	**100.00**
Issued and subscribed and paid up :	
5,978,472 equity shares of Rs.10 each.	59.78
TOTAL	**59.78**

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

Equity share :	As at March 31, 2023
Outstanding at the beginning of the year	-
Equity shares issued during the period in consideration for cash	59,78,472.00
Outstanding at the end of the year	59,78,472.00

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 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 i 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 distri 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 March 31, 2023	
	Number of shares	%
Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')	59,78,472	100.00%

12 Other equity

	As at March 31, 2023
A. Retained earnings	**(84.67)**
B. Security Premium account	**1,141.22**
	1,056.55
A. Retained earnings	
Balance as at the beginning of the year	-
Add : Profit / (Loss) for the year	(84.67)
Balance as at the end of the year	**(84.67)**
B. Security Premium account	
Balance as at the beginning of the year	-
Changes during the year	505.28
Balance as at the end of the year	**1,141.22**
	1,056.55

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(All amounts are in rupees million,unless otherwise stated)

		As at March 31, 2023
15	**Trade payables**	
	Total outstanding dues of creditors other than micro enterprises and small enterprises	16.49
		16.49

Trade payable ageing schedule

As at March 31, 2023

Particulars	Current but not due	Less than 6 months	6 months -1 year	(Amount in Rs.) Total
Total outstanding for MSME due	-	-	-	-
Total outstanding for other than MSME due	-	16.49	-	**16.49**

		As at March 31, 2023
16	**Other current financial liabilities**	
	Salary payable	0.46
	Payable for purchase of property, plant & equipment	21.12
		21.58

		As at March 31, 2023
17	**Other current liabilities**	
	TDS and TCS payable	1.86
	Provident fund payable	0.03
	Profession Tax Payable	0.00
	ESIC payable	0.00
		1.89

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(All amounts are in rupees million,unless otherwise stated)

18	**Other Income**	**For the Period 22 March 2022 to 31 March 2023**
	Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	20.88
	Profit on sale of instruments designated through fair value through profit and loss (FVTPL)	7.42
		28.30

19	**Employee benefits expense**	**For the Period 22 March 2022 to 31 March 2023**
	Salaries, wages and bonus	1.90
		1.90

20	**Finance costs**	
	Interest expense on financial liabilities	
	-Working capital loan	0.03
	-Others	0.38
		0.41

21	**Depreciation**	**For the Period 22 March 2022 to 31 March 2023**
	Depreciation of property, plant and equipment (refer note 3)	0.13
	Depreciation of right-of-use asset (refer note 3)	2.53
		2.66

22	**Other expenses**	**For the Period 22 March 2022 to 31 March 2023**
	Audit fees	0.07
	Rent, rates and Taxes	1.94
	Research & Development Expenses	115.09
	Legal & professional expenses	4.04
	Other Expenses	1.73
		122.87

(a) Payment to auditors*	
As auditor	
Statutory audit fee	0.07
In other capacity	-
Other services	-
Reimbursement of expenses	-
	0.07

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Clean Fino-Chem Limited (CIN : U24290PN2022PLC209532)
Notes to Standalone Financial Statements
(Currency: Indian Rupees)

23 Earnings per share

Particulars	For the Period 22 March 2022 to 31 March 2023
Profit for the year	(84.67)
Basic earnings per share	
Weighted average number of equity shares outstanding during the year	75,68,970.69
Basic EPS (Rs.)	**(11.19)**
Diluted earnings per share	
Profit for the year	(84.67)
Weighted average number of equity shares outstanding during the year for diluted EPS	75,68,970.69
Diluted EPS (Rs.)	**(11.19)**

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

(All amounts are in rupees million, unless otherwise stated)

24 Taxes

(a) Statement of profit and loss

Particulars	For the year ended March 31, 2023
Current tax:	
Current income tax charge	1.82
Deferred tax	(16.68)
Income tax expense reported in the statement of profit and loss	**(14.87)**

(c) Balance sheet
Current tax liabilities

Particulars	As at March 31, 2023
Income tax (net of advance tax)	0.12
Total current tax liabilities	**0.12**

(d) Deferred tax

Particulars	As at March 31, 2023
Deferred tax liabilities (DTL)	
Excess of depreciation/amortisation on property plant and equipment under income tax act	(0.02)
Mutual funds designated at fair value through profit and loss	(5.25)
	(5.27)
Deferred tax assets (DTA)	
Carry forward of losses	21.84
Preliminary Expenses	0.12
	21.96
Net deferred tax Asset	**16.68**

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

	For the year ended March 31, 2023
Accounting profit before tax	**(99.54)**
Tax rate	**0.17**
Tax as per IT Act on above (A)	**(17.08)**
Tax expenses (B)	
(i) Current tax	1.82
(ii) Deferred tax	(16.68)
	(14.87)
Difference (C)	**(2.21)**
Tax reconciliation	
Adjustments:	
Impact as a result of capital gains included in accounting profit taxed at the applicable rates	1.82
Others	0.40
	-

Sanjay S. Rathi & Co.
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(f) Movement in temporary differences:

	April 01, 2022	Recognised in profit or loss during the year	Recognised in OCI during the year	March 31, 2023
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	-	(0.02)	-	(0.02)
Mutual funds designated at fair value through profit and loss	-	(5.25)	-	(5.25)
	-	**(5.28)**	-	**(5.28)**
Deferred tax assets (DTA)				
Carry forward of losses	-	21.84	-	21.84
Preliminary Expenses	-	0.12	-	0.12
Equity instruments measured at fair value	-	-	-	-
	-	**21.96**	-	**21.96**
Net deferred tax liability/ (asset)	-	**16.68**	-	**16.68**

(All amounts are in rupees million, unless otherwise stated)

25 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')

Subsidiary Companies:

1 Clean Science Private Limited
2 Clean Organics Private Limited
3 Clean Aromatics Private Limited

Key Management Personnel (KMP)

1	Mr. Ashok Boob	Managing Director
2	Mr. Siddhartha Sikchi	Whole Time Director
3	Mr. Krishnakumar Boob	Whole Time Director

(b) Related party transactions:

Sr. no	Nature of Transaction	For the year ended 31st March 2023				For the Period 22 March 2022 to 31 March 2022			
		Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Holding Company	Total	Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Holding Company	Total
1	Issue of Equity Shares	-	-	650.00	650.00	-	-	551.00	551.00
2	Rent Expense	-	-	1.02	1.02	-	-	-	-
3	Management service fees	-	-	2.26	2.26	-	-	-	-
4	Research and development advisory fees	-	-	27.37	27.37	-	-	-	-
5	One time technical know-how fees	-	-	87.72	87.72	-	-	-	-
	Total	-	-	768.37	768.37	-	-	551.00	551.00

(c) Related party transactions more than 10% of total transactions for the year ended :

Nature of transaction	For the year ended 31st March 2023	For the Period 22 March 2022 to 31 March 2022
a. Issue of Equity Shares		
Clean Science and Technology Limited	650.00	551.00
b. Rent expense, Management service fees, R&D Advisory and Technical Advisory fees		
Clean Science and Technology Limited	118.37	-

(d) Balances outstanding at the end of the year:-

Particulars	For the year ended 31st March 2023	For the Period 22 March 2022 to 31 March 2022
a. Trade Receivable / (Payables)		
Clean Science and Technology Limited	15.25	-

M/s. Sanjay S. Rathi & Co.
FRN. 109182W
Chartered Accountant

Clean Fino-Chem Limited
Notes to Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated)

Note 26: Leases
The impact of Ind AS 116 on these changes is disclosed below :
A1. Right-of-use assets

Description	Right-of-use assets
	Leasehold land
Balance as at 1 April 2022	-
Additions	9.98
Disposals*	-
Balance as at 31 March 2023	9.98
Accumulated depreciation	
Balance as at 1 April 2022	-
Depreciation for the period	0.23
Depreciation on disposals	-
Balance as at 31 March 2023	0.23
Net block	
As at March 31, 2023	9.75

**Disposal during the year pertains to reclassification of Right-of-use Asset as held for sale in accordance with 'Ind AS 105 - Non current asset held for sale and discontinued operations'. Refer note 16*

A2. Lease liabilities

	As at March 31, 2023
Current	0.74
Non Current	9.29
Total	**10.03**

A3. Interest expenses on lease liabilities

	As at March 31, 2023
Interest on lease liabilities	0.38

A4. Expenses on short term leases / low value assets

	As at March 31, 2023
Short-term lease	-
Low value assets	-

A5. Amounts recognised in the statement of cash flow

	As at March 31, 2023
Total cash outflow for leases	0.13

A6. Maturity analysis – contractual undiscounted cash flows

	As at March 31, 2023
Less than one year	0.74
One to five years	3.36
More than five years	19.58
Total undiscounted lease liabilities	**23.68**

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

27 Ratio Analysis and its element

Ratio	Numerator	Demoninator	As at March 31, 2023	Remarks
Current Ratio	Current Assets	Current Liabulities	13.06	This is first year of incorporation.
Debt-Equity Ratio	Total Debt	Shareholders Equity	-	
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	
Return on Equity Ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.00%	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	-	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	-	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	-	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-	
Net Profit Ratio (%)	Net Profit After Tax	Net sales = Total sales - sales return	0.00%	
Return on Capital Employed (%)	Earnings before interest, taxes and dividend income	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-8.53%	
Return on Investment (%)	Interest (Finance Income)	Investment	0.00%	

M/s. Sanjay S. Rathi & Co. • Chartered Accountant • FRN. 109182W

Clean Fino-Chem Limited (CIN : U24290PN2022PLC209532)
Notes to Standalone Financial Statements
(Currency: Indian Rupees)

28 Financial instruments

28 Financial instruments by category

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

Particulars	As at March 31, 2023	
	Amortised cost	Total carrying value
Category	Level 2	
Assets		
Cash and cash equivalents	0.10	0.10
Total assets	**0.10**	**0.10**
Liabilities		
Trade payables	16.49	16.49
Other current liabilities	1.89	1.89
Total liabilities	**18.39**	**18.39**

28 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.

28 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.
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 March 31, 2023
Total current assets (A)	539.78
Total current liabilities (B)	41.34
Working capital (A-B)	**498.44**

The following are the remaining contractual maturities of financial liabilities as on March 31, 2023.

Particulars	Less than one year	More than one year	Total
Trade payables	16.49	-	16.49

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(Currency: Indian Rupees)

29 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 March 31, 2023 and March 31,2022.

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

Particulars	As at March 31, 2023
Total liabilities	50.63
Less: cash and cash equivalents and bank balances	539.78
Net debt	**(489.15)**
Total equity	**1,116.33**
Debt-equity ratio	(0.44)

30 Other Statutory Information

a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b) The Company do not have any transactions with companies struck off.

c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) 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
ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

g) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

For **Sanjay S Rathi & Co**
Chartered Accountants
Firm registration no. 109182W

M/s. Sanjay S. Rathi & Co. FRN. 109182W Chartered Accountant

Sanjay S Rathi
Partner
Membership No. 042436

Place : Sangamner
Date : 12/05/2023

For **and on behalf of the Board of Directors of**
Clean Fino-Chem Limited

Krishnakumar Boob
Director
DIN : 00410672

Place : Pune
Date : 12/05/2023

Siddhartha Sikchi
Director
DIN : 02351154

Place : Pune
Date : 12/05/2023

1. Corporate overview

Clean Fino-Chem Limited is a public 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 March 31, 2023 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 March 31, 2023 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.

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 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. 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 acquire 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.

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.

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. Leases

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right- of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leasehold land is amortised over the period of lease.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.11. 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.

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.

2.12. 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.

- 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.

2.13. Financial instruments

2.13.1. 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. All financial assets are recognised initially at fair value plus except for trade receivables which are initially measured at transaction price, 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 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.

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 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.

2.13.2. 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.

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.

2.14. 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.

2.15. 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.

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