

B S R & Co. LLP

Chartered Accountants

7th & 8th floor, Business Plaza,
Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
Pune - 411001, India

Telephone +91 (20) 6747 7300
Fax +91 (20) 6747 7310

INDEPENDENT AUDITORS' REPORT

To the Members of Clean Science and Technology Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Clean Science and Technology Private Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, the standalone statement of profit and loss, and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditors' report thereon.

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

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



Clean Science and Technology Private Limited

Independent Auditors Report – 31 March 2019 (*continued*)

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Clean Science and Technology Private Limited

Independent Auditors Report – 31 March 2019 (*continued*)

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

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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, and standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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".



Clean Science and Technology Private Limited

Independent Auditors Report – 31 March 2019 (*continued*)

Report on Other Legal and Regulatory Requirements (*Continued*)

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(C) The provisions of section 197 read with schedule V of the Act are applicable only to public Companies. Hence, reporting under section 197 (16) is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
(Firm's Registration No.101248W/ W-100022)



Swapnil Dakshindas
Partner

(Membership No. 113896)

Place: Pune
Date: 16 August 2019

ICAI UDIN: 19113896 AAAACR6502

Clean Science and Technology Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2019

With reference to the Annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which, all fixed assets have been physically verified in a phased manner over a period of three years and accordingly, plant and machinery and furnitures have been physically verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets.
- (c) In our opinion and according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
- (ii) The inventory, excluding goods in transit has been physically verified by management during the year. In our opinion, the frequency of such verification is reasonable and there were no material discrepancies noticed during such verification.
- (iii) According to the information and explanations provided to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations provided to us, the Company has not given any loans, made any investments, or provided any guarantees or security covered under section 185 and section 186 of the Act apply. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits in terms of directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Value added tax Sales tax, Service tax, Duty of Customs, Duty of Excise, Goods and Service tax and any other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been a slight delay in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Value added tax, Sales tax, Service tax, Duty of Excise, Duty of Customs, Goods and Service tax, Cess as and when applicable and other statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.



Clean Science and Technology Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2019 (*continued*)

- (b) According to the information and explanations given to us there are no dues of Income tax, Sales tax, Service tax, Goods and Service tax, Duty of Customs, Duty of Excise and Value added tax which have not been deposited by the Company on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its banks. The Company did not have any loan or borrowings from financial institutions, government or any debenture holders outstanding during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) or by way of term loans during the year. Accordingly, to this extent paragraph 3(ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year nor have we been informed of such instances by the management.
- (xi) Since the Company is a private limited company, provisions of section 197, read with schedule V to the Act are not applicable to the Company. Accordingly, the paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company is a 'private limited company' and therefore the provisions of section 177 of the Act are not applicable to the Company. Further, as per Ministry of Corporate Affairs' Notification No. GSR 464 (E) dated 05-06-2015, the provisions of section 188 of the Act shall not apply to a private limited Company relating to the transactions with the holding, subsidiary, associate company and a subsidiary of the holding company to which it is also a subsidiary or transactions with the ultimate holding company or a subsidiary of the ultimate holding company. According to the information and explanation given to us, the transactions with the related parties other than those exempt under the said notification are in compliance with section 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the standalone financial statements.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.



Clean Science and Technology Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2019 (*continued*)

- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to register under section 45-IA of the Reserve Bank of India, 1934.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022



Swapnil Dakshindas

Partner

Place: Pune

Date: 16 August 2019

Membership No: 113896

ICAI UDIN: 19113896 AAAA CR6502

Clean Science and Technologies Private Limited

Annexure B to the Independent Auditors' Report – 31 March 2019

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(f) in 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report to the members of Clean Science and Technologies Private Limited on the standalone financial statements for the year ended 31 March 2019.

Opinion

We have audited the internal financial controls with reference to financial statements of Clean Science and Technologies Private Limited ("the Company") as of 31 March 2019 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 2019, 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 Responsibility 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' 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 whether 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 such internal financial controls, 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.

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.



Clean Science and Technologies Private Limited

Annexure B to the Independent Auditors' Report – 31 March 2019 (*continued*)

Meaning of Internal Financial Controls with reference to the 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 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to the 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 **B S R & Co. LLP**
Chartered Accountants

Firm Registration No: 101248W / W-100022



Swapnil Dakshindas
Partner

Membership No: 113896

ICAI UDIN: 19113896 AAAA CR6502

Place: Pune

Date: 16 August 2019

Clean Science and Technology Private Limited
Balance Sheet as at 31 March 2019
(Currency : Indian Rupees)

	Note	31 March 2019	31 March 2018
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	14,157,270	14,157,270
Reserves and surplus	4	2,700,012,054	1,861,108,240
		<u>2,714,169,324</u>	<u>1,875,265,510</u>
Non-current liabilities			
Long-term borrowings	5	1,285,000	750,000
Deferred tax liabilities (net)	6	133,985,010	100,050,121
Long-term provisions	7	2,910,328	2,082,521
		<u>138,180,338</u>	<u>102,882,642</u>
Current liabilities			
Short-term borrowings	8	24,665,096	-
Trade payables			
a) Total outstanding dues of micro and small enterprises	9	2,029,973	1,642,578
b) Total outstanding dues of creditors other than micro and small enterprises		221,220,856	262,327,943
Other current liabilities	10	161,765,821	113,397,005
Short-term provisions	7	1,270,691	1,414,293
		<u>410,952,437</u>	<u>378,781,819</u>
TOTAL		<u><u>3,263,302,099</u></u>	<u><u>2,356,929,971</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	11a	1,258,261,986	1,012,145,850
Intangible fixed assets	11b	2,439,590	2,190,064
Capital work-in-progress	11c	39,277,246	14,949,737
Non-current investments	12	10,014,990	10,014,990
Long-term loans and advances	13	36,545,942	72,021,782
Other non-current assets	14	3,009,441	309,441
		<u>1,349,549,195</u>	<u>1,111,631,864</u>
Current assets			
Current investments	15	737,846,927	171,390,065
Inventories	16	370,241,187	290,369,137
Trade receivables	17	597,681,673	396,602,028
Cash and bank balances	18	94,204,328	294,699,837
Short-term loans and advances	19	112,988,169	91,739,487
Other current assets	20	790,620	497,553
		<u>1,913,752,904</u>	<u>1,245,298,107</u>
TOTAL		<u><u>3,263,302,099</u></u>	<u><u>2,356,929,971</u></u>

Significant accounting policies

Notes to standalone financial statements

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm registration no. 101248W/W-100022



Swapnil Dakshindas

Partner

Membership No. 113896

UDIN: 19113896AAAACR6502

Place : Pune

Date : 16 August 2019

For and on behalf of the Board of Directors of

Clean Science and Technology Private Limited

CIN : U24114PN2003PTC018532



Ashok Boob

Managing Director

DIN : 410740

Place : Pune

Date : 16 August 2019



Krishna Boob

Director

DIN : 410672

Place : Pune

Date : 16 August 2019

Clean Science and Technology Private Limited
Statement of Profit and Loss for the year ended 31 March 2019
(Currency : Indian Rupees)

	Notes	31 March 2019	31 March 2018
Revenue from operations			
Sale of products (gross)	21	3,848,347,851	2,353,050,020
Less: Excise duty (refer note 42)		-	16,136,004
Sale of products (net)		3,848,347,851	2,336,914,016
Other operating revenue		84,353,740	73,815,987
Sub-total		3,932,701,591	2,410,730,003
Other income	22	105,584,891	46,334,746
Total revenue		4,038,286,482	2,457,064,749
Expenses			
Cost of materials consumed	23	1,786,095,516	1,073,705,465
Changes in inventories of finished goods and work-in-progress	24	(73,895,335)	60,481,026
Employee benefits expense	25	248,711,416	160,842,424
Finance costs	26	328,905	1,049,477
Depreciation and amortisation	27	110,225,706	75,852,081
Other expenses	28	615,413,643	386,339,382
Total expenses		2,686,879,851	1,758,269,855
Profit before tax		1,351,406,631	698,794,894
Tax expense			
Current tax		351,075,530	221,110,061
Deferred tax (credit) / charge		33,934,889	(7,514,511)
Provision for earlier years tax		(585,394)	(1,415,103)
Net profit for the year		966,981,606	486,614,447
Earnings per equity share:			
[Nominal value of share Rs. 10 each (Previous year Rs. 10 each)]	39		
Basic		683.03	343.72
Diluted		683.03	343.72
Significant accounting policies	2		
Notes to standalone financial statements	3-43		

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm registration no. 101248W/W-100022



Swapnil Dakshindas

Partner

Membership No. 113896

UDIN : 19113896 AAAACR6502

Place : Pune

Date : 16 August 2019

For and on behalf of the Board of Directors of

Clean Science and Technology Private Limited

CIN : U24114PN2003PTC018532



Ashok Boob

Managing Director

DIN : 410740

Place : Pune

Date : 16 August 2019



Krishna Boob

Director

DIN : 410672

Place : Pune

Date : 16 August 2019

Clean Science and Technology Private Limited
Cash Flow Statement for the year ended 31 March 2019
(Currency : Indian Rupees)

	31 March 2019	31 March 2018
A. Cash flow from operating activities		
Net Profit before tax	1,351,406,631	698,794,894
Adjustments:		
Depreciation and amortisation	110,225,706	75,852,081
Capital gain on investment in mutual funds	932,207	(4,030,509)
Loss on sale of property, plant and equipments	1,312,207	-
Dividend income	(12,946,049)	(6,951,946)
Finance costs (excluding foreign exchange adjustment)	328,905	1,049,477
Provision for diminution in value of current investment	6,986,266	4,963,895
Interest income	(869,958)	(560,068)
Mark to Market gain on forward contract	(34,455,500)	-
Unrealised foreign exchange differences	(9,767,701)	(12,041,449)
Operating cash flows before working capital changes	1,413,152,714	757,076,375
(Increase) / decrease in inventories	(79,872,050)	16,882,333
(Increase) in Trade receivables	(201,079,645)	(176,634,130)
Decrease / (increase) in Long-term loans and advances	31,547,145	(4,557,907)
Decrease / (increase) in Short-term loans and advances	13,206,818	(45,078,139)
(Decrease) / increase in Trade payables	(40,719,692)	128,942,733
Increase / (decrease) in Other current liabilities	66,747,922	(8,537,171)
Increase in Short-term provisions	877,645	53,288
Increase in Long-term provisions	827,807	285,851
Cash generated from operations	1,204,688,664	668,433,233
Net income tax paid	(355,523,639)	(218,759,444)
Net cash generated from operating activities (A)	849,165,025	449,673,789
Cash flow from investing activities		
Purchase of fixed assets and capital work-in-progress, net of capital creditors and advances	(388,463,730)	(319,991,281)
Proceeds from sale of fixed assets	569,492	-
Bank deposits placed during the year	(2,950,000)	-
Interest received	576,891	632,269
Dividend received	12,946,049	-
Purchase of other investments (including dividend reinvested)	(1,360,627,639)	(900,445,326)
Proceeds from sale of investments	786,252,303	1,044,648,484
Investment in Subsidiary	-	(199,990)
Net cash used in investing activities (B)	(951,696,634)	(175,355,844)
Cash flow from financing activities		
Long-term borrowings (repaid) / taken during the year	(4,240,000)	1,515,000
Proceeds / (repayment) of short-term borrowings (net)	24,665,096	(30,841)
Interest paid	(328,905)	(1,049,477)
Dividend paid on equity shares	(106,179,525)	(42,471,810)
Tax paid on dividends	(21,898,267)	(8,646,265)
Net cash used in financing activities (C)	(107,981,601)	(50,683,393)
Net (decrease) / increase in Cash and cash equivalents (A+B+C)	(210,513,210)	223,634,552
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	9,767,701	6,388,619
Cash and cash equivalents at the beginning of the year	294,699,837	64,676,666
Cash and cash equivalents at the end of the year	93,954,328	294,699,837

Notes to cash flow statement

1. Components of cash and cash equivalents (note 18)

	31 March 2019	31 March 2018
Cash on hand	307,775	197,935
Balances with bank		
- Current accounts	93,646,553	294,501,902
	93,954,328	294,699,837

2. Total tax paid during the year including dividend distribution tax amounted to Rs.377,421,906 (previous year: Rs. 227,405,709).

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

For BSR & Co. LLP

Chartered Accountants


Firm registration no. 101248W/W-100022



Swapnil Dakshindas
Partner

Membership No. 113896

UDIN : 19113896AAAACR6502

For and on behalf of the Board of Directors of
Clean Science and Technology Private Limited
CIN : U24114PN2003PTC018532


Ashok Boob
Managing Director
DIN : 410740


Krishna Boob
Director
DIN : 410672

Clean Science and Technology Private limited

Notes to the standalone financial statements for the year ended 31 March 2019

1 Corporate information

Clean Science and Technology Private Limited is engaged in manufacturing of various types of chemicals mainly MEHQ, Guaicol, 4MAP at its manufacturing plant situated at Kurkumbh MIDC, Daund, Dist: Pune. The Company was incorporated under Companies Act, 1956. The Company caters to both domestic and international markets.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these standalone financial statements.

2.1 Basis of accounting and preparation of standalone financial statements

These standalone financial statements have been prepared in accordance with the generally accepted accounting principles in India under historical cost convention on accrual basis. The Company has prepared these standalone financial statements to comply in all material respects with the applicable accounting standards specified under section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014. The standalone financial statements are prepared in Indian Rupees.

2.2 Use of estimates

The preparation of standalone financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgment, estimates and assumptions that affect application of accounting policies and reported amount of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the standalone financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognised prospectively in current and future periods. The estimates and assumptions used in the accompanying standalone financial statements are based upon the management's evaluation of relevant facts and circumstances as of the date of the standalone financial statements.

2.3 Current non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is less than 12 months.

2.4 Fixed assets and depreciation

Property, plant and equipment

- a Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and amortisation. The cost of acquisition includes 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.

Subsequent expenditure related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

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

- b Leasehold land is amortised over the period of lease being 95 to 99 years.

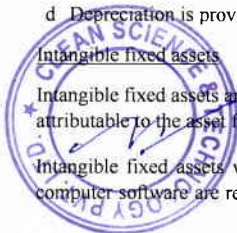
- c Solar power plants are depreciated over the period of 5 to 15 years

- d Depreciation is provided on straight-line method based on useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible fixed assets

Intangible fixed assets are recognised when the asset is identifiable, it is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset flow to the Company and the cost can be reliably measured.

Intangible fixed assets which comprise of the development expenditure incurred on new product and expenditure incurred on acquisition of user licenses for computer software are recorded at their acquisition price and are amortised over their estimated useful life on a straight-line basis, commencing from the date the



Clean Science and Technology Private limited

Notes to the standalone financial statements for the year ended 31 March 2019 (Continued..)

2.5 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are carried at lower of cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Any reductions in the carrying amount and any reversal of such reduction are charged to the Statement of Profit and Loss.

2.6 Inventories

Inventories are valued as follows:-

a. Raw Materials, Components, Stores, and Spares :

Lower of cost and net realizable value. Cost is determined on a FIFO formula. Cost of inventories comprises cost of purchases including duties and taxes (other than those subsequently recoverable from the tax authorities) and cost incurred in bringing the inventory to its present location and condition.

b. Work-in-progress and 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.

2.7 Revenue recognition

- Revenue is recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales exclude excise duty and value added tax.
- Interest is recognised on a time proportion basis taking into account the amount outstanding and rate applicable.
- Dividend is recognised as income as and when the right to receive is determined.
- Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled (i.e. receipt of the duty entitlement license).
- Revenue from sale of solar electricity power is recognised when solar electrical power is transmitted to Alternating Current Distribution Board (ACDB).

2.8 Provisions

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised 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.

2.9 Foreign currency transactions and translations

Foreign exchange transactions are recorded using the rate of exchange on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date and the resultant exchange differences are recognised in the Statement of Profit and Loss for the year.

Derivative instruments are marked to market at the year-end rates and they will be measured at fair value and changes in fair value are recognised in the Statement of Profit and Loss.

Any profit or loss arising on cancellation or rollover of forward exchange contracts is recognised as income or expense during the year when the cancellation/rollover occurs.

2.10 Employee benefits

a Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

b Post employment benefits

Defined benefit plans

The Company's gratuity benefit 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 Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that the employees have earned in return of their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by the employees is recognised in the Statement of Profit and Loss on a straight-line basis over the average period until the benefit becomes vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

* Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays specified contribution to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme which is defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit or Loss during the period in

Clean Science and Technology Private limited

Notes to the standalone financial statements for the year ended 31 March 2019 (Continued..)

2.10 Employee benefits (continued):-

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

2.11 Borrowing costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.12 Earnings per share

The basic earnings per share, ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity and equivalent dilutive equity shares outstanding during the year, except where the results would be anti-dilutive.

2.13 Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax laws) and deferred tax (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expense is recognised in Statement of Profit and Loss except that tax expense related to items recognised directly in reserves is also recognised in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the tax authorities, using the applicable tax rates and tax laws. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

2.14 Impairment of assets

In accordance with Accounting Standard 28 – Impairment of Assets, the carrying amounts of the Company's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets' recoverable amount is estimated, as the higher of the net selling price and the value in use. 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 or CGU. An impairment loss is recognised in the Statement of Profit and Loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.15 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.16 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and short-term investments with original maturity of three months or less.

2.17 Cash flows

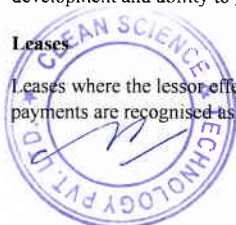
Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the Company are segregated.

2.18 Research and development costs

Research costs are charged off to the Statement of Profit and Loss as and when incurred. Development expenditure, including incidental expenses related to such development, is recognised as an intangible asset when technical feasibility is established alongwith the intention of the management to complete such development and ability to generate future economic benefits.

2.19 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

3. Share capital

	31 March 2019	31 March 2018
Authorised		
2,000,000 (Previous year 2,000,000) equity shares of Rs. 10 each	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
Issued, subscribed and paid-up		
1,415,727 (Previous year 1,415,727) equity shares of Rs. 10 each fully paid-up	14,157,270	14,157,270
	<u>14,157,270</u>	<u>14,157,270</u>

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Equity shares				
At the commencement and at the end of the year	1,415,727	14,157,270	1,415,727	14,157,270

b. 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.

c. Particulars of shareholders holding more than 5% equity shares

Name of shareholder	31 March 2019		31 March 2018	
	Number	% holding	Number	% holding
Mr. Ashok Boob	257,480	18.19%	257,480	18.19%
Mrs. Asha A Boob	220,890	15.60%	220,890	15.60%
Mr. Ashok Sikchi (HUF)	172,876	12.21%	172,876	12.21%
Mr. Krishna Boob	108,065	7.63%	108,065	7.63%
Mr. Ashok Boob (HUF)	83,622	5.91%	83,622	5.91%

4. Reserves and surplus

	31 March 2019	31 March 2018
Securities premium account		
At the commencement and at the end of the year	61,041,360	61,041,360
General reserve		
At the commencement and at the end of the year	74,892,691	74,892,691
Surplus (Profit and loss balance)		
At the commencement of the year	1,725,174,189	1,289,677,817
Profit for the year	966,981,606	486,614,447
Appropriations		
Interim dividend for 2018-19 at Rs. 35 per equity share (Previous year Rs. Nil per equity share)	49,550,445	-
Interim dividend for 2017-18 at Rs. 15 per equity share (Previous year Rs. 10 per equity share)	21,235,905	14,157,270
Final dividend of previous year paid during the year at Rs. 25 per equity share (Previous year Rs. 20)	35,393,175	28,314,540
Tax on dividend paid during the year	21,898,267	8,646,265
	<u>2,564,078,003</u>	<u>1,725,174,189</u>
Total reserves and surplus	<u>2,700,012,054</u>	<u>1,861,108,240</u>

Subsequent to year-end, the Company has declared an interim dividend of Rs. 30 per equity share in the meeting of the board of directors on 2 May 2019.

5. Long-term borrowings

	Non-current portion		Current Portion	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Deposits from shareholders (Unsecured)	1,285,000	750,000	-	4,775,000
	<u>1,285,000</u>	<u>750,000</u>	<u>-</u>	<u>4,775,000</u>

Deposits from shareholders are interest free and are repayable after 3 years from respective receipt of deposits.



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

6. Deferred tax liabilities (net)	31 March 2019	31 March 2018
Deferred tax liabilities		
Excess of depreciation/amortisation on fixed assets under income tax law over depreciation/amortisation provided in books of account	129,090,405	102,081,206
MTM Gain on outstanding forward contract not designated as hedge	10,033,442	
	139,123,847	102,081,206
Deferred tax assets		
Provision for employee benefits	1,217,512	585,599
Diminution in value of current investment	3,921,325	1,445,486
	5,138,837	2,031,085
Deferred tax liabilities (net)	133,985,010	100,050,121

7. Provisions

	Long-term		Short-term	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provision for employee benefits				
Gratuity (Refer note 38)	-	-	729,572	-
Compensated absences	2,910,328	2,082,521	541,119	393,046
	2,910,328	2,082,521	1,270,691	393,046
Other provisions				
Provision for current tax (Net of advance tax)	-	-	-	1,021,247
	2,910,328	2,082,521	1,270,691	1,414,293

8. Short-term borrowings

	31 March 2019	31 March 2018
Loans repayable on demand		
Cash credit and overdraft facilities from banks (Secured)	24,665,096	-
	24,665,096	-

Working capital loan from banks consist of cash credit facility from banks carrying interest rate ranging between 11 % to 13 % and are repayable on demand.

The details of securities for the short-term borrowings are as follows :

Primary Security

(1) Hypothecation charge on stocks, stores and spares, consumables and book debts.

Collateral

(2) Pari passu equitable mortgage charge on Office No. 503, 5th Floor, Pentagon Tower 4, Hadapsar, Pune admeasuring 5158 sq.ft.

(3) Pari passu hypothecation charge on all current assets.

(4) Personal guarantee of Mr. Ashok Boob, Mr. Krishna Boob and Mr. Siddharth Sikchi.

9. Trade payables

	31 March 2019	31 March 2018
Trade payables		
a) Total outstanding dues of micro and small enterprises	2,029,973	1,642,578
b) Total outstanding dues of creditors other than micro and small enterprises	221,220,856	262,327,943
	223,250,829	263,970,521

For dues to micro and small suppliers, refer note 30.

10. Other current liabilities

	31 March 2019	31 March 2018
Current maturities of long-term borrowings (refer note 5)	-	4,775,000
Employee benefits payable		
Salaries and benefits	4,884,728	4,067,337
Bonus payable	1,702,430	1,432,889
Payable to related parties		
Directors remuneration	2,493,367	1,441,067
Performance bonus payable to directors (net of tax deducted at source)	85,640,663	44,649,679
Statutory dues payable		
TDS and TCS payable	52,532,912	27,921,179
Provident fund payable	431,007	364,238
ESIC payable	151,682	79,422
Professional tax payable	45,225	37,575
Payables for purchase of fixed assets	13,790,587	27,394,693
Advance from customer	93,220	1,233,926
	161,765,821	113,397,005



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

11a Property, plant and equipment

Description	Land	Leasehold land	Buildings	Plant and equipment	Research and Development related assets	Furniture and fixtures	Computer	Vehicles	Office equipment	Total
Gross block										
Balance as at 1 April 2017	17,598,100	10,403,447	202,459,286	760,894,065	16,700,807	11,899,989	2,717,436	17,366,168	2,053,011	1,042,092,309
Additions	-	-	148,504,878	154,928,555	4,684,958	3,852,511	974,634	4,642,323	749,850	318,337,709
Balance as at 31 March 2018	17,598,100	10,403,447	350,964,164	915,822,620	21,385,765	15,752,500	3,692,070	22,008,491	2,802,861	1,360,430,018
Balance as at 1 April 2018	17,598,100	10,403,447	350,964,164	915,822,620	21,385,765	15,752,500	3,692,070	22,008,491	2,802,861	1,360,430,018
Additions	9,280,085	-	46,066,231	286,829,887	4,981,190	920,693	1,116,806	8,193,483	236,301	357,624,676
Deletion	-	-	-	(7,149,148)	-	-	-	(1,649,312)	-	(8,798,460)
Balance as at 31 March 2019	26,878,185	10,403,447	397,030,395	1,195,503,359	26,366,955	16,673,193	4,808,876	28,552,662	3,039,162	1,709,256,234
Accumulated depreciation										
Balance as at 1 April 2017	-	650,542	26,125,507	229,551,547	5,588,052	4,297,420	1,924,774	3,740,977	1,244,297	273,123,116
Depreciation for the year	-	107,175	6,249,465	62,520,153	2,073,274	1,188,922	418,239	2,215,203	388,625	75,161,056
Balance as at 31 March 2018	-	757,717	32,374,968	292,071,700	7,661,326	5,486,342	2,343,013	5,956,180	1,632,922	348,284,168
Balance as at 1 April 2018	-	757,717	32,374,968	292,071,700	7,661,326	5,486,342	2,343,013	5,956,180	1,632,922	348,284,168
Depreciation for the year	-	107,175	11,462,190	89,997,356	2,670,695	1,484,289	680,157	2,855,408	369,571	109,626,841
Deductions	-	-	-	(5,673,385)	-	-	-	(1,243,376)	-	(6,916,761)
Balance as at 31 March 2019	-	864,892	43,837,158	376,395,671	10,332,021	6,970,631	3,023,170	7,568,212	2,002,493	450,994,248
Net block										
As At 31 March 2018	17,598,100	9,645,730	318,589,196	623,750,920	13,724,439	10,266,158	1,349,057	16,052,311	1,169,939	1,012,145,850
As At 31 March 2019	26,878,185	9,538,555	353,193,237	819,107,688	16,034,934	9,702,562	1,785,706	20,984,450	1,036,669	1,258,261,986



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

11b Intangible fixed assets

Description	Software (other than internally generated)	Total
Gross block		
Balance as at 1 April 2017	3,529,451	3,529,451
Additions	993,350	993,350
Balance as at 31 March 2018	4,522,801	4,522,801
Balance as at 1 April 2018	4,522,801	4,522,801
Additions	848,390	848,390
Balance as at 31 March 2019	5,371,191	5,371,191
Amortization		
Balance as at 1 April 2017	1,641,708	1,641,708
Amortization for the year	691,029	691,029
Balance as at 31 March 2018	2,332,737	2,332,737
Balance as at 1 April 2018	2,332,737	2,332,737
Amortization for the year	598,864	598,864
Balance as at 31 March 2019	2,931,601	2,931,601
Net block		
As At 31 March 2018	2,190,064	2,190,064
As At 31 March 2019	2,439,590	2,439,590

11c Capital work-in-progress

Description	Buildings	Plant and machinery	Total
Balance as at 1 April 2017	23,414,998	-	23,414,998
Additions	7,858,226	7,091,511	14,949,737
Capitalised during the year	(23,414,998)	-	(23,414,998)
Balance as at 31 March 2018	7,858,226	7,091,511	14,949,737
Balance as at 1 April 2018	7,858,226	7,091,511	14,949,737
Additions	3,868,684	35,408,562	39,277,246
Capitalised during the year	(7,858,226)	(7,091,511)	(14,949,737)
Balance as at 31 March 2019	3,868,684	35,408,562	39,277,246



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

12. Non-current investments

(Valued at cost unless stated otherwise)

Trade investments (unquoted)

Investment in equity instruments

981,500 (previous year : 981,500) equity shares of Clean Science Private Limited; a wholly owned subsidiary, of Rs.10 each fully paid-up

9,815,000

9,815,000

19,999 (previous year : 19,999) equity shares of Clean Organics Private Limited; a wholly owned subsidiary, of Rs.10 each fully paid-up

199,990

199,990

10,014,990

10,014,990

13. Long-term loans and advances

(Unsecured and considered good)

	Non-current portion		Current portion	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
To parties other than related parties				
Capital advances	20,660,070	28,601,021	-	-
Security deposits	9,482,613	8,355,985	-	-
Other loans and advances				
Balance with excise authorities	-	-	2,216,148	1,055,393
Custom Authorities	-	-	4,915,426	-
GST receivable	-	-	44,229,005	49,979,227
VAT credit receivable	2,391,003	35,064,776	10,825,924	-
Advance tax (net of provision)	4,012,256	-	-	1,329,372
	36,545,942	72,021,782	62,186,503	52,363,992

* Current portion under loans and advances shown under short-term loans and advances (refer note 19).

14. Other non-current assets

Bank deposits (due to mature after 12 months from the reporting date) (refer note 18)

31 March 2019

31 March 2018

3,009,441

309,441

3,009,441

309,441

15. Current investments

(At cost, or fair value, whichever is less)

Investment in mutual funds-quoted

Current year 7,395,155 (previous year: 2,465,195) units Kotak Equity Arbitrage Fund

174,073,817

58,075,066

Current year 46,006 (previous year: Nil) units Franklin Liquid Fund Direct Growth

128,246,813

-

Current year 2,865,963 (previous year: Nil) units Franklin India Saving Fund Direct Growth

100,000,000

-

Current year 32,583 (previous year: Nil) units Kotak Money Market Direct Growth

100,000,000

-

Current year 22,546 (previous year: Nil) units Kotak Liquid Fund Direct Growth

84,503,927

-

Current year 1,148,646 (previous year: Nil) units Franklin India Ultra Short Bond Fund Direct Growth

30,000,000

-

Current year 116,922 (previous year: 116,922) units Birla Sun Life Treasury Optimizer Fund Direct Growth

24,712,299

24,712,299

Current year 937,285 (previous year: 717,359) units IIFL Special Opportunities Fund - Series 2

10,000,000

7,500,000

Current year 447 (previous year: Nil) units Kotak Liquid Direct Plan (GR)

1,672,092

-

Current year 338 (previous year: Nil) units HDFC Liquid Fund-Regular Plan Growth

1,229,031

-

Current year Nil (previous year: 2,376,125) units of Reliance Arbitrage Advantage Fund Direct Monthly Dividend Plan AFAM mutual fund, fully paid up

-

30,000,000

Current year Nil (previous year: 94,895) units Reliance Media & Entertainment Fund

-

2,417,657

Current year Nil (previous year: 45,692) units Reliance Pharma Fund

-

2,750,410

Current year Nil (previous year: 4,947) units Kotak Floater Short Term

-

5,004,739

Current year Nil (previous year: 351) units Reliance Liquid Fund Cash Plan Growth option-Growth Plan

-

937,153

Investment in Equity Shares-quoted

Investment through Ventura in equity Shares

67,705,199

35,690,425

Investment through India Nivesh in equity shares

8,070,491

4,302,316

Investment through Kotak PMS in equity shares

7,633,258

-

737,846,927

171,390,065

a. Aggregate book value of quoted investments Rs. 737,846,927 (previous year : Rs. 171,390,065)

b. Aggregate market value of quoted investments Rs. 752,451,847 (previous year : Rs. 178,362,294)

c. Aggregate provision made for diminution in value of investments Rs. 13,466,085 (previous year : Rs. 4,963,895)



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

	31 March 2019	31 March 2018
16. Inventories		
<i>(Valued at lower of cost and net realisable value)</i>		
Raw materials [including goods in transit of Rs. 22,727,903 (previous year Rs. 24,631,842)]	79,803,264	82,810,389
Work-in-progress	190,009,731	124,031,147
Finished goods [including goods in transit of Rs. 53,823,897 (previous year Rs. 67,419,124)]	83,927,501	76,010,750
Stores and spares	16,500,691	7,516,851
	<u>370,241,187</u>	<u>290,369,137</u>
17. Trade receivables		
<i>(Unsecured and considered good)</i>		
Other receivables <i>(outstanding for a period less than six months from the date they are due for payment)</i>		
-from private company in which directors are directors/members (refer note 36)	1,560,902	1,054,190
-other parties	596,120,771	395,547,838
	<u>597,681,673</u>	<u>396,602,028</u>
18. Cash and bank balances		
Cash and cash equivalents		
- Cash on hand	307,775	197,935
- Balance with banks		
On current accounts	93,646,553	294,501,902
Other bank balances	250,000	-
	<u>94,204,328</u>	<u>294,699,837</u>
Details of bank balances		
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	250,000	-
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets' (refer note 14)	3,009,441	309,441
	<u>3,259,441</u>	<u>309,441</u>
19. Short-term loans and advances		
<i>(Unsecured, considered good)</i>		
Current portion of long-term loans and advances (refer note 13)	62,186,503	52,363,992
To parties other than related parties		
Prepaid expenses	3,945,018	3,241,682
Advances to employees	289,527	65,000
Gratuity fund balance (refer note 38)	-	464,582
Advance recoverable in cash or in kind		
MTM Gain on outstanding forward contract not designated as hedge	34,455,500	-
Scripts (FMS/ MEIS) receivable	8,287,034	8,102,375
Advance for supply of goods	617,866	25,158,428
Other advances	349,135	680,352
To related parties		
Other receivables	2,857,586	1,663,076
	<u>112,988,169</u>	<u>91,739,487</u>
20. Other current assets		
<i>(Unsecured considered good, unless otherwise stated)</i>		
Interest receivable	790,620	497,553
	<u>790,620</u>	<u>497,553</u>



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

21 Revenue from operations	31 March 2019	31 March 2018
Sale of products (gross)	3,848,347,851	2,353,050,020
Less : Excise duty	-	16,136,004
Sale of products (net)	3,848,347,851	2,336,914,016
Other operating revenue		
Export incentives	69,350,518	58,893,796
Scrap sale	742,693	916,115
Sale of electricity	14,260,529	14,006,076
	84,353,740	73,815,987
	3,932,701,591	2,410,730,003

Breakup of revenue from sale of products (net of excise duty)

Manufactured goods		
Ketone with other oxygen function	461,247,904	297,594,073
Ether phenols	3,171,394,050	1,961,317,053
Others	215,705,897	78,002,890
	3,848,347,851	2,336,914,016

22 Other income	31 March 2019	31 March 2018
Interest income	869,958	560,068
Dividend income from current investments	12,946,049	6,951,946
Net gain on account of foreign exchange fluctuations	88,628,692	33,460,096
Profit on sale of current investments	-	4,030,509
Other non-operating income	3,140,192	1,332,127
	105,584,891	46,334,746

23 Cost of materials consumed	31 March 2019	31 March 2018
Inventory of materials at the beginning of the year	82,810,389	34,300,654
Purchases	1,783,088,391	1,122,215,200
Inventory of materials at the end of the year	79,803,264	82,810,389
	1,786,095,516	1,073,705,465

Breakup of cost of material consumed

Phenol	539,453,426	266,012,483
Aromatic ethers	405,948,822	258,662,721
H2O2	203,624,045	107,329,245
Dimethyl Sulphate	118,541,091	139,134,715
Monocarboxylic anhydride	116,933,983	83,840,130
Caustic Soda Lye	78,168,418	75,998,798
Tertiary Butanol	47,821,597	30,763,455
Ketones	24,323,269	19,986,670
Others	251,280,865	91,977,248
	1,786,095,516	1,073,705,465

24 Changes in inventories of finished goods and work-in-progress

	31 March 2019		
	Opening inventory	Closing inventory	(Increase) / decrease
Finished goods			
Ether phenols	55,080,265	72,040,768	(16,960,503)
Ketone with other oxygen function	13,976,254	10,947,962	3,028,292
Other	6,954,231	938,771	6,015,460
			(7,916,751)
Work-in-progress			
Ether phenols	46,291,960	63,596,827	(17,304,867)
Ketone with other oxygen function	3,970,775	6,062,936	(2,092,161)
Other	73,768,412	120,349,968	(46,581,556)
			(65,978,584)
Total			(73,895,335)
	31 March 2018		
	Opening inventory	Closing inventory	(Increase) / decrease
Finished goods			
Ether phenols	131,233,821	55,080,265	76,153,556
Ketone with other oxygen function	10,779,905	13,976,254	(3,196,349)
Others	3,229,218	6,954,231	(3,725,013)
	145,242,944	76,010,750	69,232,194
Work-in-progress			
Ether phenols	43,115,847	46,291,960	(3,176,113)
Ketone with other oxygen function	2,651,735	3,970,775	(1,319,040)
Others	69,512,397	73,768,412	(4,256,015)
	115,279,979	124,031,147	(8,751,168)

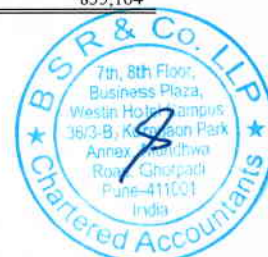


Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

25 Employee benefits expense	31 March 2019	31 March 2018
Salaries, wages and bonus	239,913,672	153,589,947
Contribution to provident and other funds (refer note 38)	4,460,217	2,718,806
Staff welfare expenses	4,337,527	4,533,671
	<u>248,711,416</u>	<u>160,842,424</u>
26 Finance costs	31 March 2019	31 March 2018
Interest		
- Working capital loan	110,433	396,789
- Others	218,472	652,688
	<u>328,905</u>	<u>1,049,477</u>
27 Depreciation and amortisation	31 March 2019	31 March 2018
Depreciation of property, plant and equipment (refer note 11a)	109,626,841	75,161,052
Amortisation of intangible fixed assets (refer note 11b)	598,864	691,029
	<u>110,225,706</u>	<u>75,852,081</u>
28 Other expenses	31 March 2019	31 March 2018
Consumption of stores and spares	10,502,338	4,715,598
Power and fuel	322,342,010	191,844,562
Water charges	7,988,386	6,192,847
Repairs and maintenance		
Buildings	3,481,653	2,335,059
Machinery	58,401,167	32,359,672
Others	10,744,384	6,184,684
Insurance	3,252,993	3,155,985
Rent	-	554,064
Rates and taxes	2,516,585	2,689,756
Telephone and other communication expenses	1,707,944	1,276,531
Travelling expenses	4,878,780	2,500,863
Freight, clearing and forwarding	33,723,820	26,465,431
Sales commission	10,107,788	12,019,191
Advertising and sales promotion	2,916,481	2,740,872
Manpower supply	62,491,769	44,396,788
Legal and professional fees	10,657,055	6,709,544
Payments to auditors (Refer note below)	832,696	835,164
CSR expenses (Refer note 40)	17,669,300	4,440,775
Bank charges	2,994,849	4,573,422
Effluent treatment plant expenses	13,458,834	7,718,990
Printing and stationary	1,748,529	1,320,284
Loss on sale of property, plant and equipments	1,312,207	-
Loss on sale of current investments	932,207	-
Provision for diminution in value of current investment	6,986,266	4,963,895
Miscellaneous expenses	23,765,602	16,345,405
	<u>615,413,643</u>	<u>386,339,382</u>
Note: Payment to auditors	31 March 2019	31 March 2018
As auditor		
Statutory audit fees	750,000	750,000
In other capacity		
Other services	37,000	25,000
Reimbursement of expenses	<u>45,696</u>	<u>60,164</u>
	<u>832,696</u>	<u>835,164</u>



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

29 Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities

Based on the Supreme Court judgement dated 28 February 2019, the Company has reassessed the components to be included in basic salary for the purpose of employer's contribution towards Provident Fund. However, there has been no corresponding amendment in the Act or Scheme framed under the Provident Fund Act, consequent to Supreme Court judgement. In the absence of amendment in the Act, or Scheme framed under the Provident Fund Act, or any clarification with regards to the judgement being effective prospectively / retrospectively, the Company is not in a position to quantify the amount of the obligation, if any, with sufficient reliability.

Commitments

a. Estimated amount of contracts remaining to be executed on capital account and not provided for

31 March 2019	31 March 2018
192,907,558	73,465,885
192,907,558	73,465,885

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

Particulars

	31 March 2019	31 March 2018
The amount remaining unpaid to micro and small suppliers as at the end of each accounting year		
- Principle	2,029,973	1,642,578
- Interest	-	-
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.	-	-

31 Derivatives instruments

a) Outstanding derivatives instruments

Category	Currency	31 March 2019		31 March 2018	
		Amount in foreign currency	Equivalent amount in rupees	Amount in foreign currency	Equivalent amount in rupees
Forward exchange contracts (towards firm commitment not considered as hedge)	USD	10,400,000	729,005,000	-	-

b) Unhedged foreign currency exposures

	31 March 2019		31 March 2018	
	Amount in foreign currency	Equivalent amount in rupees*	Amount in foreign currency	Equivalent amount in rupees
Trade receivables				
USD	4,940,859	341,765,669	2,808,051	182,647,146
EURO	336,188	26,122,574	386,118	31,129,658
Trade payables				
USD	222,943	15,421,242	461,576	30,022,782
EURO	128,273	9,967,133	995	80,219
Advance paid				
USD	-	-	362,673	23,589,739
Balance with banks - in EEFC accounts				
USD	1,143,915	79,126,082	4,403,934	286,449,922
EURO	171,420	13,319,766	1,148	92,554
Cash on hand				
USD	702	48,558	420	27,319
EURO	1,618	125,722	1,081	87,153
CNY	3,575	36,984	-	-
SGD	152	7,793	-	-
AED	690	13,034	-	-
RUB	340	360	-	-
IDR	270,000	1,323	-	-

*The exchange rate used by the Company is that notified by the Reserve Bank of India.

32 Details of imported and indigenous raw materials, components and spares consumed during the financial year

	31 March 2019		31 March 2018	
	Value	% of total consumption	Value	% of total consumption
Imported	635,426,239	35.37%	257,368,870	23.87%
Indigenous	1,161,171,615	64.63%	821,052,193	76.13%
	1,796,597,854	100.00%	1,078,421,063	100.00%

33 Earnings in foreign exchange

	31 March 2019	31 March 2018
Export of goods calculated on FOB basis	2,842,913,113	1,640,564,628

34 Value of imports calculated on CIF basis

	31 March 2019	31 March 2018
Raw materials	681,739,013	274,266,018
Capital goods	1,168,236	3,649,097
	682,907,249	277,915,115

35 Expenditure in foreign currency

	31 March 2019	31 March 2018
Travelling expenses	1,040,921	83,386
Freight, clearing and forwarding	1,074,401	602,506
Bank charges	1,609,557	1,599,497
Sales commission	2,630,575	8,351,240



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

36 Related party disclosure

36a Details of related parties:-

Description of relationship	Names of related parties
Key management personnel	Mr. Ashok Boob Mr. Siddharth Sikchi Mr. Krishna Boob
Wholly owned subsidiaries	Clean Science Private Limited Clean Organics Private Limited
Relatives of key management personnel	Mrs. Nandita Sikchi Mr. Ashok Boob (HUF) Mrs. Asha A Boob Mr. Parth Boob (Maheshwari) Mr. Ashok Sikchi Mr. Ashok Sikchi (HUF) Mr. Krishna R. Boob (HUF) Mr. Kunal Sikchi Mr. Prasad K. Boob Mrs. Asha S. Sikchi Mrs. Neelima K. Boob Ms. Nidhi A. Boob Ms. Pooja K. Boob Ms. Shraddha K. Boob
Companies/firms in which Director can exercise significant influence	Matrix Fine Science Private Limited M/s Shree Tiles CSTPL Foundation Shree Pavers M/S Shree Pavers and Tiles

36b Related party transactions for the year ended

Particulars	Key management personnel	Relatives of key management personnel	Company/firms in which Director can exercise significant influence	Subsidiaries	Total
Purchase of raw material, consumables and spares	-	90,000	1,065,600 (1,165,530)	-	1,155,600 (1,165,530)
Sale of goods	-	-	9,861,000 (9,082,340)	-	9,861,000 (9,082,340)
Sale of scrap	-	-	489,000 (-)	-	489,000 -
Donation	-	-	11,800,000 (400,000)	-	11,800,000 (400,000)
Investment in subsidiary	-	-	-	- (199,990)	- (199,990)
Remuneration to key management personnel	180,640,663 (108,879,490)	2,328,945 (532,101)	-	-	182,969,608 (109,411,591)
Interim dividend paid	20,527,550 (4,105,510)	46,474,900 (9,294,980)	-	-	67,002,450 (13,400,490)
Final dividend for previous year	10,263,775 (8,211,020)	23,237,450 (18,589,960)	-	-	33,501,225 (26,800,980)
Advance given to subsidiary	-	-	-	1,194,510 (927,810)	1,194,510 (927,810)
Unsecured deposit received	1,285,000 (-)	-	-	-	1,285,000 (-)
Unsecured deposit (paid)	(5,525,000) (1,515,000)	-	-	-	(5,525,000) (1,515,000)

* Figures in brackets represent prior year comparative figures.

Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

36c Related party transactions more than 10% of total transactions for the year ended

Nature of transaction	31 March 2019	31 March 2018
a. Purchase of raw material, consumables and spares		
M/s Shree Tiles	-	677,000
M/s Shree Pavers and Tiles	1,052,000	488,530
b. Sale of goods		
Matrix Fine Science Private Limited	9,861,000	9,082,340
c. Sale of scrap		
Matrix Fine Science Private Limited	489,000	-
d. Remuneration paid		
Mr. Ashok Boob	83,164,705	54,439,745
Mr. Siddharth Sikchi	55,893,606	36,293,163
Mr. Krishna Boob	41,582,352	18,146,582
e. Interim dividend paid		
Mr. Ashok Boob	12,874,000	2,574,800
Mrs. Asha A. Boob	11,044,500	2,208,900
Mr. Krishna Boob	5,403,250	1,080,650
Mr. Ashok Sikchi (HUF)	8,643,800	1,728,760
f. Final dividend for previous year		
Mr. Ashok Boob	6,437,000	5,149,600
Mrs. Asha A. Boob	5,522,250	4,417,800
Mr. Krishna Boob	2,701,625	2,161,300
Mr. Ashok Sikchi (HUF)	4,321,900	3,457,520
g. Unsecured deposit received		
Mr. Siddharth Sikchi	1,285,000	-
h. Unsecured deposit (paid)		
Mr. Ashok Boob	(2,100,000)	-
Mr. Krishna Boob	(1,650,000)	1,515,000
Mr. Siddharth Sikchi	(1,775,000)	-
i. Advance given to subsidiary		
Clean Science Private Limited	1,194,510	915,680
Clean Organics Private Limited	-	12,130
j. Donation given		
CSTPL Foundation	11,800,000	400,000
k. Investment in Subsidiaries		
Clean Organics Private Limited	-	199,990

36d Balances outstanding at the end of the year:-

Particulars	31 March 2019	31 March 2018
a. Trade payables		
M/s Shree Pavers and Tiles	125,080	115,782
b. Trade receivables		
Matrix Fine Science Private Limited	1,560,902	1,054,190
c. Unsecured deposit		
Mr. Siddharth Sikchi	1,285,000	1,775,000
Mr. Ashok Boob	-	2,100,000
Mr. Krishna Boob	-	1,650,000
d. Performance bonus payable (net of TDS)		
Mr. Ashok Boob	39,317,905	22,325,345
Mr. Siddharth Sikchi	26,663,206	14,882,552
Mr. Krishna Boob	19,659,552	7,441,782
e. Directors' remuneration payable (net of TDS)		
Mr. Ashok Boob	1,144,500	1,069,700
Mr. Siddharth Sikchi	765,467	371,367
Mr. Krishna Boob	583,400	-
f. Other receivables		
Clean Science Private Limited	2,837,486	1,642,976
Clean Organics Private Limited	20,100	20,100



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

37 Segment information

The Company is exclusively engaged in the business of manufacturing of Organic Chemicals. These in the context of the Accounting Standard 17 Segment Reporting, are considered to constitute one single primary segment. The Company has considered geographical segments for disclosure as secondary segment as follows: (i) Domestic segment includes sales to customers located in India and (ii) Exports segment includes sales to customers located outside India

	31 March 2019	31 March 2018
Sales revenue		
India	1,089,788,478	770,165,375
Rest of the World	2,842,913,113	1,640,564,628
	3,932,701,591	2,410,730,003
Carrying amount of assets*		
India	229,793,430	182,825,223
Rest of the World	367,888,243	213,776,805
	597,681,673	396,602,028
Additions to property, plant and equipment and intangible fixed assets		
India	358,473,066	319,331,059
	358,473,066	319,331,059

*Segment assets represent trade receivables

38 Employee benefits : Post-employment benefit plans

Defined contribution plans:

The Company makes contributions, determined as a specific percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund for the year aggregated to Rs. 3,198,040 (previous year Rs. 2,718,806).

B. Defined Benefit Plans (Gratuity):

The Company operates a defined benefit plan which provides gratuity benefit. The gratuity plan entitles an employee who has rendered atleast five years of continuous service, to receive one-half months salary for each year of completed service at the time of retirement / exit. The scheme is funded by plan asset.

The following table summarizes the position of assets and obligations relating to the gratuity plan

	31 March 2019	31 March 2018
Present value of obligations	5,352,623	3,957,778
Fair value of plan assets	4,623,051	4,422,360
Liability / (Asset) recognised in the Balance Sheet	(729,572)	464,582

Classification into current/ non-current

The (asset) / liability in respect of the plan comprises of the following non-current and current portions:

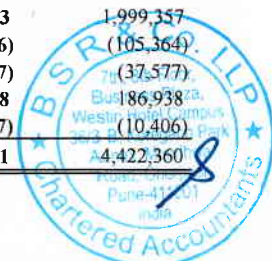
	Non - Current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Gratuity liability / (asset)	-	-	729,572	(464,582)

Movement in present value of the defined benefit obligations

	31 March 2019	31 March 2018
Defined benefit obligation at 1 April	3,957,778	2,404,097
Current service cost	1,102,282	798,140
Interest cost	303,608	169,302
Actuarial (gains) / losses on obligations	119,701	691,603
Benefits paid	(130,746)	(105,364)
Defined benefit obligation at 31 March	5,352,623	3,957,778

Movement in fair value of plan assets

	31 March 2019	31 March 2018
Fair value of plan asset as at 1 April	4,422,360	2,389,412
Contribution paid into the plan	68,023	1,999,357
Benefits paid by the plan	(130,746)	(105,364)
Mortality charges and taxes	(58,747)	(37,577)
Expected return on plan assets	342,498	186,938
Actuarial (losses) / gains	(20,337)	(10,406)
Fair value of the plan as at 31 March	4,623,051	4,422,360



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

38 Employee benefits : Post-employment benefit plans (continued)

B. Defined Benefit Plans (Gratuity) (continued)

Composition of plan assets

Funds managed by insurer

100%

100%

Expense recognised in the Statement of Profit and Loss

31 March 2019

31 March 2018

Current service cost

1,102,282

798,140

Interest cost

303,608

169,302

Expected return on plan assets

(342,498)

(186,938)

Net actuarial (gain) / loss recognised in the year

140,038

702,009

Expense recognised in the Statement of Profit and Loss

1,203,430

1,482,513

Actual return on plan assets

31 March 2019

31 March 2018

Expected return on plan assets

342,498

186,938

Actuarial gain / (loss) on plan assets

(20,337)

(10,406)

Actual return on plan assets

322,161

176,532

Principle actuarial assumptions

31 March 2019

31 March 2018

Discount rate

7.60%

7.80%

Expected return on plan assets

7.80%

8.00%

Salary growth rate

10.00%

10.00%

Employee turnover rates

12.00%

12.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

Amount for the current and previous four periods are as under :

Gratuity

31 March 2019

31 March 2018

31 March 2017

31 March 2016

31 March 2015

Defined benefit obligation

5,352,623

3,957,778

2,404,097

1,640,784

1,114,890

Fair value of plan assets

(4,623,051)

(4,422,360)

(2,389,412)

(1,733,048)

(869,106)

(Surplus) / deficit in the plan

729,572

(464,582)

14,685

(92,264)

245,784

Experience gain or (loss) on plan liabilities

(45,132)

(866,975)

(117,428)

36,716

167,121

Experience gain or (loss) on plan assets

(11,555)

(4,564)

(12,714)

(51,435)

(19,664)

39 Earnings per share (EPS)

Basic earnings per share

The calculation of basic earnings per share for the year ended 31 March 2019 was based on the profit attributable to equity shareholders of Rs. 966,981,606 (previous year Rs. 486,614,447) and the weighted average number of equity shares outstanding of Rs. 14,157,270 (previous year Rs. 14,157,270).

Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 March 2019 was based on the profit attributable to equity shareholders of Rs. 966,981,606 (previous year Rs. 486,614,447) and the weighted average number of equity shares outstanding after adjustments for the effects of all dilutive potential equity shares of Rs. 14,157,270 (previous year Rs. 14,157,270).

31 March 2019

31 March 2018

Earnings

Profit after tax as reported

966,981,606

486,614,447

Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS (nos.)

14,157,272

14,157,272

Nominal value of equity shares

10.00

10.00

Basic earnings per share

683.03

343.72

Diluted earnings per share

683.03

343.72



Clean Science and Technology Private Limited

Notes to the standalone financial statements for the year ended 31 March 2019 (continued)

(Currency : Indian Rupees)

40 Corporate social responsibility

As per the provisions of section 135 of Companies Act 2013, the Company was required to spend Rs. 12,072,184 (Previous year Rs. 10,957,558) being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act. However, the Company has spent Rs. 17,669,300 (Previous year Rs. 4,44,0775) towards Corporate Social Responsibility activities. Below are the details of the amount spent during the year :

Particulars	C S R activities	31 March 2019	31 March 2018
(i) CSTPL Foundation	Promoting education	11,800,000	400,000
(ii) Krishnashray Foundation	Promoting education	3,100,000	-
(iii) SMBT Seva Bhavi Trust	Promoting healthcare including preventive healthcare	1,100,000	-
(iv) Pimpri Chinchwad Education Trust	Promoting education	1,100,000	2,500,000
(v) Rotary Club	Promoting education	324,300	719,775
(vi) Friends Of Tribals Society	Promoting education	200,000	200,000
(vii) Vanvasi Kalyan Ashram Maharashtra	Promoting education	-	600,000
(viii) Katariya Memorial Charity Trust	Promoting education	45,000	21,000
	Total	17,669,300	4,440,775

41 Disclosure in respect of Research and Development activities as per the requirements of Guidelines issued by Department of Scientific and Research ('DSIR') :

a. Amount eligible for deduction under section 35(2AB) of the Income Tax Act, 1961:	31 March 2019	31 March 2018
Amount debited to statement of profit and loss excluding depreciation (refer sub-note b below)	17,668,952	12,488,227
Amount not debited to Statement of profit and loss (refer note 11a)	4,981,190	4,684,958
Total eligible expenditure	22,650,142	17,173,185
b. Revenue expenditure on Research and Development activities charged to Statement of Profit and Loss:		
An amount of Rs. 20,339,647 (previous year : Rs. 14,561,501), including Rs. 2,670,695 (previous year : Rs. 2,073,274) related to depreciation expense, has been debited to the Statement of Profit and Loss and are included under the appropriate account heads.		

42 Amounts disclosed as revenue are inclusive of excise duty and exclude Sales Tax/VAT till 30 June 2017. With the onset of Goods and Service Tax (GST) with effect from 1 July 2017, the amount disclosed as revenue as on 31 March 2019 is net of GST collected on behalf of customers.

43 Previous year's figures have been regrouped/reclassified wherever necessary to conform current year's presentation.

The notes are an integral parts of standalone financial statements.

For B S R & Co. LLP

Chartered Accountants

Firm registration no. 101248W/W-100022



Swapnil Dakshindas

Partner

Membership No. 113896

Place : Pune

Date : 16 August 2019

UDIN: 19113896AAAACR6502

For and on behalf of the Board of Directors of

Clean Science and Technology Private Limited

CIN : U24114PN2003PTC018532




Ashok Boob

Managing Director

DIN : 410740

Place : Pune

Date : 16 August 2019



Krishna Boob

Director

DIN : 410672

Place : Pune

Date : 16 August 2019