



09.08.2024

To,

BSE Limited

Phiroze JeeJeebhoy Towers,
Dalal Street,
Fort,
Mumbai – 400 001
Scrip Code: 543318

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1,
G Block, Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051
Trading Symbol: CLEAN

Dear Sir/Madam

Subject: Notice of 21st Annual General Meeting (“AGM”), Annual Report for the Financial Year 2023-24 and Book Closure for AGM and Dividend.

Dear Sir/Madam,

Further to the intimation dated 1st August, 2024, the **21st AGM** of the members of the Company will be held on **Thursday, 5th September, 2024 at 3.30 p.m. (IST) through Video Conference/Other Audio-Visual Means.**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”) please find enclosed the Annual Report for the financial year 2023-24 along with Notice of the 21st AGM (including e-voting instructions).

Further, pursuant to Regulation 42 of SEBI Listing Regulations, 2015, and as earlier informed the Register of Members and Share Transfer Books will remain closed from **30th August, 2024 to 5th September, 2024 (both days inclusive)** for the purpose of Annual General Meeting and payment of dividend to be declared.

The aforesaid documents are being despatched electronically to the members whose email ids are registered with the Company/Registrar and Transfer Agents/Depository Participants.

The above information is also available on the website of the Company at <https://cleanscience.co.in/wp-content/uploads/2024/08/Annual-Report-2023-2024.pdf>

You are requested to take the same on record.

Thanking You.

For Clean Science and Technology Limited

Sanjay Parnerkar
Chief Financial Officer

Encl:- as above



**IMPACTFUL
INNOVATION**



**WITH
MOLECULAR
EXCELLENCE**

CLEAN SCIENCE AND TECHNOLOGY LIMITED

INNOVATION AT WORK

ANNUAL REPORT

2023-24



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Scan this QR code to navigate investor-related information



For more investor related information, click here:
<https://cleanscience.co.in/investors/>

Disclaimer: This document contains statements about expected future events and the financials of Clean Science and Technology ('the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



IMPACTFUL INNOVATION WITH MOLECULAR EXCELLENCE

At Clean Science and Technology, the guiding principle of **'Impactful Innovation with Molecular Excellence'** drives advanced developments prioritising environmental integrity. The Company's expertise in process design, particularly focus on the atom economy, enables efficient production of superior-quality products, while reducing waste, affirming its commitment to sustainability.

Additionally, strategic launches of new products demonstrate its innovative spirit, aligning economic advantages with environmental sustainability through proprietary technologies. Furthermore, the commercialisation of Clean Fino Chem in 2023-24 assures to expand market presence, boost revenue, and highlights CSTL's ability to meet industry demands with efficient, eco-friendly solutions.

Hence, CSTL is dedicated to advancing the chemical industry with innovations emphasising molecular excellence, enhancing efficiency, sustainability, and profitability, exemplifying 'Impactful Innovation with Molecular Excellence' and leading sustainable chemical manufacturing.

About Us

CSTL: DRIVING INNOVATION. FOSTERING EXCELLENCE.

EMPOWERING INDUSTRIES WITH INNOVATIVE, SUSTAINABLE SPECIALTY CHEMICAL SOLUTIONS.

Clean Science and Technology Limited (referred to as 'CSTL' or 'the Company'), is a technology-driven company. The Company's primary focus is on manufacturing critical specialty chemicals for various end-user industries and everyday product verticals. Utilising robust in-house R&D and advanced technologies for chemical development through catalytic processes, CSTL has emerged as one of the largest producers of critical specialty chemicals globally.

35+

Countries

500+

Customers across
the Globe

16+

Accreditations and
Certifications

1,100+

Employees

64%

Revenue from
ExportZero
Liquid Discharge

Manufacturing Facilities



Revenue from Business Segments (2023-24)

₹ 5,156 million

Performance Chemicals

₹ 1,470 million

Pharma and Agro Chemicals

₹ 1,020 million

FMCG Chemicals

Our Purpose



Vision

To be a global chemical company most admired for our innovative processes, performance, reliability, and unparalleled service to our customers.



Mission

To create value for our customers, stakeholders, and employees by developing processes that are sustainable and cost-effective in nature.

Core Values



Integrity

At the heart of our ethos lies a dedication to fostering enduring partnerships with our clients and stakeholders. Integrity stands as the cornerstone of our operations, guiding every decision we make, while our unwavering commitment to eco-friendly manufacturing underscores our conscientious approach to product development.



Innovation

At our core, we understand that innovation is the lifeblood of any successful enterprise. We prioritize the generation of innovative processes and solutions to address contemporary challenges. In a dynamic world, innovation serves as the linchpin for securing both customer satisfaction and the prosperity of our Company.



Excellence

Excellence defines our essence, ingrained in every aspect of our endeavours. We firmly believe in transcending conventional limits, striving to innovate and deliver unparalleled value in the market.



Safety

Ensuring the safety of our employees and customers remains paramount to us. We hold a profound concern for all those connected to our operations and uphold the highest standards of safety through stringent protocols.



Care

Upholding the integrity of our Company and prioritising customer safety are non-negotiable values for us. We are deeply committed to delivering products of the utmost quality, ensuring that each item we provide exceeds expectations and adds significant value to our customers experience.

About Us

Manufacturing Units



Unit 1

7

Plants

30,000 sq.m.

Total Area



Unit 2

4

Plants

23,337 sq.m.

Total Area



Unit 3

5

Plants Commercialised

40,343 sq.m.

Total Area

Clean Fino Chem Limited

Phase 1
HALS Commercialised

1,32,700 sq.m.
Total Area

Pilot Facility

Pilot facility will further accelerate timelines for process commercialisation



Geographical Presence

PIONEERING EXCELLENCE THROUGH WIDER REACH

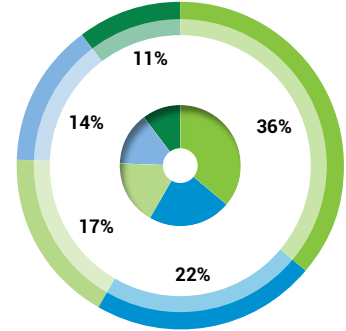
CSTL has strategically expanded its global presence, reaching diverse landscapes worldwide. Employing a forward-looking strategy, the Company prioritises enhancing production capacities, exploring new markets, and promoting high-value products. These efforts aim to reinforce its position as a global industry leader.



- | | |
|--------------------|--------------------|
| 1 India | 19 Japan |
| 2 Canada | 20 South Korea |
| 3 USA | 21 China |
| 4 Mexico | 22 Bangladesh |
| 5 Brazil | 23 Malaysia |
| 6 Argentina | 24 Taiwan |
| 7 The UK | 25 Thailand |
| 8 Belgium | 26 Vietnam |
| 9 France | 27 Singapore |
| 10 Spain | 28 The Philippines |
| 11 Denmark | 29 Indonesia |
| 12 Poland | 30 South Africa |
| 13 The Netherlands | 31 Chile |
| 14 Germany | 32 Peru |
| 15 Italy | 33 Egypt |
| 16 Turkiye | 34 Colombia |
| 17 Israel | 35 UAE |
| 18 Saudi Arabia | 36 Australia |

Geography-Wise Revenue Mix (2023-24)

Geography	In %
India	36
China	22
USA	17
Europe	14
ROW	11



Disclaimer: This map is a generalised illustration only for the ease with which the reader can understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

Journey and Milestones

ADVANCING THE JOURNEY WITH COMMITMENT AND EXCELLENCE

CSTL's journey is marked by significant milestones, each symbolising its firm commitment to excellence and innovation within the industry.

2006

Changed name to 'Clean Science and Technology' in line with the vision and philosophy

2009

Commercialised manufacturing of MEHQ and Guaiacol

2011

Commercialised manufacturing of 4-MAP

2014

Commercialised manufacturing of BHA

2018

Commercialised manufacturing of anisole using unique vapour phase technology
Commercialised manufacturing AP



2020

Commercialised manufacturing of DCC

2022

Commercialised manufacturing of p-BQ and TBHQ

2023

Commercialised plant to manufacture HALS 770 & 4-Hydroxy Tempo (701) at Unit-3

2024

Commercialised largest facility based out of India dedicated to HALS within record timeline and cost budget



Leveraging Key Strengths

LEVERAGING STRENGTHS WITH INNOVATION & R&D



CSTL's position as a leading manufacturer of specialty chemicals is strengthened by pioneering R&D initiatives, supported by synergistic in-house project engineering capabilities, a strong financial foundation, and strategic capacity expansions. Leading the market, the Company creates value for stakeholders through innovations that not only set but also redefine industry standards. Additionally, the organisation's mission intertwines advanced manufacturing with molecular precision, ensuring every leap the Company takes is a stride towards a sustainable and innovative future.



Largest Manufacturer of Multiple Specialty Chemicals

CSTL holds the distinction of being the largest global producer of Monomethyl Ether of Hydroquinone (MEHQ), Butylated Hydroxy Anisole (BHA), and 4-Methoxy Acetophenone (4-MAP). Furthermore, the Company has achieved backward integration by manufacturing anisole, a key raw material, and now stands as the largest global producer of this compound. Furthermore, CSTL ranks among the top global producers for the remaining products. While many players in the Indian specialty chemical industry view China as a competitor, CSTL perceives the Chinese market as an opportunity. Leveraging its position, the Company supplies its products to India and considers China its largest market.



Advanced Research and Development (R&D)

While many companies in the space operate with a single R&D centre, CSTL distinguishes itself by having a dedicated R&D centre at each of its manufacturing facilities. Moreover, the Company has expanded its R&D capabilities by establishing a centre at its Unit-3. Continuing its commitment to process innovation through catalytic technology, CSTL has forayed into the development of Hindered Amine Light Stabilisers (HALS) series. These find applications across diverse end-user industries, such as masterbatches, water treatment, paint, and coatings, among others. With the estimated global market size for HALS standing at US\$ 1 billion, CSTL proudly stands as the first company to develop HALS series in India.





In-House Project Engineering Skills

CSTL specialises in developing unique and innovative chemistries that are crystallised at a commercial scale with the support of a robust in-house engineering team. With the expertise of its technical engineers, the Company successfully executed expansion projects within budget and timeline constraints. The engineering team at the Company plays a pivotal role in enhancing yields, optimising productivity, and minimising downtime. These notable contributions show the Company's commitment to operational efficiency and excellence in manufacturing processes.



World-Class Pilot Facility

With its world-class pilot facility, CSTL transcends traditional development timelines. Through testing and refining processes on a smaller scale, the Company has significantly shortened the time needed to introduce new chemicals to the market. This agility provides a competitive edge, enabling the Company to anticipate industry trends and promptly adapt to evolving customer needs. Serving as a testing ground for innovation, the Company's pilot facility facilitates the identification and resolution of potential challenges before they escalate. Moreover, by proactively addressing risks in the development phase, the Company minimises costly setbacks and optimises its operations for peak efficiency and reliability.



Expansion of Capacities

The end-user industry for key products is experiencing a growth rate of 5-6%. To meet the increasing demand from these industries, CSTL has expanded its capacities at Unit-3. Additionally, the Company has developed greenfield project at Unit-4, which will specialise in stabilisers and other downstream intermediates for the pharma and other sectors.



Nil Debt

The absence of debt in CSTL's financial structure serves as a significant strength, particularly during periods of high interest rates. It shields the Company from the burden of interest payments and enables it to maintain financial flexibility and stability.

Management Messages

MESSAGE FROM THE MANAGING DIRECTOR



At the heart of our strategic thrust is our commitment to molecular excellence.



Dear Shareholders,

It brings me great pleasure to present our Annual Report, highlighting our Company's achievements, advancements, and future prospects.

Amid the numerous challenges faced owing to global economic turbulence, I am pleased to affirm that Clean Science and Technology Limited has demonstrated exemplary stewardship. This turbulent period was marked by recessionary pressures and exacerbated by events like significant inflation in the European Union, geopolitical tensions across various regions, and the Red Sea crisis among others. By strategically navigating these complexities, we have demonstrated a financial performance that proves our resilience and aligns remarkably with the fiscal benchmarks for margins set in the previous year.

At CSTL, we remain firm in our commitment to the strategic initiatives we have outlined. From pioneering

product introductions to executing our capital expenditure strategies and enhancing operational efficiencies, we stand committed. Despite facing macroeconomic headwinds, we are proud to have continued honouring our promises in our pursuit of excellence while confronting and conquering the macroeconomic adversities presented to us.

In our relentless pursuit of excellence, the cornerstone of our strategy remains the establishment of world-class facilities that spearhead innovation in products and processes. Our Company continuously strives to balance expanding market access and optimising costs, propelling us towards our ambitious goals. At the heart of our strategic thrust is our commitment to molecular excellence. This approach has been instrumental in securing our position as one of the most profitable entities in the fine and specialty chemicals sector on a global scale.

We are recognised as one of the largest and profitable manufacturers of certain specialty chemicals within a short span of our existence, thanks to our pioneering

efforts towards in-house development. Our dedication to unique, innovative, sustainable, and cost-effective catalytic manufacturing processes reaffirms our stature among the few global organisations devoted to developing ingenious atom efficient technologies. Our advancements are not confined to the laboratories; we have gone beyond technological frontiers, prompted societal advancement, and championed sustainability. This has been possible due to our extensive efforts in research and development. Our corporate ethos encompasses not only the drive for innovation but also a profound sense of responsibility towards our social and environmental duties.

Parallel to our individual strides, the Indian economy stands as a beacon of growth amid global economic uncertainty. Despite global uncertainties and challenges, the economy is poised to retain its position as one of the world's fastest-growing major economies. India is now the fifth-largest economy globally.

The chemical sector contributed around 7% to India's GDP in 2023-24, which is significant and highlights the importance of the chemical industry in India's economy. The sector shows promising growth prospects, particularly with the chemical industry anticipated to achieve a value of US\$ 304 billion by 2025. These trends and predictions reflect a Compound Annual Growth Rate (CAGR) of 9.6% from 2023. Amid global challenges, the Indian chemical sector has demonstrated remarkable fortitude, positioning itself as a pivotal force in the country's ambitious drive towards industrial self-reliance. Under the auspices of the 'Make in India' and 'Atmanirbhar Bharat' initiatives, complemented by supportive fiscal measures, the sector is poised for amplified demand and increased contribution to the GDP. These strategic policies are reshaping India into a global manufacturing epicentre. Supporting these policies are trends such as enhanced domestic production and export realignment through judicious custom duty adjustments.

The Indian chemical sector is now seen as a reliable supplier for global companies pursuing a 'China+1 strategy' to de-risk their operations. India's cost-effective manufacturing capabilities, robust process engineering expertise, ample availability of skilled labour, adherence to global quality standards, and strict environmental compliance have positioned it as a preferred manufacturing hub worldwide. This assertion is reinforced by the substantial capital expenditure plans announced by major chemical players, with the sector witnessing its highest-ever capex expenditure in the last couple of years.

At CSTL, our dedication to innovation and expansion remains intact. With strategic foresight, we have expanded our operations by commissioning a new subsidiary, Clean Fino Chem Limited. We find ourselves at a pivotal

juncture as we embark on a strategic expansion of our operations to elevate scale and diversify our portfolio, profitably. This significant step forward not only amplifies our market presence but also reinforces our commitment to growth. Specifically, with the commercialisation of our new subsidiary, we are positioned to scale our operations to the next level. This expansion not only broadens our horizons but also solidifies our position in the market. As a result, we are now equipped to introduce ground-breaking new products. We are also excited about the impact these new products will have on industries worldwide. We are dedicated to using resources for the greater good of humanity. Alongside, our commitment to sustainability and corporate social responsibility remains as strong as ever. Executing our CSR vision and objectives, based on sustainable interventions, has ensured the holistic development of the communities in which we operate in. As responsible corporate citizens, our purpose is to play an active role in protecting the planet and the environment for future generations. We pride ourselves on being one of the most profitable fine and specialty chemical companies globally.

On behalf of CSTL, I would like to extend our heartfelt gratitude to the BSR team, for their exceptional service and dedication as our Statutory Auditors over the past decade. As they approach the retirement milestone at the ensuing Annual General Meeting, we want to take a moment to express our deepest appreciation for their strong commitment and professionalism throughout our journey together. Their expertise and diligence have not only upheld the highest standards of corporate governance but have also provided invaluable insights that have contributed to our growth and success. We are grateful for the lasting impact they have made on our Company.

I express my sincere gratitude to our stakeholders for their continued support. I am grateful to the team of dedicated professional employees who have played a vital role in achieving our objectives and fulfilling our vision. At the same time, the guidance of our esteemed Board members has been invaluable. As we look to the future, we are confident in our ability to seize further opportunities and propel our growth trajectory forward. Our commitment remains steadfast to maintaining agility to capitalise on evolving industry dynamics effectively. To conclude, we thank everyone for being part of our Company's prosperous journey. We are proud to be associated with you as we pursue sustainable growth and value creation.

Thank you,

Ashok Boob
Managing Director

Management Messages

MESSAGE FROM FROM THE
EXECUTIVE DIRECTOR

Despite adversities, at CSTL, we have emerged resilient, underpinned by our robust EBITDA margins, which remained upbeat over 40%.

**Dear Shareholders,**

As we culminate the financial year 2023-24, I am honoured to present you a report that narrates our journey over the past twelve months and sets the trajectory for the times ahead. Despite an ambience of economic uncertainty, CSTL has stood firm, guided by the beacons of innovation and molecular excellence.

Macro-Environment

The global economic environment during the year gone by, was riddled with undercurrents that tested the mettle of chemical businesses worldwide. Chemical businesses, specifically, faced the ripple effects of global destocking, geopolitical tensions, and a general slowdown in consumption. The effects of destocking were pronounced, coinciding with our recent significant capacity expansions and ventures into new product lines, which had already

elevated our cost base, heightening our vulnerability to destocking impacts. These challenges, though formidable, did not deter our resolve but instead catalysed our drive for innovation and efficiency. As the year progressed, however, we witnessed a progressive recovery across our sales volumes.

With a firm commitment to navigate these challenges, we strive to maintain a delicate balance between our business objectives and the trust and goodwill of our customers. This holistic approach extends to our pricing strategies, where supporting our customers remains of paramount significance. As a matter of prudence, any necessary price adjustments are implemented gradually, taking into careful consideration the confidence our customers have in us. Despite adversities, at CSTL, we have emerged resilient, underpinned by our robust EBITDA margins, which remained upbeat over 40%. Our cash generation remained robust, with surplus cash and liquid investments remaining steady in the range of ₹ 330 Crores. This performance is a reflection of our superior technology, lean cost structure,

and the efficiency of our operational strategies, which ensured minimal impact from negative operating leverage.

Strengths

At the core of our Company's ethos is a commitment to innovation and our unique & novel technology focussed on atom economy. The commitment is further mirrored in our strategic process improvements and new product offerings spearheaded by a robust in-house R&D team –the architects of our molecular excellence. We pride ourselves on being global leaders in producing specialty chemicals essential for diverse applications. This global footprint has cemented our status as a preferred partner of choice, nurturing long-term relationships with a distinguished customer base. Our state-of-the-art facilities underscore our dedication to environmental health and safety, operating with zero liquid discharge. This is further cushioned by our technocrat promoters and a skilled workforce, driving consistent financial performance. Together, we're setting benchmarks in sustainable and cost-effective manufacturing, contributing significantly to industry advancement and value creation.

CSTL's Prestigious Awards

In the recently concluded awards, we have once again demonstrated our excellence through the receipt of the prestigious Maharashtra State Export Award from the Government of Maharashtra for the year 2022. This remarkable achievement marks the seventh consecutive time CSTL has been honoured with this esteemed award, a testament to our strong commitment to excellence and innovation in export practices since 2016. Additionally, we have been recognised with the 4-Star Export House Certificate by the Directorate General of Foreign Trade (DGFT) for our exceptional export performance. This recognition shows our dedication to maintaining high standards of quality, efficiency, and compliance in our export operations.

Strategic Product Diversification

Our response to the slowdown was strategic and focussed. We capitalised on our innovative technology and strong process engineering skills to maintain as well as enhance our market position. The diversification of our product base, particularly with legacy products like MEHQ, BHA, 4MAP and Guaiacol, witnessed a contribution to sales going below 75%. The contribution from relatively newer products, such as DCC, TBHQ, and HALS, has started yielding significant revenue, thereby diluting the concentration from the flagship products.

To enhance our product commercialisation process, we

have established a pioneering pilot facility operating at a significantly larger scale. By leveraging this state-of-the-art facility, we anticipate a substantial reduction in the stabilisation period for newly developed products. The implementation of this pilot facility displays our commitment to innovation and efficiency, as we seek to streamline our operations and accelerate time-to-market for our diverse range of products. In launching new products, we strategically position each to capitalise on unique market opportunities and deliver robust benefits. The selected products are designed to complement and enhance our existing portfolio, offering customers a comprehensive suite of solutions. For example, TBHQ has found a synergistic market alongside BHA customers, expanding our reach. Notably, with DCC, we've established ourselves as the exclusive manufacturer of a specific pharma product from India. Furthermore, we're poised to become a leading producer of a forthcoming pharma intermediate, underscoring our pioneering approach and expanding our influence in the specialty chemicals sector. Products like HALS were introduced in anticipation of their substantial competitive edge and vast market potential.

A New Chapter - CFCL

This year heralded a transformative chapter for CSTL with the commencement of the operations at Clean Fino Chem Limited (CFCL), which is our largest facility till date being spread across 34 acres. The operations began with the tagline of 'Redefining Chemistry', marking a significant stride in our strategic expansion and innovation. March 2024 saw us not only commence operations at CFCL, but also complete Capex projects within time and cost budget, setting a new benchmark in our pursuit of excellence.

As India's largest facility for HALS production, CFCL underscores our leadership in innovation and operational excellence. This achievement cements our status as pioneers, being the first and largest India-based manufacturer and exporter of HALS 770 and 4 - Hydroxy Tempo, marking our entry into global markets, including China. With the HALS' market potential valued at US\$ 1 billion and a promising 10% CAGR, our strategic positioning through CFCL allows us to capture significant market share and diversify our revenue streams.

Our investment of approximately ₹ 335 Crores in CFCL, funded entirely through internal accruals, exemplifies our commitment to sustainable growth and as we navigate new chemistries and broaden our market presence globally while boosting our growth prospects. We also performed the Bhumi Pujan at CFCL to construct a new plant for a pharma intermediate.



Our R&D endeavours are characterised by a dynamic and robust pipeline, focussing on developing over 10 new molecules spanning a diverse range of chemistries at any given time.



Financial Performance

In terms of the financial performance for the year, the financial acumen of CSTL has allowed us to maintain a position of strength. Our surplus cash and liquid investments remain steady, illustrating our capacity for robust cash generation and fiscal stewardship. Moreover, our consolidated revenue demonstrated resilience, with a moderate decrease of 15% from ₹ 936 Crores in 2022-23 to ₹ 791 Crores in 2023-24. Consolidated PAT at ₹ 244 Crores de-grew 17% on Y-o-Y basis as compared to ₹ 295 Crores in 2022-23. For 2023-24, our Company's Board of Directors recommended a final dividend of ₹ 3/-, equivalent to 300% of the face value of equity shares.

We are pleased to highlight the key achievements of this year's performance, showcasing our strategic adaptability and resilience in the face of market challenges. Our revenue base has successfully diversified across newer product lines, reflecting our agility in responding to evolving customer demands. During the past year, our product mix has seen a notable diversification, with flagship products like MEHQ, BHA, 4MAP, and Guaiacol

contributing less than 75% to sales. This shift reflects our strategic embrace of newer offerings such as DCC and TBHQ, which have experienced significant sales growth. As a result, the concentration from our top four flagship products has been diluted, signaling our commitment to adaptability and innovation in response to evolving market dynamics. Despite encountering a moderate decline in revenue, our diligent margin management strategies have ensured robust profitability, mitigating the impact of negative operating leverage. Furthermore, our prudent financial practices have led to a healthy cash balance, even amid record levels of capital expenditure.

Sustainability

Our commitment to sustainability and ESG principles is foundational, guiding us towards greener operations. During 2023-24, we reached a milestone by launching our inaugural sustainability report and installing additional 1.5 MW rooftop solar plant. This, among many other initiatives on ground, have helped us reduce our carbon footprint and emphasise our dedication to clean energy.

We have taken proactive steps to address the environmental, social, and governance (ESG) responsibilities by establishing ambitious targets for next five years. These targets are designed to drive meaningful progress in key areas of environmental sustainability, social responsibility, and corporate governance.

In terms of environmental sustainability also, ambitious five-year targets have been set. These targets include reducing specific Greenhouse Gas (GHG) emissions by 15% from the 2022-23 levels. Additionally, our Company aims to decrease specific water consumption by 15% from the 2022-23 levels. Furthermore, there is a commitment to increase the share of renewable electricity by 25% from the 2022-23 level. Moreover, as part of reforestation efforts, our Company has further pledged to plant 50,000 trees over the ensuing period.

Additionally, we have established social responsibility goals to guide our actions and impact positively on the society. This includes striving to achieve a target of 30% women staff at our corporate office, reflecting our commitment to diversity and gender equality in the workplace. Furthermore, in order to upskill the team, we aim to increase training hours by 25% for both manpower and staff, emphasising our dedication to continuous learning and skill development. Moreover, our dedication to safety remains of paramount importance, with a continuous focus on improvement to ensure zero casualties.

Regarding corporate governance, we are deeply committed to maintaining high standards and strive to achieve two primary objectives. Firstly, we are dedicated to achieving 100% compliance with all statutory requirements.

Secondly, we aim to ensure that no auditor qualifications or re-statements occur.

Our Company's name is synonymous with eco-friendly chemical manufacturing, which has always enabled us to prioritise sustainability and clean chemistry. The recognition of our efforts through prestigious certifications from GreenCo, Eco Vadis, and Together for Sustainability (TFS), highlights our commitment to environmental stewardship, resource conservation, and ESG excellence.

Being a holder of the 'Responsible Care' reaffirms our commitment to safety, health, and environmental management. This recognition, alongside our sustainable practices, demonstrates our pledge to responsible chemical management and the welfare of our communities and the environment.

Our sustainable initiatives extend beyond internal operations to include significant contributions to global efforts. Renewable energy constitutes approximately 65% of our power usage, bolstered by further investment in solar generation. In partnership with the Government, we've initiated significant afforestation efforts, planting over 11,000 trees on 10 hectares and planning for an additional 12,000 trees on 19 hectares in Pune District, thereby, enhancing sustainability footprint.

Through these comprehensive initiatives, CSTL continues to lead in sustainable growth, affirming our legacy as a leader in eco-friendly chemical manufacturing.

Going Forward

Looking ahead, our Company remains committed to expanding our investment portfolio and enhancing our capabilities. Our Research and Development (R&D) team, now comprising 90+ scientists, continues to drive innovation and excellence across our operations. Our world-class pilot facility is poised to revolutionise our distribution capabilities, allowing us to efficiently serve our customers.

Our R&D endeavours are characterised by a dynamic and robust pipeline, focussing on developing over 10 new molecules spanning a diverse range of chemistries at any given time. Our research encompasses a broad spectrum of chemical processes, including hydroxylation, alkylation, oxidation, hydrogenation, catalysis, halogenation, esterification, polymeric reactions, grignard reactions, and chlorination. This expansive research and development initiative aims to broaden our product offerings significantly, targeting a variety of sectors such as pharmaceuticals, food, paints, antioxidants, and stabilisers among others. Through these efforts, we are dedicated to creating a substantial impact in the industries we serve, reinforcing our commitment to innovation and excellence in chemical manufacturing.

We consistently oversee our facilities and invest in diverse technologies across our manufacturing units to uphold energy efficiency. Our ongoing efforts involve optimising plant processes to minimise water consumption and emissions. Additionally, we prioritise safety and quality as we establish environmentally sustainable plants.

Conclusion

All that we've accomplished would not have been possible without the continued efforts of our employees. I extend my heartfelt gratitude to the entire CSTL family for their unstinted support and commitment. I am also grateful to all our stakeholders for the trust they have bestowed on us, and we are committed to fulfilling their expectations and delivering value to them.

Thank you,

Siddharth Sikchi
Executive Director



CFCL

CFCL: REDEFINING CHEMISTRY



Clean Fino Chem Limited (CFCL), a wholly owned subsidiary of CSTL, stands as a strategic investment aimed at driving innovation and expansion within the Company. Undeterred by challenging market conditions, CSTL executed its investment plan by allocating ₹ 335 Crores towards establishing a new facility at CFCL. This significant investment culminated in the commercialisation of CFCL in March 2024. A key highlight of CFCL's commercialisation is the remarkable achievement of funding the entire ₹ 335 Crores investment since March 2022 through internal accruals. Furthermore, this record capital expenditure in the Company's history highlights its financial strength and persistent commitment to strategic growth.

India's historical dependence on imported Hindered Amine Light Stabilisers (HALS) underscored the imperative for developing domestic capability in this crucial area. Challenges, including supply chain uncertainties and limited control over costs and quality necessitated a proactive approach. Recognising these challenges, CSTL

embarked on a strategic journey to establish a robust domestic production facility for HALS.

This initiative marks a pivotal point in CSTL's value chain strategy, transcending mere market demands. Through the vertical integration of HALS production into its operations





via Clean Fino Chem Limited (CFCL), the organisation aims to enhance supply chain stability, optimise costs, and ensure stringent product quality control. This move positions CFCL as the sole manufacturer and exporter from India, unlocking new export opportunities and bolstering the country's standing in the global HALS market. Clean Fino Chem Limited is primed to revolutionise the light stabiliser industry, solidifying the Company's status as the exclusive manufacturer of these critical chemicals in India.

Additionally, the journey towards inaugurating India's largest HALS facility was the culmination of extensive capex (capital expenditure) planning and strategic foresight. Years of meticulous planning and investment paved the way for this milestone, showcasing CSTL's commitment to long-term growth and innovation. The inauguration ceremony in February 2024 marked the realisation of these efforts, marking a major stride in CSTL's expansion agenda.

US\$ 1 billion

Estimated Market Size of HALS

CSTL proudly announces the export of its inaugural container of Cleanlight Stab 770 (UV 770) to Europe. Moreover, both Cleanlight Stab 770 have secured REACH registration, marking a significant milestone. This accomplishment reflects the Company's firm commitment to safety, quality, and environmental responsibility. It reaffirms the Company's dedication to providing products that not only meet the stringent industry standards but also comply with regulatory requirements, ensuring the well-being of both people and planet. Looking ahead, CSTL plans to introduce some products and blends, offering customers a comprehensive range of polymer stabilisers.

10,500 MT/pa

Production Capacity for HALS

Cleanlight Stab 770

REACH Registration

Financial Highlights

PROGRESSING AHEAD WITH FINANCIAL STABILITY



CSTL has demonstrated remarkable resilience and performance. The Company has consistently maintained an EBITDA level exceeding 40%, reflecting strong profitability and operational efficiency. Additionally, in its indomitable commitment, CSTL continues to invest in its facilities despite non-conducive external factors, laying a solid financial base for future growth and success.

Revenue (₹ in million)

2023-24	7,894
2023-23	9,358
2021-22	6,849
2020-21	5,124
2019-20	4,193

Net Fixed Assets Turnover (in Times)

2023-24	2.0
2023-23	2.2
2021-22	2.3
2020-21	2.8
2019-20	2.5

EBITDA (₹ in million)

2023-24	3,372
2023-23	4,026
2021-22	3,000
2020-21	2,590
2019-20	1,853

Net Worth (₹ in million)

2023-24	12,156
2023-23	10,188
2021-22	7,689
2020-21	5,400
2019-20	3,421

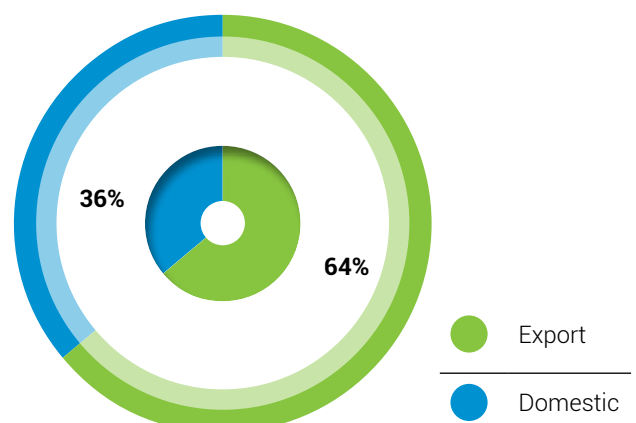
PAT (₹ in million)

2023-24	2,477
2023-23	3,035
2021-22	2,286
2020-21	1,984
2019-20	1,396

RoCE (in %)

2023-24	38.7
2023-23	49.8
2021-22	51.5
2020-21	73.9
2019-20	58.5

Revenue by Geography



Growth Prospects

GROWING CONSISTENTLY WITH ROBUST FOUNDATION



CSTL's exponential growth trajectory reflects the robust foundation of innovation and adaptability embedded within its culture.

High Market Growth

CSTL is well-positioned to capitalise on the high market growth within the specialty chemical industry. The Company's focus on innovation, sustainability, and operational excellence uniquely positions it to meet the increasing demand for environmentally friendly and high-performance chemicals. Through strategic investments and continuous improvement initiatives, CSTL is primed to drive sustainable growth and deliver value to stakeholders in alignment with the dynamic needs of the specialty chemical sector.

Focus on ESG and Sustainability

Capitalising on the core philosophy of clean and green chemistry, CSTL aims to address the growing demand for sustainable solutions in the market.

New Product Development

The Company is making strategic investments in developing a new range of specialty chemicals applicable across diverse and rapidly growing end-user industries.

Adding New Competencies

The organisation is introducing new chemicals and process technologies, prioritising the production of high-value products that are limited in global manufacturing. This includes advancements in hydroxylation, alkylation, oxidation, hydrogenation, and various other innovative chemistries.

Significant Greenfield CAPEX

The significant greenfield CAPEX investment by CSTL will play a pivotal role in driving the Company's growth trajectory. By allocating resources towards expanding manufacturing capacities, developing state-of-the-art facilities, and investing in cutting-edge technologies, the Company will enhance its production capabilities, meet rising market demand, and maintain a competitive edge in the specialty chemical space.

Product Range

SHAPING THE FUTURE THROUGH SUSTAINABLE SOLUTIONS



In the specialty chemical space, sustainability is deeply integrated into all efforts to ensure long-term growth and success for businesses. CSTL has consistently prioritised innovation, with a strong focus on ecological impact and sustainability. This approach has enabled the Company to develop an extensive and high-value product portfolio.

CSTL's expansive product portfolio boasts more than 10 specialty chemicals across various categories, showcasing a wide array of offerings. These products encompass innovative solutions in areas, such as antioxidants, intermediates, and stabilisers. With a myriad of high-value chemicals, the portfolio underscores CSTL's commitment to delivering cutting-edge solutions that precisely cater to industry requirements and customer preferences.

Continuously innovating, CSTL emphasises the development of cleaner and more sustainable chemical solutions. Furthermore, this approach aligns with the Company's commitment to environmental stewardship, while driving growth and competitiveness in the specialty chemical industry.

10+

Product Portfolio

With a persistent focus on innovation, sustainability, and molecular excellence, CSTL drives advancements in chemical processes through its dedicated in-house R&D team. This relentless pursuit has laid a strong foundation, enabling the Company to offer a diverse range of tailored products and solutions across multiple end-user industries. The organisation's product portfolio spans performance chemicals, pharma, agrochemicals, and FMCG (Fast-Moving Consumer Goods) chemicals, with many holding leading positions both domestically and globally. This market dominance highlights the Company's excellence in delivering high-quality specialty chemicals across diverse sectors. Leveraging state-of-the-art manufacturing facilities, CSTL swiftly meets global quality standards with a solutions-centric approach.

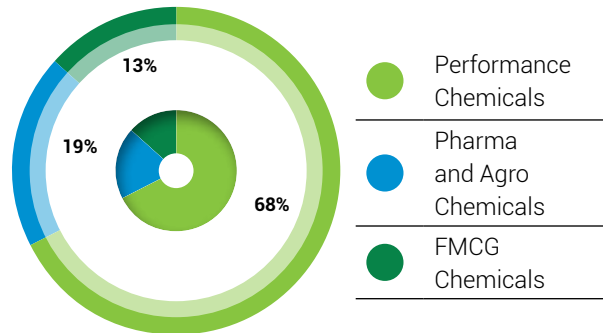


Revenue by Business Segments in 2023-24

₹ 5,156 million
Performance Chemicals

₹ 1,020 million
FMCG Chemicals

₹ 1,470 million
Pharma and Agro Chemicals



Product Range

Product Portfolio



Performance Chemicals

Product

Monomethyl Ether of Hydroquinone (MEHQ)

Application Areas

MEHQ is an organic compound that is a synthetic hydroquinone derivative. It is mainly used as a polymerisation inhibitor in the production of acrylic fibres, inks, paints, adhesives, and super absorbent polymers. In addition, it is used in the agrochemical industry.

Product-Wise Ranking

No.1 globally and domestically

Product

Butylated Hydroxy Anisole (BHA)

Application Areas

Sulphur-free BHA is widely used as an antioxidant in the animal feed and nutrition and food & feed industries. It is used as an antioxidant in the personal care sector.

Product-Wise Ranking

No.1 globally and domestically

Product

Cleanlight Stab 770

Application Areas

Cleanlight Stab 770 are light stabilisers used in a range of polymers that find application across end-user industries like automotive, agriculture, construction, and paints and pigments. Also, they prevent photodegradation and increase the life of polymers.

Product-Wise Ranking

No.1 in India

Product

4-Hydroxy Tempo (Inhibitor 701)

Application Areas

4-Hydroxy Tempo is a good inhibitor in the polymerisation of acrylate, methacrylate, acrylic, acrylonitrile, styrene, butadiene, and acrylonitrile. It is used in water treatment applications.

Product-Wise Ranking

No.1 in India

Product

Tertiary Butyl Hydroquinone (TBHQ)

Application Areas

TBHQ is a new product that was launched in 2022–23. It is primarily used as a stabilising agent in edible oil and can be combined with other preservation agents like BHA.

Product-Wise Ranking

No.2 globally and in India

Product

Ascorbyl Palmitate (AP)

Application Areas

AP is mainly used in cosmetics, infant food formulations, and breakfast cereals. Its use is particularly prominent in the personal care sector and cosmetic industry. CSTL's manufacturing plant is registered with the US FDA as an authorised food facility.

Product-Wise Ranking

No.1 globally and in India



Pharma and Agro Chemicals

Product

Guaiacol

Application Areas

Guaiacol is a versatile compound that finds application in various industries. It is used as a key starting material in the production of APIs like guaifenesin, carvedilol, ranolazine, and methocarbamol. Additionally, guaiacol is utilised in the synthesis of food ingredients and fragrance goods. It is used as a precursor in the manufacturing of vanillin.

Product-Wise Ranking

No.2 globally
No.1 in India

Product

Dicyclohexyl Carbodiimide (DCC)

Application Areas

DCC is a potent dehydrating agent used to synthesise amides, esters, and anhydrides. It is also an essential raw material for producing APIs, including amikacin, valacyclovir, and glutathione, among others. Additionally, DCC finds application in peptide and nucleic acid synthesis and serves as a reagent for anti-retroviral drugs.

Product-Wise Ranking

No.2 globally
No.1 in India

Product

Para Benzoquinone (PBQ)

Application Areas

PBQ is a new product that was introduced in 2022-23. It is used in the manufacturing of herbicides and fungicides and is used as an intermediate in the agrochemical and monomer industries.

Product-Wise Ranking

No.2 globally
No.1 in India



FMCG Chemicals

Product

4-Methoxy Acetophenone (4-MAP)

Application Areas

4-MAP is an aromatic compound with a sweet, fruity, and nutty aroma that is like vanilla. It is widely used as an intermediate in the manufacturing of cosmetic additives, such as avobenzene, which is the most common UVA filter in sunscreens. It is also used in food flavours and as a cigarette additive.

Product-Wise Ranking

No.1 globally and in India

Product

Anisole

Application Areas

Anisole is a versatile chemical used in the cosmetics, pharmaceuticals, and agrochemical industries. It is a vital raw material for the manufacturing of pesticides, fragrances, perfumes, and flavours. Anisole is also used as a precursor to perfumes, insect pheromones, and pharmaceuticals. Leveraging the power of technology, CSTL has become the largest producer of anisole worldwide. Furthermore, the Company's distinction lies in its use of vapour phase technology to produce anisole.

Product-Wise Ranking

No.1 globally and in India



Product Developments and Manufacturing Units

HARNESSING POSSIBILITIES WITH INNOVATION AND SUSTAINABILITY



Innovation, the lifeblood driving CSTL's growth, becomes sustainable through responsible innovation. The Company strategically harnesses solar energy to promote sustainable sourcing, enhancing human health and well-being. The organisation's commitment to sustainability and innovation is underscored by certifications from renowned bodies, such as ISO 9000, ISO 14001, and ISO 45001, highlighting its dedication to quality, environmental responsibility, health, safety, and energy management. Moreover, internal audits by the ISO team and external assessments by authorised audit agencies guarantee rigorous evaluation of CSTL's adherence to these standards.

Embracing Sustainable Innovation

At the heart of CSTL's ethos is innovation, exemplified by innovative catalytic processes that minimise environmental impact and uphold compliance with domestic and international regulations. The Company prioritises meticulous product labelling to provide consumers with essential information on usage, hazards, storage, and disposal practices, embodying its commitment to impactful innovation and molecular excellence.

ZERO Liquid Discharge

Zero liquid discharge (ZLD) practices are implemented across all CSTL plants. They promote sustainable water management, significantly reducing freshwater consumption through rainwater harvesting and process heat minimisation. This commitment to water conservation aligns with the 3R principle of reduce, recycle, and reuse, reflecting the Company's dedication to environmental protection.



Supply Chain

CSTL places a high priority on sustainability within its procurement and supply chain initiatives, emphasising strong supply chain management to mitigate disruptions. Ethical procurement practices and fostering strong supplier relationships ensure the quality and consistency of raw material sourcing. These efforts are further supported by sustainability certifications like Eco Vadis.

Innovation & Tech

Innovation and technology are central to CSTL's operations, with a dedicated team of 90+ scientists driving innovation in sustainable chemical processes and novel synthesis routes. The commercialisation of the HALS series exemplifies CSTL's commitment to expanding its product portfolio and driving innovation.

4

Independent R&D Labs

4

Manufacturing Units

1

Pilot Facility

CFCL: Reshaping Chemical Processes with Sustainability and Innovation

CFCL has adopted the tagline 'Redefining Chemistry,' amplifying its commitment to advancing chemical processes towards sustainability and efficiency. With Clean Fino Chem Limited, the Company leads the charge in pioneering new approaches that prioritise environmental responsibility, while delivering top-notch and cost-effective solutions.

CFCL's vision is to be a global chemical company most admired for its innovative processes, performance, reliability, and unparalleled service to customers. With an indomitable commitment to sustainability, safety, and quality, the Company ensures that its products reflect eco-friendly manufacturing practices and adhere to the highest industry standards.

CFCL is developing on a range of chemistries, including alkylation, oxidation, and hydroxylation, hydrogenation, and chlorination, among others. The Company's sustainable chemicals have applications across diverse industries, including pharmaceuticals, materials science, agriculture, and manufacturing. Clean Fino Chem Limited is equipped with cutting-edge technology and a strong commitment to sustainability. It is poised to revolutionise the light stabiliser industry, solidifying its position as the exclusive manufacturer of these critical chemicals in India.

CSR

NURTURING THE COMMUNITY WITH SUSTAINABILITY



At CSTL, Corporate Social Responsibility (CSR) is ingrained in its ethos. Committed to societal welfare, the Company actively contributes to education, environmental conservation, healthcare, medical relief, and community development, all of which yield positive impacts on society, and align with global sustainability goals.

During the financial year 2023-24, CSTL made a CSR donation of ₹ 65.38 million. This significant contribution was directed towards supporting a range of initiatives aimed at promoting education, healthcare, environmental sustainability, livelihood enhancement, and providing assistance to economically disadvantaged sections of society. Through these concerted efforts, the Company reaffirmed its commitment to making a positive impact on the communities it serves and fostering sustainable development.

₹ 65.38 million
CSR Spent in 2023-24



3	Black - Samparc Balgram Bhaje	1360	500	50	1910
4	Green - Rural Foundation	1020	500	0	1520
5	Magenta - District probation/ Jalgaon	1060	400	0	1460
6	Blue - Vasantarao Naik	820	400	100	1320
7	Grey - Om Shanti Balgruh	720	300	-50	970
	Yellow - Dipgrah Society	720	200		920
	White - Snehalay School		200		820

Empowering Education: Bridging the Digital Divide through Laptop Distribution



Inauguration of the Hostel Building at Warkar Shikshan Sansthan



Inauguration of the Hostel Building at Warkar Shikshan Sansthan

CSR



Snehawan - Hostel Building



Z P. Primary School, Rajegaon



Tree Plantation



Tarachand Hospital



Rotry club Toilet project

Environment, Social and Governance

FOSTERING CLEANER FUTURES WITH GREENER PROCESSES

CSTL is dedicated to environmental stewardship, investing in advanced technologies to enhance air emission quality and championing the adoption of renewable energy sources. The Company's commitment extends to waste management, where it follows the principles of the 3R process and ensures responsible disposal practices.

Air Emissions and Quality

CSTL acknowledges the significant impact of air emissions on health and the environment. To address this, the Company consistently invests in state-of-the-art devices and systems, including electrostatic precipitators and scrubbers, to enhance air emission quality. Additionally, innovative waste heat recovery systems highlight CSTL's commitment to renewable energy. The Company's notable 17.4 MW solar capacity further positions it to fulfil the ongoing demand in the chemical industry space.



Certification

for Clean and Green Environment

GreenCo Silver
Responsible Care
Eco Vadis
Together for Sustainability

17.4_{MW}
Solar Power Plant

11,000+
Trees Planted

~65%
Renewable Sources

Atom Economy and Clean Chemistry

In response to the escalating risks of climate change, CSTL proactively safeguards its operations and prioritises employee well-being. The Company's sustainability commitment fuels ongoing strategies, emphasising resource efficiency, waste reduction, and emissions minimisation. Through a firm dedication to 'atom economy' and 'clean chemistry,' CSTL leads the industry with innovative catalytic processes that significantly reduce environmental impact. The Company's ISO-certified manufacturing facilities and continuous investments in energy efficiency underscore its dedication to excellence. Innovations such as waste heat recovery, a robust solar capacity fulfilling 65% of power needs, and advanced technologies like reverse osmosis and evaporation are pivotal investments. Furthermore, CSTL's initiatives, including reduced greenhouse gas emissions and an ambitious tree planting programme for water rejuvenation, significantly contribute to its goal of minimising carbon footprint.

Waste Management

CSTL places utmost importance on waste management through the adherence to the 3R process: reduce, recycle, and reuse. The Company has established state-of-the-art Effluent Treatment Plants (ETPs) and a glasshouse to handle solid waste efficiently. To ensure responsible product disposal, CSTL sells waste to authorised recyclers. Additionally, hazardous waste is meticulously managed in collaboration with Maharashtra Enviro Power Limited (MEPL), underscoring CSTL's dedication to environmental protection and regulatory compliance.

Environment Initiatives Undertaken in 2023-24

CSTL planted 11,000+ trees to assist the Government in implementing an afforestation programme in degraded forest land at 10 Ha belonging to the Forest Department at Village Girim, Taluka Daund, Pune District.



Environment, Social and Governance

ENSURING EFFICIENCY BY NURTURING POTENTIAL

CSTL prioritises employee welfare, fostering an environment that champions the 'SMILE' factor while extending support to their families. A systematic approach has optimised work efficiency, productivity, and work-life balance, ensuring a harmonious workplace. The Company's commitment extends to a myriad of initiatives, including multiple training programmes, fostering a healthy and friendly atmosphere, and utilising formal channels for engaging with employees.

The Company has further strengthened its workforce by welcoming a diverse group of seasoned industry professionals across key functions, enriching the talent pool with their extensive experience and expertise. Additionally, aligning with CSTL's commitment to fostering a culture of ownership and collaboration, the Employee

Stock Option Plan (ESOP) pool has been expanded, providing employees opportunities to partake in the Company's prosperity and growth.

Moreover, the organisation's dedication to employee well-being and engagement remains of paramount importance. Throughout the year, a plethora of employee engagement activities were organised, including comprehensive training programmes aimed at skill enhancement. Additionally, there was a spirited Sports Day fostering teamwork and camaraderie, along with an uplifting Annual Day celebration. During the Annual Day event, the Company seized the opportunity to recognise and honour the dedication and loyalty of long-serving employees, with special commendation for those completing 5, 10, or 15 years of service. These endeavours highlight CSTL's dedication to nurturing a vibrant and inclusive work culture, where each employee feels valued, empowered, and motivated to contribute to collective success.



Human Capital Management

CSTL prioritises its workforce as the linchpin to success, fostering a culture of safety, active participation, and diversity. The Company aims to attract, nurture, and retain top talent, valuing each team member's unique background and experiences, while encouraging creativity and innovation. With 9% of women in the workforce, the organisation actively identifies and prioritises internal talents for growth. Targeted training programmes enhance skills, productivity, and product quality, showcasing CSTL's commitment to continuous improvement.

1,100+

Total No. of Employees

9%

Women Workforce
(Permanent)

17,179

No. of Training
Hours in 2023-24

5

Board Committees



Innovation and Training Impact

The convergence of diverse backgrounds at CSTL sparks creativity and innovation. This inclusive environment not only empowers employees but also yields tangible results—heightened productivity, fewer incidents, improved product quality, and reduced rejections. Robust training programmes covering technical, functional, and behavioural aspects play a causal role in enhancing career prospects and overall engagement.



Human Rights Commitment and Outcomes

CSTL's commitment to human rights is exemplified through enduring and mutually beneficial partnerships with stakeholders. The Company's implementation of robust policies, including the Code of Conduct, Human Rights Philosophy Policy, and POSH Policy, directly fosters ethical practices and nurtures harmonious relationships. This dedication extends across vendors, subsidiaries, and affiliates, reinforcing CSTL's dedication to ethical and responsible business conduct.



Occupational Health and Safety Excellence

At CSTL, prioritising employee health and safety transcends mere commitment—it's a strategic imperative with tangible outcomes. The Company's achievement of zero fatalities demonstrates the efficacy of the Company's secure working environment. Through initiatives like safety training, the provision of top-quality PPE kits, and rigorous third-party safety audits, CSTL ensures swift access to medical aid, reduces incidents, and fosters a workplace of utmost security.



Responsible Care Certification and Risk Mitigation

CSTL's pursuit of Responsible Care (RC) certification is a proactive measure in ensuring process safety. With state-of-the-art equipment, including self-contained breathing apparatus, gas leak detectors, and protective devices, the Company's measures actively mitigate risks, prioritise employee well-being, and safeguard operations. This indomitable commitment resonates throughout every facet of the manufacturing process, reinforcing CSTL's dedication to excellence and responsibility.

Environment, Social and Governance

Human Resources Department Initiatives Undertaken in 2023-24

The Human Resources (HR) department at CSTL outlined several key initiatives for 2023-24 aimed at enhancing employee engagement, development, and well-being. These initiatives include implementing innovative training programmes to upskill employees, Cricket Tournaments, Annual gatherings, and much more. Through these initiatives, the HR department aimed to empower employees, nurture talent, and create a supportive and productive work environment conducive to the Company's success.

Events Conducted in 2023-24



Cricket League



Annual Day



International Women's Day



Christmas Celebration



Employee Development Programme - Distillation Training, and Technical Training



Diwali Celebration



Dussehra Celebration



Blood Donation Drive

Board of Directors

STEERING GROWTH THROUGH STRATEGIC VISION

CSTL's esteemed Board of Directors offers invaluable guidance, leadership, and strategic vision, propelling the Company towards continued growth and success.

**Mr. Pradeep Rathi**

Chairman & Non-Executive Director

**Mr. Ashok Boob**

Managing Director

**Prof. Ganapati Yadav**

Non-Executive Independent Director

**Mr. Sanjay Kothari**

Non-Executive Director

**Mr. Keval Doshi**

Non-Executive Independent Director

**Ms. Madhu Dubhashi**

Non-Executive Independent Director

**Mr. Krishnakumar Boob**

Executive Director

**Mr. Siddharth Sikchi**

Executive Director

**Mr. Parth Maheshwari**Additional Director (Executive Director)
(w.e.f. 01st August, 2024)

Corporate Information

Audit Committee

Mr. Keval Doshi, Chairman
Ms. Madhu Dubhashi, Member
Prof. Ganapati Yadav, Member
Mr. Sanjay Kothari, Member

Nomination and Remuneration Committee

Prof. Ganapati Yadav, Chairman
Mr. Keval Doshi, Member
Mr. Pradeep Rathi, Member

Stakeholders' Relationship Committee

Ms. Madhu Dubhashi, Chairperson
Mr. Siddharth Sikchi, Member
Mr. Sanjay Kothari, Member

Risk Management Committee

Mr. Pradeep Rathi, Chairman
Mr. Ashok Boob, Member
Mr. Keval Doshi, Member
Mr. Sanjay Kothari, Member

Corporate Social Responsibility Committee

Prof. Ganapati Yadav, Chairman
Mr. Ashok Boob, Member
Mr. Krishnakumar Boob, Member

Chief Financial Officer

Mr. Sanjay Parnerkar

Company Secretary & Compliance Officer

Mr. Mahesh Kulkarni (upto 31st July, 2024)
Ms. Ruchita Vij (w.e.f. 01st August, 2024)

Registrar and Share Transfer Agent

Pune Office

Link Intime India Private Limited
Block No. 202, 2nd Floor,
Akshay Complex, Near Ganesh
Temple, Off Dhole Patil Road
Pune - 411 001, Maharashtra, India
Tel: 020-2616 1629/2616 0084

Bankers

HDFC Bank Limited
Kotak Mahindra Bank Limited
Axis Bank Limited

Statutory Auditors

B S R & Co. LLP

Secretarial Auditors

J. B. Bhavé & Co. Company Secretaries

Cost Auditors

Dhananjay V. Joshi & Associates, Cost Accountants

Corporate Identity Number

L24114PN2003PLC018532

Corporate & Registered Office

Office No. 603 & 604, 6th Floor,
Tower No. 15, Cybercity,
Magarpatta City, Hadapsar
Pune - 411 013, Maharashtra, India
Tel: +91 020 41264761





CLEAN SCIENCE AND TECHNOLOGY LIMITED

Registered Office: Office No. 603 & 604, 6th Floor, Tower No. 15, Cybercity, Magarpatta City, Hadapsar, Pune, Maharashtra, 411013.

Corporate Identification Number: L24114PN2003PLC018532

Tel:- +91 020 41264761 |

Website: www.cleanscience.co.in | **E-mail:** compliance@cleanscience.co.in

Notice

NOTICE IS HEREBY GIVEN THAT the Twenty First (21st) Annual General Meeting ("AGM") of the Members of Clean Science and Technology Limited (the "Company") will be held on **Thursday, 5th September, 2024 at 3.30 p.m. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2024 together with the Report of the Board of Directors and the Auditors thereon;
- To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2024 together with the Report of the Auditors thereon;
- To confirm payment of interim dividend of ₹ 2/- (200%) per equity share and to declare final dividend of ₹ 3/- (300 %) per Equity Share of Re.1 each fully paid up for the Financial Year ended 31st March, 2024;
- To appoint a Director in place of Mr. Siddhartha Ashok Sikchi (DIN: 02351154), who retires by rotation and being eligible, offers himself for re-appointment;
- To consider and if thought fit, to pass, with or without modification(s) the following Resolution as an **Ordinary Resolution:**

RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and upon the recommendation of Audit Committee and the Board of Directors of the Company, M/s. Price Waterhouse Chartered Accountants LLP (FRN - 012754N/N500016) be and are hereby appointed as the Statutory Auditors of the Company, to

hold office for a term of five consecutive years from the conclusion of the 21st Annual General Meeting (AGM) until the conclusion of the 26th AGM of the Company to be held in Financial 2028-29 at such remuneration and on such terms and conditions as recommended by Audit Committee and as may be mutually agreed by the Board of Directors in consultation with the Statutory Auditors from time to time.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to determine and finalize roles and responsibilities/scope of work, remuneration of the Statutory Auditors and any alteration thereof and to do all such acts, deeds, matters and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to the resolution in this regard.

SPECIAL BUSINESS:

- Ratification of remuneration to Cost Auditors for Financial Year 2024-25

To consider and if thought fit, to pass, with or without modification(s) the following Resolution as an **Ordinary Resolution:**

RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the recommendation of the Audit Committee, the remuneration payable to M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune, (Firm Registration No. 000030) appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the Financial Year ending 31st March, 2025 amounting to ₹3,15,000/- (Rupees Three Lacs Fifteen Thousand

Notice (Contd.)

only) plus applicable taxes and reimbursement of out of pocket expenses as may be incurred by them during the course of Audit be ratified.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to the resolution in this regard.

7. To approve continuation of employment of Mr. Krishnakumar Ramnarayan Boob, Whole Time Director of the Company, consequent to him attaining the age of 70 years w.e.f 31st May, 2025.

To consider and if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, as amended from time to time and on recommendation of the Nomination and Remuneration Committee and Board of Directors, consent of the members of the Company be and is hereby accorded for continuation of employment of Mr. Krishnakumar Ramnarayan Boob (DIN: 00410672) as Whole Time Director of the Company with effect from 31st May, 2025 upto his current term i.e. 31st March, 2026 consequent to him attaining the age of 70 years on 31st May, 2025 on the same terms and conditions including remuneration as may be approved by the Board and/or Shareholders from time to time.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things, execute all such documents, and take all such steps as may be necessary, proper or expedient including seeking all necessary approvals to give effect to this resolution.

8. To approve appointment of Mr. Parth Ashok Maheshwari as Whole-Time Director w.e.f 1st August, 2024

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 152, 161 read with Schedule V of the Companies Act, 2013 ("the Act") and other applicable provisions of the Act (including any statutory modification(s)

or re-enactment thereof for the time being in force) and subject to recommendation of Nomination and Remuneration Committee, Mr. Parth Ashok Maheshwari (DIN: 09774080), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 1st August, 2024 in terms of Section 161(1) of the Act and Articles of Association of the Company and whose term of office expires at the 21st Annual General Meeting, be and is hereby appointed as a Director whose office shall be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197 read with Schedule V and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions of the Act, Mr. Parth Ashok Maheshwari (DIN:09774080), be and is hereby appointed as Whole Time Director of the Company for a term of 5 (five) consecutive years, w.e.f. 1st August, 2024 on the terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice with liberty to the Board of Directors to alter and vary the terms and conditions of said appointment including remuneration as may be agreed between the Board of Directors and Mr. Parth Ashok Maheshwari.

RESOLVED FURTHER THAT Mr. Parth Ashok Maheshwari be entrusted with such powers to perform such duties as may from time to time be delegated / entrusted to him subject to the supervision, direction and control of the Board.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, execute all such documents, and take all such steps as may be necessary, proper or expedient including seeking all necessary approvals to give effect to this resolution.

9. To approve payment of aggregate annual remuneration in excess of 5% of net profits of the Company in a year collectively to all Executive Directors who are Promoters.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Regulation 17(6)(e) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 as amended from time to time, and as recommended by the Nomination and Remuneration Committee and

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the Board of Directors, consent of the members of the Company be and is hereby accorded for the payment of aggregate annual remuneration in excess of 5 percent of net profits of the Company in a year, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 collectively to all Executive Directors who are Promoters of the Company, during their respective term i.e upto 27th July, 2027 for Mr. Ashok Ramnarayan Boob, upto 31st March, 2026 for Mr. Krishnakumar Ramnarayan Boob, Mr. Siddhartha Ashok Sikchi and upto 31st July, 2029 for Mr. Parth Ashok Maheshwari subject to overall limits as provided under Section 197 read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary,

relevant, proper and/or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.

By Order of the Board For Clean Science and Technology Limited

Ruchita Vij
Company Secretary
Membership No. - F9210

Date: 1st August, 2024

Place: Pune

Registered Office: Office No. 603 & 604, 6th Floor,
Tower No. 15, Cybercity, Magarpatta City, Hadapsar,
Pune, Maharashtra, 411013.

Tel:- +91 +91 020 41264761

E-mail: compliance@cleanscience.co.in

Website: www.cleanscience.co.in

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NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out the material facts concerning the business under Item Nos. 6, 7, 8 and 9 of the Notice and details of the Director seeking re-appointment at the Annual General Meeting ("AGM") is annexed and forms an integral part of the Notice.

2. The Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 09/2023 dated 25th September, 2023 read with other applicable circulars ("MCA Circulars") and the applicable circulars issued by the Securities and Exchange Board of India ("SEBI"), allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) upto 30th September, 2024.

In compliance with the provisions of the Act, SEBI Listing Regulations, 2015 and MCA circulars, the 21st AGM of the Company is being held through VC/OAVM on Thursday, 5th September, 2024 at 3.30 P.M.

3. In accordance with the Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), read with clarification/guidance on applicability of Secretarial Standards – 1 and 2 dated 15th April, 2020, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be deemed to be the venue of the AGM.

4. In terms of the MCA and SEBI Circulars, as the AGM is to be conducted through VC/OAVM, and since physical attendance of member is dispensed with, there is no requirement of appointment of proxies. Therefore, the facility for appointment of Proxy by the Members is not available for this AGM and hence Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. Members attending through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

6. Institutional/Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) attending the meeting through VC/OAVM are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body resolution/authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorisation shall be sent

to the Scrutiniser by email through its registered email address to jayavantbhave@gmail.com with a copy marked to evoting@nsdl.com Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letters etc. by clicking "Upload Board Resolution / Authority Letter" displayed under e-voting" tab in their login.

7. The details of the Directors seeking appointment/re-appointment as required under Regulation 36(3) of SEBI Listing Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is annexed hereto. The Board of Directors recommend the appointments/re-appointment as proposed.

8. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 30th August, 2024 to Thursday, 5th September, 2024 (both days inclusive)** for the purpose of AGM and determining the eligibility of members entitled for payment of final dividend, if declared.

9. The final dividend as recommended by the Board of Directors, if declared at the AGM, will be paid on or after **Friday, 20th September, 2024.**

10. In order to enable the Company to directly credit the dividend amount in the Bank accounts members holding shares in demat account are requested to update their Bank Account details with their respective Depository Participants.

ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

11. In accordance with, the General Circular No. 20/2020, 02/2021, 10/2022 and 09/2023 dated 05th May 2020, 13th January, 2021, 28th December, 2022 and 25th September, 2023 respectively issued by MCA and Circular No. SEBI /HO /CFD /CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/HO/ CFD/ CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05th January, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 07th October, 2023 issued by SEBI, the 21st AGM is being conducted through VC/OAVM and the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), including the Notice of AGM are being sent only in electronic mode to Members whose e-mail address is registered with the Company/

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Registrar and Transfer Agent ("RTA") or Depository Participant(s) ("DP").

The Company will not be dispatching physical copies of such statements and Notice of AGM to any member.

12. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs. Registration of Email-id will enable them to receive all communications from the Company in electronic mode.
13. In line with the MCA Circular, a copy of the Notice of this AGM along with Annual Report for the FY 2023-24, is available on the website of the Company at www.cleanscience.co.in, the Stock Exchanges i.e. BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com

PROCEDURE FOR SPEAKER REGISTRATION, SUBMISSION OF QUESTIONS / QUERIES:

14. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, members are requested to express their views/send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number, their queries/views/questions at compliance@cleanscience.co.in
15. **The Members holding shares as on the cut-off date i.e. Thursday, 29th August, 2024 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by sending an email to compliance@cleanscience.co.in during, Friday, 30th August, 2024 from 9.00 am to Tuesday, 2nd September, 2024 upto 5.00 pm. Those members who have registered themselves as speaker will only be allowed to speak/express their views/ask questions during the AGM.**
16. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
17. Pursuant to Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended, and in compliance with Regulation 44 of the SEBI Listing Regulations, 2015, as amended, and the Circulars issued by the MCA, the Company is pleased to provide voting by electronic means ("remote e-voting") to the Members, to enable them to cast their votes electronically in respect of the business to be transacted at the AGM. For this the

Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL. The e-voting Event Number (EVEN) for this purpose is '129696'.

18. The voting rights will be reckoned on the paid-up value of Equity Shares registered in the name of the members on **Thursday, 29th August, 2024 (on close of business hours) ("Cut-off date")**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting.
19. The details of the process and manner for remote e-voting are explained herein below:

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

20. Member will be provided with a facility to attend AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below in the Notice for access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name.

You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

21. Members are encouraged to join the Meeting through Laptops for better experience.
22. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
23. For convenience of the Members and proper conduct of AGM, Members can login and join at least 30 (thirty) minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of AGM. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first serve basis as per the MCA Circulars. This will not include large shareholders

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(shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, Chairman/ Chairperson of the Committees of the Board of Directors, as applicable, etc. who are allowed to attend the AGM without the said restriction.

24. Members who need assistance before or during the AGM with use of technology, can send a request at evoting@nsdl.com or use no.: 022-4886 7000 or

26. The details of the process and manner for remote e-voting are explained herein below:

How do I vote electronically using NSDL e-Voting system?




The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 09th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>

contact Ms. Pallavi Mhatre, Senior Manager Manager, NSDL at the designated email ID: evoting@nsdl.com

25. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period

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and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

27. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
28. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 – 4886 7000 or send a request to Mr. Sagar Gudhate at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to compliance@cleanscience.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-

attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to compliance@cleanscience.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 09th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
5. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Thursday, 29th August, 2024 may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on no. 022-4886 7000 In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, 29th August, 2024, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

29. REMOTE-E-VOTING

- a) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Thursday,

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29th August, 2024 and who continue to hold the shares as on the date of AGM will be entitled to vote at the AGM.

- b) Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence on Sunday, 01st September, 2024, at 9.00 a.m. (IST) and will end on Wednesday, 04th September, 2024, at 5.00 p.m. (IST)
- c) The remote e-voting module shall be disabled for voting thereafter.
- d) In addition, the e-voting window shall be activated upon instruction of the Chairman of the meeting during the AGM.
- e) The e-voting during the AGM is integrated with the VC/OAVM platform and therefore no separate login is required.
- f) Members attending the AGM who have not cast their vote by remote e-voting and are otherwise not barred from doing so shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Once the vote on a resolution is cast by the Members, the member shall not be allowed to change it subsequently.

30. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

31. Details of Scrutiniser

- a. M/s. Jayavant Bhawe, Practicing Company Secretary, Pune, (ICSI Membership No FCS-4266, CP-3068) has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- b. The Scrutinizer after scrutinising the votes cast by remote e-voting and e-voting during the AGM will make a consolidated Scrutinisers Report and submit the same not later than 48 hours from the conclusion of the AGM to the Chairman of the Company or persons authorised by him who shall countersign the same and declare the results of voting forthwith.
- c. The Results declared along with a Scrutinizer's Report shall be hosted on the Company's website at <https://www.cleanscience.co.in> and on the website of NSDL at www.nSDL.co.in immediately after the result is declared by the Chairman or a person authorised by him. The results shall be simultaneously communicated to the Stock Exchanges viz. BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively.

32. Other instructions

- (a) Members desirous of getting any information about the accounts of the Company are requested to address their queries to the Company Secretary of the Company at compliance@cleanscience.co.in Such requests should be received at least seven days before the date of the meeting, so that the information required can be readily made available at the meeting, to the best extent possible.
- (b) During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, other relevant documents referred to in this Notice of AGM and Explanatory Statement and the Certificate from the Secretarial Auditors of the Company certifying that ESOP Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB and Sweat Equity Regulations, 2021") shall

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be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com> and on the website of the Company, www.cleانسcience.co.in.

33. DIVIDEND

- a. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Thursday, 29th August, 2024 i.e. the Cut-off Date, will be paid the Final Dividend for the financial year ended 31st March, 2024 on Friday, 20th September, 2024, if approved at the AGM.
- b. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants well before the cut-off date.

34. TDS on Dividend

Pursuant to the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend income has become taxable in the hands of the shareholders with effect from 01st April, 2020 and therefore the Company shall be required to deduct Tax at Source (TDS) at the time of making the payment of final dividend at prescribed rates. For the prescribed rates for various categories, shareholders are requested to refer to the Finance Act, 2021 and amendments thereof. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 as mentioned in below paras.

For Resident Shareholders: - Tax shall be deducted at source under Section 194 of the Income Tax Act, 1961 @ 10% on the amount of Dividend declared and paid by the Company during FY 2024-25 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

- a) For Resident Individual: No TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during FY 2024-25 does not exceed ₹ 5,000. Separately, in cases where the shareholder provides Form 15G (applicable to all individuals) / Form 15H (applicable to an Individual above the age of 60 years), no TDS shall be deducted provided that the eligibility conditions are being met.

Form 15G / Form 15H can be uploaded at below link (i.e. Link Intime India Private Limited):<https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>

TDS will not be deducted, if the shareholder is exempted from TDS provisions through any circular(s) or notification(s) and provides an attested copy of the PAN along with documentary evidence in relation to the same.

Needless to mention, PAN will be mandatorily required. If your PAN details are available in your demat account for shares held in demat form or with the Registrar and Transfer Agent ("RTA") for shares held in physical form, then there is no need to send PAN details again to the Company. If PAN is not available or invalid, TDS would be deducted at the rate of 20% as per Section 206AA of the Income Tax Act.

- b) For Resident Non-individual: No tax shall be deducted on dividend payable to the following resident non-individual where they provide relevant details and documents: -
 - i. Insurance companies: A declaration that it has full beneficial interest in the shares along with self-attested copy of PAN and Registration Certificate with Insurance Regulatory Development Authority (IRDA) and PAN card.
 - ii. Mutual Funds: A declaration that it is a mutual fund governed by the provisions of Section 10(23D) of the Income Tax Act, 1961 and is covered under Section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN and valid SEBI Registration Certificate.
 - iii. Alternative Investment Fund (AIF) established in India: A declaration that its dividend income is exempt under Section 10(23FBA) of the

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Income Tax Act, 1961 and it has been granted a certificate of registration as Category I or Category II AIF under the SEBI Regulations, along with self-attested copy of PAN and valid SEBI Registration Certificate.

- iv. National Pension Scheme: A declaration that they are governed by the provisions of Section 10(44) of the Income Tax Act, 1961 along with self-attested copy of registration documents and PAN.
 - v. Corporation established by or under a Central Act: A declaration that it is a corporation established by or under a Central Act whereby income-tax is exempt on the income and accordingly, covered under Section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN and valid SEBI Registration Certificate.
 - vi. Recognised Provident Fund/Approved Gratuity/Superannuation Fund: Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes
 - vii. Other shareholders – Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
 - viii. In case of other resident shareholder having Order under section 197 of the Income Tax Act, 1961, TDS will be deducted at the rate mentioned in the Order; provided the Shareholder submits copy of the Order obtained from the income-tax authorities.
- c) For Non-resident Shareholders: - Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be @ 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them.

Further, in case of Foreign Institutional Investors and Foreign Portfolio Investors, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) under Section 196D of the Income Tax Act.

However, as per Section 90 of the Income Tax Act, 1961 a non-resident shareholder has the

option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the Non-Resident Shareholder (including FII and FPI) will have to provide the following:

- Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities.
- Self-attested copy of Tax Residency Certificate (TRC) issued by the tax authorities of the country of which the shareholder is resident, evidencing and certifying shareholder's tax residency status during the financial year 2024-2025.
- Self-declaration in Form 10F duly filled and signed.
- SEBI registration certificate in case of Foreign Institutional Investors and Foreign Portfolio Investors.
- Self-declaration in the prescribed format certifying that :
 - a) The shareholder is eligible to claim the beneficial Tax Treaty rate for the purposes of tax withholding on dividend declared by the Company;
 - b) The transaction / arrangement / investments from which the dividend is derived by the shareholder is not arranged in a manner which results in obtaining a tax benefit, whether directly or indirectly, as one of its principal purposes. The tax benefit, if any, derived from such transaction / arrangement / investments would be in accordance with the object and purpose of the provisions of the relevant Tax Treaty ('the Principle Purpose Test', if applicable to the respective Tax Treaty);
 - c) No Permanent Establishment / fixed base in India during the FY 2024-2025 in accordance with the applicable tax treaty;
 - d) The shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company.

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The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by a Non-Resident Shareholder.

In case of Non-resident shareholder having Order under Section 197 of the Income Tax Act, 1961 TDS will be deducted at the rate mentioned in the Order; provided the shareholder submits copy of the order obtained from the income-tax authorities.

Where any entity is entitled for exemption from TDS, TDS will not be deducted provided such shareholder/entity provides valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc. issued by the Indian tax authorities).

For All shareholders

As per the provisions of section 206AB of the Income Tax Act, 1961 tax would be required to be deducted at twice the applicable rate in respect of any sum or amount or income paid or payable or credited to a 'specified person'.

Further, the Act defined 'specified person' to mean:

- A person who has not filed return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted and the time for filing tax return under section 139(1) of the Income Tax Act has expired; and
- aggregate of tax deducted at source and tax collected at source in his / her case is ₹50,000 or more in the said previous year.

However, the aforementioned withholding at higher rate shall not apply to a Non-Resident who does not have a Permanent Establishment / fixed base in India. Accordingly, a Non-Resident should submit a No Permanent Establishment declaration (as referred above).

Notes:

- i. All the above referred tax rates will be enhanced by surcharge and cess, as applicable.
- ii. For all self-attested documents, shareholders must mention on the document "certified true copy of the original". For all documents being uploaded by the shareholder, the shareholder

undertakes to send the original document(s) on request by the Company/RTA.

- iii. In case tax dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, the concerned Shareholder may still have the option of claiming refund at the time of filing the income tax return (provided a valid PAN is registered with your RTA or DP). No claim shall lie against the Company for such taxes deducted.
- iv. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any proceedings.
- v. Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares are held under a PAN will be considered on their entire holding in different accounts.
- vi. Documents furnished by the shareholders [such as Form 15G / 15H, TRC, Form 10F, Self-Attested Declaration etc.] shall be subject to review and examination by the Company before granting any beneficial rate or Nil Rate. The Company reserves the right to reject documents in case of any discrepancies or the documents are found to be incomplete. Decision of the Company with respect to the validity of any document will be final.
- vii. In case of any discrepancy in documents submitted by the shareholder, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.

The Company will withhold taxes as per the stipulated tax laws prevalent at the time of deduction of taxes i.e. as on aforesaid cut-off Date.
- viii. A declaration must be filed with the Company where the whole or any part of the dividend income is assessable, under the provisions of the Act, in the hands of a person other than the shareholder in accordance with Rule 37BA(2) of the Income-tax Rules, 1962. The declaration must consist of

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Name, address, PAN of the person to whom credit is to be given and payment or credit in relation to which credit has to be given and reasons for giving credit to such person.

To enable us to determine the appropriate TDS / withholding tax rate applicable, you should upload necessary documents at <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 29th August, 2024.

No communication on tax determination / deduction shall be considered post 29th August, 2024.

35. In terms of SEBI Circular dated 08th April, 08,2022 read with SEBI Circular dated 30th May, 2022 the Standard Operating Procedures for dispute resolutions under the Stock Exchange Arbitration Mechanism for dispute between the Company and/or Share Transfer Agents and its Shareholders/Investors has been hosted on the company website at www.cleanscience.co.in
36. Shareholders are requested to update their KYC details including PAN, bank account details, nomination, contact details and are suggested to contact their stock brokers/Depository Participant for updating the same.
37. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated 04th August,

2023, read with Master Circular No. SEBI/HO/ OIAE/ OIAE_IAD-1/P/CIR/2023/145 dated 31st July, 2023 (updated as on 11th August, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal - <https://smartodr.in/login> and the same can also be accessed through the Company's website <https://cleanscience.co.in/investors/investors-kit/>

**By Order of the Board
For Clean Science and Technology Limited**

**Ruchita Vij
Company secretary**

Membership No. F 9210

Date: 1st August, 2024

Place: Pune

Registered Office: Office No. 603 & 604, 6th Floor,
Tower No. 15, Cybercity, Magarpatta City, Hadapsar,
Pune, Maharashtra, 411013.

E-mail: compliance@cleanscience.co.in

Website: www.cleanscience.co.in

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ANNEXURE TO THE NOTICE

Details of Directors seeking re-appointment at the 21st Annual General Meeting -

Particulars	Details
Name	Mr. Siddhartha Ashok Sikchi
DIN	02351154
Date of Birth and Age	6th November, 1981, Age- 42 years
Nationality	Indian
Date of First appointment on the Board	15th December, 2006
Shareholding in the Company as on 31st March, 2024	31,50,425 Shares (2.97%)
Board meetings attended during financial year 2023-24	4 (Four)
Brief Profile, qualification, Nature of expertise in specific functional Areas and Experience	Mr. Siddhartha Ashok Sikchi holds Master's degree in Science from University of Manitoba, Canada and Bachelor's degree in Technology from the Institute of Chemical Technology, Mumbai. He has over 19 years of experience in the chemical industry and is the Promoter and Whole-time Director of the Company. Underpinned by Company's focus on the concept of 'atom economy', Company commercialized products addressing diverse critical end industries through in-house developed unique process and achieved record global market share. Siddhartha continues to drive R&D endeavour at Company since inception. He is also responsible for driving business development and raw material procurement. Led by his exemplary profile, he was felicitated with ET 40 under Forty Award.
Terms and conditions of Re-appointment	He was appointed as Whole Time Director of the Company by the shareholders at its meeting held on 27th March, 2021, for a term of five years with effect from 01st April, 2021 subject to retirement by rotation. There is no change in the terms and conditions of his appointment.
Last Drawn remuneration (including performance bonus)	₹ 77.43 million including 4% performance bonus on profit before tax to be paid collectively with other Executive Directors in proportion to the remuneration drawn by them.
Remuneration proposed to be paid	₹ 32.74 million plus 4% performance bonus on profits before tax to be paid collectively with other Executive Directors in proportion to the remuneration drawn by them.
Relationship with other Directors and Key Managerial Personnel	Not Applicable
Directorship in Other Companies	<ol style="list-style-type: none"> 1. Clean Organics Private Limited 2. Clean Science Private Limited 3. Clean Aromatics Private Limited 4. Clean Fino-Chem Limited 5. Matrix Life Science Private Limited 6. Matrix Global Speciality Private Limited 7. Blackbird Holdings Private Limited 8. CSTPL Foundation 9. Matrix Neutra Sciences LLP
Chairman/Member in the Committees	He is a member of Stakeholder Relationship Committee and Finance Committee of the Company.
Listed entities from which he has resigned in past three years	Not Applicable

Explanatory Statement in respect of the Special Businesses pursuant to Section 102 of the Companies Act, 2013.**ITEM NO: 5**

The members of the Company at the 16th Annual General Meeting (AGM) held on 28th September, 2019 approved the appointment of M/s. B S R & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company to hold office for a second term of 5 (five) consecutive years from the conclusion of said AGM till the conclusion of the 21st AGM. They will complete their second term on conclusion of this AGM. The Board of Directors of the Company ("the Board") at its meeting held on 03rd February, 2024 has on the recommendation of the Audit Committee, proposed the appointment of M/s. Price

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Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/ N500016) ("PWC"), as the Statutory Auditors of the Company in place of M/s. B S R & Co. LLP, Chartered Accountants, for a term of 5 (five) consecutive years from the conclusion of 21st AGM till the conclusion of the 26th AGM to be held in FY 28-29.

PWC, was established in the year 1991 and was converted into a limited liability partnership in the year 2014. The registered office of PWC is at Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi - 110 002 and has nine branch offices in various cities in India. PWC is primarily engaged in providing auditing and other assurance services to its clients and is a member firm of Price Waterhouse & Affiliates, a network of PWC registered with the Institute of Chartered Accountants of India having Network Registration No. NRN/E/14. Price Waterhouse & Affiliates is a network of separate, distinct and independent Indian Chartered Accountant firms, each of which is registered with the Institute of Chartered Accountants of India (ICAI). PWC has more than 100 Assurance Partners. It has a valid peer review certificate and audits various companies listed on stock exchanges in India.

PWC have provided their consent under Section 139 of the Companies Act, 2013 for appointment as Statutory Auditors along with a certificate stating that their appointment will be as per the criteria as specified under Section 141(3) of the Companies Act, 2013. In terms of Regulation 33(1)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, PWC holds valid Peer Review Certificate issued by ICAI.

The proposed remuneration to be paid to the Auditors for the financial year 2024-25 is ₹2.8 million plus applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company as may be recommended by the Audit Committee and mutually agreed with the statutory auditors.

There is no material change in the remuneration proposed to be paid to the New Auditors for the financial year 2024-25 and the remuneration paid to the Outgoing Auditors for the financial year 2023-24.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, in this resolution.

The Board recommends the ordinary resolution set out at Item No. 5 of the notice, for the approval of members of the Company.

ITEM NO. 6

Ratification of remuneration to Cost Auditors for Financial Year 2024-25

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have audit of its cost records for specified products conducted by a Cost Accountant.

Accordingly, the Board of Directors at their meeting held on 15th May, 2024 as recommended by the Audit Committee, appointed M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune (Firm Registration No.: 000030) as the Cost Auditors of the Company to conduct audit of the cost records for the Financial Year 2024-25, at a remuneration of ₹3,15,000/- (Rupees Three Lacs Fifteen Thousand Only) plus applicable taxes thereon and reimbursement of out of pocket expenses as may be incurred by them during the course of audit.

In compliance with Section 148, members are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Accordingly, consent of the members of the Company is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2024-25.

None of the Directors or Key Managerial Personnel of the Company, or their respective relatives is in any way concerned or interested in the resolution set out at Item No. 6 of the Notice.

The Board recommends the ordinary resolution set out at Item No. 6 of the notice, for the approval of members of the Company.

ITEM NO. 7

To approve continuation of employment of Mr. Krishnakumar Ramnarayan Boob, Whole Time Director of the Company, who would be attaining the age of 70 years w.e.f 31st May, 2025.

In terms of provisions of Section 196(3) of the Companies Act, 2013, no company shall continue the employment of a person who has attained the age of 70 years, as a Whole Time Director unless it is approved by the members by passing a special resolution.

Mr. Krishnakumar Ramnarayan Boob, (DIN: 00410672) (Date of Birth- 31st May, 1955 and Age 69) a Promoter was appointed as Whole Time Director of the Company for a

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period of 5 years commencing from 01st April, 2021 to 31st March, 2026. He will attain the age of 70 years in May, 2025.

His remuneration for the FY 23-24 including 4% performance bonus on profit before tax to be paid collectively with other Executive Directors in proportion to the remuneration drawn by them was ₹51.62 million and holds 15.54 million Equity shares (including joint holding) in the Company. Remuneration proposed to be paid for FY 24-25 is ₹21.82 million plus 4% performance bonus on profits before tax to be paid collectively with other Executive Directors in proportion to the remuneration drawn by them. He is a member of CSR Committee and Finance Committee of the Company and has attended four (4) Board meetings during FY 23-24. He is also Director in Clean Aromatics Private Limited, Clean Organics Private Limited, Clean Science Private Limited, CSTPL Foundation, Clean Fino-Chem Limited and Shri Saptashringi Warehousing Private Limited. He has not resigned from the Listed Entities in past three years.

Brief profile of Mr. Krishnakumar Ramnarayan Boob is as under:

Mr. Krishnakumar Ramnarayan Boob holds a bachelor's degree in pharmacy from the University of Bombay, India. He has more than 25 years' experience in the chemical industry. He is a Promoter Director of the Company and has been instrumental in contributing to the growth and development of the Company since its incorporation in the year 2003. He has been actively involved in operations of the Company and is brother of Mr. Ashok Ramnarayan Boob, Managing Director of the Company.

Considering his professional skills, knowledge, expertise, rich and varied experience in the industry, and his contributions, since inception of the Company, the Board of Directors of the Company have on the recommendation of the Nomination and Remuneration Committee considered that it is desirable to continue to avail the services of Mr. Krishnakumar Ramnarayan Boob, as Whole Time Director post his attaining the age of 70 years in May 2025 upto 31st March, 2026, in the interest of the Company.

He is not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other such authority.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Krishnakumar Ramnarayan Boob, Mr. Ashok Ramnarayan Boob and their relatives are concerned or interested in the said resolution.

The Board recommends the Special resolution set out at Item No. 7 of the notice, for the approval of members of the Company.

ITEM NO. 8

To approve appointment of Mr. Parth Ashok Maheshwari as Whole-Time Director w.e.f 01st August, 2024.

Mr. Parth Ashok Maheshwari, (Date of Birth – 15th August, 1992 and Age-31) is a President (Operations and Projects) and senior management personnel of Clean Science and Technology Limited. Mr. Parth Ashok Maheshwari holds Masters Degree in Business Administration from Babson College and Bachelors Degree in Technology (Chemical) from Pune University. He is associated with Clean Science and Technology Limited since last 10 years. He is also director in Clean Fino-Chem Limited and MVS Ventures Private Limited. He has not resigned from the Listed Entities in past three years.

He is responsible for setting up of new Projects, Production, Engineering Procurement, Maintenance, Safety measures, HRD, certifications including GreenCo, Responsible Care etc. His last drawn remuneration from the Company for FY 23-24 was ₹ 7.66 million and holds 59,09,745 equity shares of the Company.

Mr. Parth Ashok Maheshwari played a pivotal role in setting up Unit II, Unit III and Pilot manufacturing facility of the Company within record time and cost. He also had significant contribution in setting up of the manufacturing facility of Clean Fino-Chem Limited, Material Wholly Owned Subsidiary spread over ~ 34 acres and in commencement of commercial production of HALS series.

Mr. Parth Ashok Maheshwari is one of the promoter and son of Mr. Ashok Ramnarayan Boob, Managing Director of the Company. In terms of Section 188 (1)(f) approval of shareholders was obtained on 27th March, 2021 for the payment of remuneration to Mr. Parth Ashok Maheshwari as Vice President (Operations and Project) of ₹ 3.62 Lacs per month with an increase of 30% per annum and Performance Bonus of upto 30% of Salary.

Considering his skills, knowledge, and contribution made to the growth of the Company and its subsidiaries, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 01st August, 2024, appointed Mr. Parth Ashok Maheshwari as Additional Director designated as Whole Time Director w.e.f 01st August, 2024 for a period of 5 years liable to retire by rotation subject to the approval of the shareholders.

The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Parth Ashok Maheshwari for the office of director of the Company. He has given consent to act as Whole Time Director and is not disqualified, debarred from any of the orders passed by SEBI, MCA or any other

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authority.

Brief Terms and Conditions of the Appointment:

A. Term of appointment: 5 years i.e. from 1st August, 2024 to 31st July, 2029

B. Nature of Duties:

Mr. Parth Ashok Maheshwari shall devote his whole time and attention to the business of the Company. He shall perform such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned, subject to the superintendence, control and directions of the Board. He shall perform duties as assigned to him from time to time by serving on the Board of Holding/ Subsidiary/ Associate Companies or on any other Executive Body or Committee(s) of such Companies.

C. Remuneration:

a. Basic Pay ₹ 10 million p.a.

The annual increment would be effective from 1st April, each year and would be decided by the Board. The recommendation of Board would be based on Company performance and individual performance taken together.

b. 4% Performance Bonus on Profit before tax of the Company proportionate to the remuneration drawn with other Executive Directors.

c. Perquisites, Benefits, Allowances:

Use of Company car, chauffeur and mobile bills for official purposes, medical and personal accident insurance, meal card and other perquisites as per the Rules of the Company.

D. Minimum Remuneration

Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Parth Ashok Maheshwari, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites, benefits, allowances, performance linked bonus as may be approved by the Board subject to the limits and other terms and conditions prescribed under Schedule V of the Companies Act, 2013.

E. Other terms of appointment:

1. The terms and conditions of the appointment of Mr. Parth Ashok Maheshwari may be altered and varied from time to time by the Board as it may in its discretion deem fit, in

such manner as may be agreed between the Board and Mr. Parth Ashok Maheshwari subject to such approvals as may be required.

2. Save as directed by the Board, Mr. Parth Ashok Maheshwari shall not during the term of employment or at any time thereafter use, make known, divulge or disclose to any person, firm, company or concern except to those employees of the Company whose province it is to know the same any of the secrets, methods, concerns, affairs or information of or concerning the business or trade of the Company whether acquired in the course of employment hereunder or otherwise.

3. Mr. Parth Ashok Maheshwari agrees and undertakes to forthwith communicate to the Company and transfer to it the exclusive benefit of all inventions, discoveries and improvements, which he may make or discover during the continuance of his engagement relating to any of the Company's trade or business. Mr. Parth Ashok Maheshwari also agrees and undertakes that he shall whenever requested so to do by the Company execute and sign any instruments in order to apply for and to obtain letters, patents, designs registrations and other forms of protection for the said improvements, inventions and discoveries and to vest in the Company the whole right title and interest therein

4. These terms and conditions shall be terminated by:

(a) the Company:

i. at its discretion by giving six months' notice in writing at any time or paying such remuneration in lieu of notice if Mr. Parth Ashok Maheshwari shall have been incapacitated or shall have become incompetent by reason of any physical or mental illness or accident from performing his duties hereunder for a continuous period of three months. A certificate of a registered medical practitioner nominated by the Company to ascertain the incompetence or incapacitation referred to above

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shall be conclusive.

- ii. without prejudice to any other right or remedy which may be open or available to the Company, by summary notice in writing if Mr. Parth Ashok Maheshwari have committed any serious breach or continued after warning, any continuing breach of obligations hereunder or shall have been guilty of conduct tending to bring the Company or his office hereunder into disrepute or shall have committed any act of insolvency or compounded with creditors generally by giving six-month notice to Mr. Parth Maheshwari in writing or by paying six months' consolidated remuneration in lieu of notice

- (b) Mr. Parth Maheshwari - by giving six months' notice in writing to the Company.

5. During the tenure, Mr. Parth Ashok Maheshwari shall abide by the Companies Code of Conduct, laws, rules and regulations as applicable to the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Parth Ashok Maheshwari, Mr. Ashok Ramnarayan Boob and their relatives are concerned or interested in the said resolution.

The Board recommends the Ordinary resolution set out at Item No. 8 of the notice, for the approval of members of the Company.

ITEM NO. 9**To approve payment of aggregate annual remuneration in excess of 5% of the net profits of the Company in a year, collectively to all Executive Directors who are Promoters.**

In terms of Regulation 17(6)(e)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of shareholders is required by way of special resolution where the aggregate annual remuneration payable to more than one Executive Directors who are Promoters or members of the promoter group, exceeds 5 per cent of the net profits of the listed entity.

The aggregate annual remuneration payable to Mr. Ashok Ramnarayan Boob, Mr. Krishnakumar Ramnarayan Boob, Mr. Siddhartha Ashok Sikchi, and Mr. Parth Ashok Maheshwari Directors and Promoters of the Company may exceed 5% of net profits and would need shareholders' approval till the expiry of the respective term of these directors i.e. upto 27th July, 2027 for Mr. Ashok Ramnarayan Boob, upto 31st March, 2026 for Mr. Krishnakumar Ramnarayan Boob, Mr. Siddhartha Ashok Sikchi and upto 31st July, 2029 for Mr. Parth Ashok Maheshwari.

Brief profile and contribution of Promoter Executive Directors-

Mr. Ashok Ramnarayan Boob holds a bachelor's degree in chemical engineering from the Institute of Chemical Technology, Mumbai and is the Managing Director of the Company. He is a career-technocrat having over 28 years of experience in the chemical industry. He has been instrumental in contributing to the growth and development of the Company since incorporation i.e. 07th November, 2003. He received Lala Shriram National Award 2023 for Leadership in Chemical Industry from Indian Institute of Chemical Engineers.

Mr. Siddhartha Ashok Sikchi holds Master's degree in Science from University of Manitoba, Canada and Bachelor's degree in Technology from the Institute of Chemical Technology, Mumbai. He has over 19 years of experience in the chemical industry and is the Promoter and Whole-time Director of the Company. Underpinned by Company's focus on the concept of 'atom economy', Company commercialized products addressing diverse critical end industries through in-house developed unique process and achieved record global market share. Siddhartha continues to drive R&D endeavour at Company since inception. He is also responsible for driving business development and raw material procurement. Led by his exemplary profile, he was felicitated with ET 40 under Forty Award.

Mr. Krishnakumar Ramnarayan Boob holds a bachelor's degree in pharmacy from the University of Bombay, India. He has more than 25 years' experience in the chemical industry. He is a Promoter Director of the Company and has been instrumental in contributing to the growth and development of the Company since its incorporation in the year 2003. He has been actively involved in operations of the Company and is brother of Mr. Ashok Ramnarayan Boob, Managing Director of the Company.

Mr. Parth Ashok Maheshwari, holds Masters Degree in Business Administration from Babson College and Bachelors Degree in Technology (Chemical) from Pune University. He is associated with Clean Science and Technology Limited since last 10 years. He is responsible for setting up of new Projects,

Notice (Contd.)

Productions, Engineering Procurement, Maintenance, Safety measures, HRD, certifications including GreenCo, Responsible Care etc. Mr. Parth Ashok Maheshwari played a pivotal role in setting up Unit II, Unit III and Pilot manufacturing facility of the Company within record time and cost. He also had significant contribution in setting up of the manufacturing facility of Clean Fino-Chem Limited, Material Wholly Owned Subsidiary spread over ~ 34 acres and in commencement of commercial production of HALS series.

The Promoter Executive Directors ventured into the business with their core competencies and decided to work into interesting catalytic and cleaner technologies that can be used to manufacture speciality chemicals. Starting with functionally critical speciality chemicals such as Monomethyl ether of hydroquinone (MEHQ) and Guaiacol, under their guidance, the Company has now product portfolio that is used in wide variety of formulations including agro-chemicals, pharmaceuticals, anti-oxidants in the food and animal feed industry, paints, agro-chemicals, flavours, personal care (cosmetics). Company also commercialised plant to manufacture HALS 770 & 4-Hydroxy Tempo (701).

They developed 'green' or eco-friendly manufacturing processes led by differentiated catalytic technologies through process innovation and consistent R&D. Various catalysts have been developed in-house through R&D, which are used across process developments, and have helped to improve productivity, yields, economy and cost efficiencies. By employing "clean-technologies", the Company distinguish its processes from conventional processes and optimize use of non-toxic raw materials, resulting in lower effluent generation and products that are not as harmful to the end-consumer as conventionally produced chemicals.

Starting with one manufacturing facility, the Company has now three manufacturing facilities at Maharashtra Industrial Development Corporation (MIDC) Kurkumbh, Pune, Maharashtra. They have set-up another Wholly Owned Subsidiary, Clean Fino-Chem Limited (CFCL) spread across in ~ 34 acres at MIDC Kurkumbh. The Company invested ~ ₹ 3,851 million in CFCL and started manufacturing HALS series in March 2021. With a strong Research & Development of 90+ scientist they are developing new products which would be commercialized after successful testing.

Under the guidance of the promoters and directors, the Company is now largest global producer of Monomethyl

Ether of Hydroquinone (MEHQ), Butylated Hydroxy Anisole (BHA), and 4-Methoxy Acetophenone (4-MAP). Furthermore, the Company has achieved backward integration by manufacturing anisole, a key raw material, and now stands as the largest global producer of this compound. Company was granted Four Star Export House Recognition Certificate by Ministry of Commerce and Industry. Company also received awards from the State of Maharashtra for significant contribution to exports under Chemical sector.

Considering the accountability towards ESG factors, under the guidance of promoters Company has set the target for reducing Greenhouse Gas emission, decrease water consumption, increase the share of renewable energy, employing 30% women staff at corporate office etc. Company also actively contributed to education, environmental conservation, healthcare, medical relief and community development which yield positive impact on society aligning with Global Sustainability Goals. Under their leadership and guidance Company achieved Responsible Care Certificate reaffirming Company's commitment to safety, health and environmental management.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Ashok Ramnarayan Boob, Mr. Krishnakumar Ramnarayan Boob, Mr. Siddhartha Ashok Sikchi and Mr. Parth Ashok Maheshwari and their relatives are concerned or interested in the said resolution.

The Board recommends the Special resolution set out at Item No. 9 of the notice, for the approval of members of the Company.

By Order of the Board For Clean Science and Technology Limited

Ruchita Vij
Company secretary

Membership No – F9210

Date: 1st August, 2024

Place: Pune

Registered Office: Office No. 603 & 604, 6th Floor,
Tower No. 15, Cybercity, Magarpatta City, Hadapsar,
Pune, Maharashtra, 411013.

E-mail: compliance@cleanscience.co.in

Website: www.cleanscience.co.in

BOARD'S REPORT

To The Members,

The Directors are pleased to present their report on the business and operations of your Company along with the Audited Financial Statements for the Financial Year ("FY") ended 31st March, 2024.

1. FINANCIAL HIGHLIGHTS:

(₹ in million)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	7,894.39	9,357.99	7,914.85	9,357.99
Other Income	383.51	387.97	412.86	298.25
Total Revenue	8,277.90	9,745.96	8,327.71	9,656.24
Profit before interest, tax, depreciation and amortisation	3,755.98	4,414.23	3733.51	4,319.20
Finance Cost	8.34	1.53	9.26	1.95
Depreciation and amortisation	437.83	358.21	459.25	360.90
Profit Before Tax (PBT)	3,309.81	4,054.49	3,265.00	3,956.35
Tax	832.93	1,019.39	824.74	1,004.59
Net Profit	2,476.88	3,035.10	2,440.26	2,951.76

2. (A) FINANCIALS

During the year 2023-24, on standalone basis revenue from operations were ₹ 7,894.39 million as against ₹ 9,357.99 million in 2022-23. Profit Before Tax was ₹ 3,309.81 million as against ₹ 4,054.49 million in 2022-23. Profit after tax was ₹ 2,467.88 million as against ₹ 3,035.10 million in 2022-23. The decrease was primarily due to global destocking and general slowdown in consumption. Despite degrowth in revenue, operating margins remained steady led by stringent cost control measures.

During the year 2023-24, on consolidated basis revenue from operations were ₹ 7,914.85 million. Profit Before Tax was ₹ 3,265.00 million and Profit After Tax was ₹ 2,440.26 million.

(B) BUSINESS OUTLOOK

Outlook of the Business has been discussed in the Management Discussion and Analysis which forms part of this Annual Report.

(C) HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

Shareholders are requested to refer **Annexure II (Form-AOC-1)** to get the highlights of performance of subsidiaries and their contribution to the overall performance of the Company during the year under review.

3. DIVIDEND

The Board of Directors at its meeting held on 3rd February, 2024 declared an interim dividend of ₹ 2/- (200%) per share of ₹ 1/- each. The same was paid by the Company to the members whose names appeared in the Register of Members as on 12th February, 2024 being the record date fixed for the payment of interim dividend. The total cash outflow was ₹ 212.50 million.

In addition, the Board of Directors at its meeting held on 15th May, 2024 has recommended a final dividend of ₹ 3 (300%) per share of ₹ 1/- each for the year 2023-24. The final dividend is subject to the approval of members at the ensuing Annual General Meeting and shall be subject to tax deduction at source.

The final dividend for the year 2023-24 of ₹ 3/- would result in cash outflow of ₹ 318.76 million. Total dividend payout for year 2023-24 would be ₹ 531.26 million which is equivalent to 21.44% of the PAT. We are pleased to inform that, payout ratio has increased from 17.50% in 2022-23 to 21.44% in 2023-24. The cash balance continues to be healthy, led by robust cash conversion cycle, despite increased payout and capex.

Your Company is in compliance with the Company's Dividend Distribution Policy.

The Dividend Distribution Policy in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations 2015") is attached to this report as **Annexure I** and is also available on the Company's website on web link <https://cleanscience.co.in/wp-content/uploads/2023/02/Dividend-Distribution-Policy.pdf>

4. CAPITAL STRUCTURE

The Authorised Share Capital of the Company as on 31st March, 2024 was ₹150.00 million divided into 150,000,000 Equity Shares of ₹1/- (Rupee One) each. During the year, your Company allotted 14,465 Equity Shares of ₹1/- each to the Eligible Employees under Clean Science and Technology Limited Employee Stock Option Scheme 2021. Consequently, the Issued, Subscribed and Paid-up Equity Share Capital increased

BOARD'S REPORT (Contd.)

from ₹ 106.24 million divided into 106,237,539 Equity Shares of ₹ 1 each to ₹ 106.25 million divided into 106,252,004 Equity Shares of ₹ 1 each

There were no rights issue, 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.

5. EMPLOYEE STOCK OPTION SCHEME 2021

Clean Science and Technology Limited values its employees and believes that employees play vital role in growth. The Company considers its employees as one of the important stakeholders. To reward the employees for their performance and to motivate them to contribute to the growth and profitability, the Company implemented the Clean Science and Technology Limited Employee Stock Option Scheme 2021 (CSTL ESOS 2021).

During the year under review, the Company obtained approval of shareholders at the Annual General Meeting held on 10th August, 2023 to amend Clean Science and Technology Limited Employee Stock Option Scheme 2021 ("CSTL ESOS 2021"). The key amendments to CSTL ESOS 2021 were as under:

- 1) Increase the aggregate number of Employee Stock Options ("Options") as originally approved from 1,00,000 (One Lacs) Options to 3,50,000 (Three Lacs Fifty Thousand) Options with an addition of 2,50,000 (Two Lacs Fifty Thousand) options for grant to Eligible Employees under CSTL ESOS 2021.
- 2) Grant of Options to the Eligible Employees of Subsidiary Company(ies) of the Company under CSTL ESOS 2021.

The Company subsequently obtained in-principal approval from BSE Limited and National Stock Exchange of India Limited for the said amendments of CSTL ESOS 2021.

In terms of Regulation 14 read with Part F of Schedule - I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the details of CSTL ESOS 2021 are provided as **Annexure VII** which forms part of this report.

A certificate from the Secretarial Auditors of the Company that the Scheme had been implemented in accordance with SEBI Regulations, shall be placed at the ensuing Annual General Meeting and be available for inspection of the members. A copy of the same will be available for inspection at the Company's Registered Office.

6. CHANGE IN REGISTERED OFFICE OF THE COMPANY

During the period under review, the Registered office of the Company was shifted within the local limits of Pune city from "Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune- 411013" to "Office No. 603 & 604, 6th Floor, Tower No.15, Cybercity, Magarpatta City, Hadapsar, Pune – 411013 w.e.f 3rd October, 2023.

7. SUBSIDIARY, ASSOCIATES OR JOINT VENTURES

The Company has 4 (Four) wholly owned subsidiaries at the end of the financial year namely – Clean Fino-Chem Limited, Clean Science Private Limited, Clean Organics Private Limited and Clean Aromatics Private Limited. During the year, in terms of Regulation 16(1) (c) of SEBI Listing Regulations, 2015, Clean Fino-Chem Limited, a Wholly Owned Subsidiary of the Company became the Material Subsidiary of the Company.

Investment in Clean Fino-Chem Limited

During the year, the Company made additional equity investment of ₹2,150 million in Clean Fino-Chem Limited (CFCL) to fund its capex plans. CFCL completed the civil construction of factory building, R&D facility, other utility buildings along with installation of plant and machineries at the ~ 34 acre MIDC plot located in MIDC, Kurkumbh, Taluka Daund, Pune.

The formal inauguration of the new manufacturing facility was done in February 2024. CFCL commenced the commercial production of HALS Series w.e.f 1st March, 2024. The installed capacity of entire HALS Series being 10,500 Metric Tonnes per annum. The HALS series belongs to the Performance Chemical segment and will cater to domestic as well as international market. In order to meet the capex requirements in CFCL, the Company infused additional equity of ₹ 500 million in April 2024.

In compliance with Regulation 24 of the SEBI Listing Regulations, 2015, Mr. Keval Doshi, Independent Director of the Company was appointed as an additional director in CFCL w.e.f 8th November, 2023.

In compliance with Regulation 24A of the SEBI Listing Regulations, 2015, Secretarial Audit Report of Clean Fino-Chem Limited is annexed as **Annexure X** to this report.

Investment in Clean Organics Private Limited

During the year, the Company made equity investment of ₹0.7 million in Clean Organics Private Limited (COPL) a Wholly Owned Subsidiary to meet its capital requirements.

BOARD'S REPORT (Contd.)

Pursuant to Section 129(3) of the Companies Act, 2013 a separate statement containing salient features of the financial statements of subsidiaries is attached to this report in **Form AOC-1** to the Financial Statements of the Company as **Annexure II**. Policy on material subsidiary is available on weblink <https://cleanscience.co.in/wp-content/uploads/2023/02/Policy-on-Material-Subsidiaries.pdf>.

8. RESERVES

The Directors do not propose to transfer any amount to the Free Reserves.

9. DEPOSITS

During the year under review, your Company has not accepted any deposits from the public pursuant to Section 73 and Section 76 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules 2014.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors of the Company, to the best of their knowledge and belief state that:

- i) in the preparation of the annual accounts for the FY ended 31st March, 2024, the applicable accounting standards have been followed with proper explanation relating to material departures;
- ii) they 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, 2024 and of the profit and loss of the Company for the year ended on that date;
- iii) they 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) they have prepared the annual accounts on a going concern basis;
- v) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively for the FY ended 31st March 2024;
- vi) the Directors, had laid down internal financial controls to be followed by the Company and that

such internal financial controls are adequate and operating effectively for the FY ended 31st March, 2024.

11. CORPORATE GOVERNANCE

Pursuant to SEBI Listing Regulations, 2015, a separate section titled 'Report on Corporate Governance' and Shareholders' Information has been included in this Annual Report.

A Certificate from Secretarial Auditor of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V of SEBI Listing Regulation 2015 is annexed to the Report on Corporate Governance.

12. MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report containing details relating to Industry Trends, Company Performance, Business and Operations forms part of this Annual Report.

13. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of Regulation 34(2) of the SEBI Listing Regulations, 2015, a Business Responsibility and Sustainability Report (BRSR) for the year FY 2023-24 forms part of this Annual Report.

14. INSURANCE

The properties, insurable assets of the Company such as buildings, plants, machineries and stocks among others are adequately insured.

15. CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

16. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Apart from additional equity investment of ₹ 500 million in Clean Fino-Chem Limited on 5th April, 2024, there were no material changes and commitments, occurred from the end of the FY till the date of this report, which may materially affect the financial position of the Company.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE 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 III**.

BOARD'S REPORT (Contd.)

18. SAFETY, HEALTH AND ENVIRONMENT

Your Company has in place Responsible Care Policy and is committed to excellence and continued improvements in Environment, Health, Safety and Security (EHSS) performance at all manufacturing units.

Safety

The Company encourages a high level of Safety, awareness amongst the employees and strive for continual improvement. Employees are trained in safe practices to be followed at the workplace. Following steps were taken by the Company for Safe work environment:

- As a new initiative Behaviour Based Safety (BBS) training had been imparted to almost all employees at the manufacturing locations.
- The manufacturing units were equipped with self-contained breathing apparatus (SCABA), gas leak detectors, foam and water sprinkler system and other protective devices.
- Review meetings conducted monthly by the safety department for the root-cause-analysis (RCA) of incidents occurred and to design corrective-and-preventive-actions (CAPA).
- Hazardous chemicals like Phenol, DCC were handled wearing pressure suite as per the government rules.
- Strict compliance is ensured with PESO guidelines (for inflammable solvent) and NDPS Act (Acetic anhydride).
- Certifications awarded such as ISO 9001, ISO 14001, ISO45001, US FDA (Bioterrorism), FSSC 22000 EU Reach, Responsible Care.
- Protective gears provided to all employees for safe material handling. Plant level training and development programmes are organised regularly.
- Annual Day Celebration includes safety plays, skits to create awareness amongst employees.

During the year Company conducted 17,179 hours of training in following departments: -

a) Safety & Environment:	1,516
b) Production:	10,905
c) Engineers and Project Engineers:	2,794
d) QC R&D:	1,094
e) Admin, Purchase, Store, IT:	870

Health

Health of employees is the topmost priority of the Company. New employees at factory undergo pre-employment medical checkup and training programmes, periodic health checkup of employees is done. Regular work area monitoring to check concentration of chemicals, noise level, and quality of ambient air is carried out based on National Ambient Air Quality Standard. The manufacturing units are equipped with Occupation Health Centre with qualified doctor, nursing staff, ambulance facility for employees to reach out for medical support. The Company has tie ups with local hospitals for required medical support. The Company has a team of employees trained in first aid facility who use their acquired skills for emergency medical treatment while on duty. The employees are also covered with adequate health and accident Insurance.

Environment

Environment protection is the prime concern for your organisation. The Company believes that the facilities possess adequate effluent treatment processes and minimise any contamination of the surrounding environment or pollution. The Company encourages and promotes **3R Process-Reduce, Recycle, Reuse** at all levels in the organisation.

- **Significant Achievements in Sustainability:** The Company focuses to reduce the disposal of water, emissions and hazardous substances into the environment and had implemented several sustainability initiatives that have helped to minimise the environmental impacts of operations. Total energy consumption, GHG emission and water consumption in 2023-24 was 37.08 GJ/MT, 3.56 MT CO₂/MT and 11.25 m³/MT of production respectively.
- **Reducing fresh water consumption:** The Company had built a robust rain water harvesting system to direct rain water to the underground water storage tank, filter and recycle it for internal consumption. The Company has been continuously working on reducing process heat utilisation which would minimising water evaporation losses and reduce water consumption. About 82,242 MT steam was generated in 2023-24 which was almost 34% of total steam consumption.
- **Minimising Waste Disposal:** The Company has set up state-of-the-art Effluent Treatment Plants in all three manufacturing units. Through these plants, the Company achieved ZLD status (Zero Liquid Discharge). Majority of the liquid effluent is

BOARD'S REPORT (Contd.)

converted into clean water and recycled it to the plants (cooling towers). For handling solid waste generated in ETP, the Company has Glass house in all manufacturing units. A strong in-house R&D team benefits us immensely in this effort. Change in chemistry of one of the process has resulted in the reduction of the generation of solid waste by 39% as well as reduced water evaporation load by 50%.

- **Responsible Care Certificate:** During the year the Company received Responsible Care Certification from Indian Chemical Council.
- **Tree Plantation:** Under the CSR initiative, the Company planted 11,000+ trees to develop a Total Area admeasuring 10 Hectare situated at situated Village – Girim Taluka Daund District Pune belonging to Forest Department.

19. 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, which were approved by the Audit Committee. In compliance with Regulation 23(2) of the SEBI Listing Regulations, 2015. Audit Committee of the Company approved the Related Party Transaction entered into by the Subsidiary Company(ies).

The Board has approved a policy for related party transactions which is available on the Company's website at <https://cleanscience.co.in/wp-content/uploads/2023/02/Policy-on-Related-Party-Transactions.pdf>.

The particulars of contracts or arrangements made with related parties is covered in Notes to the Financial Statements. There are no material contracts / arrangements made with related parties as required under Section 134(3) (h) of the Companies Act, 2013 as given in **Form AOC-2** which is attached as **Annexure IV** to this report. None of the transactions with any of the related parties were in conflict with the interest of the Company.

The particulars of loans/advances/investments etc., required to be disclosed pursuant to Para A of Schedule V of the SEBI Listing Regulations, 2015, are furnished as a part of the Financial Statements.

The transaction(s) of the Company with any person or entity belonging to the promoter / promoter group which hold(s) more than 10% shareholding in the Company as required pursuant to Para A of Schedule V of the SEBI Listing Regulations, 2015 is disclosed separately in the Financial Statements of the Company.

20. BOARD AND ITS COMMITTEES

During the year 2023-24, 4 (Four) Board Meetings were held. For the details of composition and meetings of the Board and its Committees, please refer the Corporate Governance Report forming part of this annual report.

21. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility ("CSR") activities of the Company are governed by the Corporate Social Responsibility Policy approved by the Board. We strongly believe that CSR and sustainability are interdependent. We endeavor to shape a better tomorrow and strive continuously to contribute to the social and economical development of the communities we operate within.

The Company recognises the social accountability and aim to shape a sustainable future for our generations to come so that the society as a whole is developed and uplifted from our initiatives.

During the year, the Company spent ₹ 65.38 million as CSR Expenditure. Company carried out CSR activities in the following areas:-

- Promoting Health Care,
- Promoting Education,
- Environment sustainability,
- Livelihood enhancement projects.
- Conservation of Water
- Ensuring animal welfare
- Protection of art and culture

In terms of Section 135 read with Schedule VII of the Companies Act, 2013, and Rules made thereunder the details of CSR activities undertaken by the Company are attached to this report as **Annexure V**. The CSR Policy of the Company is in terms of Companies (Corporate Social Responsibility) Rules, 2014 and is available on the Company's website at <https://cleanscience.co.in/wp-content/uploads/2023/02/Corporate-Social-Responsibility-Policy.pdf>.

21. NOMINATION AND REMUNERATION POLICY

Your Company has framed a Nomination and Remuneration Policy to formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (executive/ nonexecutive/ independent), Senior Management and other employees and their remuneration. Nomination and Remuneration Policy

BOARD'S REPORT (Contd.)

is placed on the website of the Company <https://cleanscience.co.in/company-policies-nomination-and-remuneration-policy/>.

23. RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROLS**Risk Management**

Your Company has in place a risk management framework and policy that provides an all-inclusive approach to safeguard the organisation from strategic, operational, financial, legal and compliance risks through adequate and timely actions. The risk management framework works at various levels across the enterprise and is designed to identify risks, evaluate the impact and mitigate the risks that could affect the business. The potential risks are identified and mitigation measures are implemented to address the same. The Company has maintained Risk Register on the basis of event probability and impact analysis on the organisation. The risks are categorised on the basis of high, medium and low impact subject to a series of discussions with Senior Leadership Team, Management and the Committee. For periodic review and monitoring, risk register are placed before the Risk Management Committee stating the actions taken to mitigate the risks.

In terms of the SEBI Listing Regulations, 2015, a Risk Management Committee has been constituted with responsibility to formulate a detailed risk management policy, identify, monitor, mitigate and oversee implementation of the risks including evaluating the adequacy of risk management and internal control systems, ensure appropriate methodology, processes and systems are in place, review the risks considering the changing industry dynamics and evolving complexity and keep the board informed about the nature and content of its discussions, recommendations and actions to be taken on a regular basis.

The Risk Management Committee meeting is Chaired by Non-Executive Director and Chairman of Audit Committee is also a member of the Committee. The Chairman of the Committee briefs the Board about significant discussions held in the Risk Management Committee meeting.

The Risk Management Policy of the Company is available on the Company's website at <https://cleanscience.co.in/wp-content/uploads/2023/02/Risk-Management-Policy.pdf>

Internal Financial Controls

The Company has in place adequate internal financial controls over financial reporting. It has laid down certain guidelines, policies, processes and structures which are commensurate with the nature, size, complexity of operations and business processes followed by the Company.

The Audit Committee deliberates with the members of the Management, considers the systems as laid down and met the internal auditors and statutory auditors to ascertain their views on the internal financial control systems. The Audit Committee satisfies itself as to the adequacy and effectiveness of the internal financial control systems.

Internal financial controls and their adequacy are included in the Management Discussion and Analysis, forming part of this report.

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

No significant material orders were passed by the Regulators/ Court which would impact the going concern status of the Company and its future operations.

25. AUDITORS AND AUDITORS REPORT**a) Statutory Auditors and Audit Report**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and rules made thereunder, M/s B S R & Co., LLP, Chartered Accountants, (Firm Regn. No.: 116231W/W-100024) were appointed as the Statutory Auditors of the Company for the second term of 5 (five) years at the 16th Annual General Meeting (AGM) held on 28th September, 2019 and will complete their second term on the conclusion of the 21st Annual General Meeting.

The Board of Directors of the Company, at its meeting held on 3rd February, 2024 upon the recommendation of the Audit Committee and considering the experience and expertise, proposed the appointment of M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/ N500016), as Statutory Auditors of the Company in place of M/s. BSR & CO LLP, Chartered Accountants, for a term of 5 (five) consecutive years from the conclusion of 21st AGM till the conclusion of the 26th AGM to be held in 2028-29. Accordingly, resolution seeking Member's approval for the appointment of M/s Price Waterhouse Chartered Accounts LLP as Statutory Auditors of the Company for the term of 5 years as mentioned above would be placed before the ensuing Annual General Meeting.

The notes on the Audited Financial Statements referred to in the Auditor's Report are self-explanatory and hence do not call for any further comments.

With reference to comments made by the auditors in their report on other legal and regulatory requirement point no. 2A b. the Board hereby submits that, in order to enhance IT risk control measure, the Company

BOARD'S REPORT (Contd.)

implemented disaster recovery (DR) server for ERP application to mitigate the risk of business interruption in case the main server is down. During the DR server implementation, the shut down was taken hence back up of main server for 42 days was disturbed due to technical challenges. The DR server was subsequently went live successfully and back up of main server is available on daily basis. For the interrupted duration whilst there is no daily backup subsequent incremental backup covers from the start of the financial year. Since these back-up are taken daily as on date there are no issues of not having back up at any point of time.

b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI Listing Regulations, 2015, as amended, the Board of Directors, appointed M/s J. B. Bhavé & Co., Practising Company Secretary, (Certificate of Practice Number 3068) to undertake the Secretarial Audit of the Company for the financial year ending 31st March, 2024.

The Secretarial Audit Report for financial year 31st March, 2024 is annexed herewith and forms part of this report as **Annexure VI**.

The report does not contain any qualification, reservation or adverse remark.

c) Cost Auditors

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Rules, 2014, the Company to maintain cost accounting records and have them audited every year.

The Board has on the recommendation of the Audit Committee appointed M/s Dhananjay V. Joshi & Associates, Cost Accountants, (Firm Registration No. 000030) as the Cost Auditors of the Company for conducting the cost audit for the Financial Year 2023-24 and they have been re-appointed as Cost Auditors of the Company for the Financial Year 2024-25.

The remuneration payable to the Cost Auditors is required to be placed before the members in a general meeting for their ratification. Accordingly, resolution seeking members ratification for the remuneration payable to M/s Dhananjay V. Joshi & Associates as Cost Auditors for Financial Year 2024-25 is included in the Notice convening Annual General Meeting.

M/s Dhananjay V. Joshi & Associates had confirmed that their appointment is within the limits of Section

141(3)(g) of the Companies Act, 2013 and Rules made thereunder and had certified that they are free from any disqualifications specified under Section 141(3) and other applicable provisions of the Companies Act, 2013.

Further, the Board hereby confirms that the cost records specified by the Central Government as per Section 148(1) of the Companies Act, 2013 and rules made thereunder has been complied and maintained.

d) Internal Auditors

In accordance with the provisions of Section 138 of the Companies Act, 2013, M/s PricewaterhouseCoopers Private Limited Chartered Accountants completed Internal Audit of the Company for the 2023-24. Further pursuant to the recommendation of Audit Committee, the Board of Directors at their meeting held on 15th May, 2024 had appointed M/s CNK JBMS & Associates, Chartered Accountants as the internal auditor of the Company to conduct internal audit for the financial year 2024-25.

26. REPORTING OF FRAUDS BY AUDITORS

During the year under review, there were no instances of fraud, which required the Statutory Auditors, Cost Auditors and Secretarial Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

27. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

During the year under review, the Company has made investments, the details of which are given under Note No. 10 of the Notes to Standalone Financial Statements of the Company for the year ended 31st March, 2024.

28. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company Mr. Siddhartha Sikchi (DIN- 02351154) Whole-time Director of the Company is liable to retire by rotation in the ensuing Annual General Meeting and being eligible offers himself for re-appointment. During the year, there are no changes in Key Managerial Personnel of the Company.

29. ANNUAL EVALUATION OF BOARD OF DIRECTORS, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

A formal evaluation of performance of the Board, its Committees and the Individual Directors was carried out for 2023-24. The evaluation was carried out using individual questionnaires covering, amongst others, contribution to areas impacting company's

BOARD'S REPORT (Contd.)

performance, participation in Board and Committee meetings. In addition to the above the Executive Directors were evaluated based on annual targets, financial and operational controls, risk management, strategies, expansion, maintaining corporate culture, integrity and ethics, succession planning, core governance and compliance management.

The performance of the respective Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as composition of committee, timely inputs, open communications, meaningful participation and resolution of issues.

The performance of the Board was evaluated after seeking inputs from the members on proper mix of competencies of the Board, timeliness and adequacy of information availability to take decisions, plan of actions, reporting systems, governance practices, potential conflict of interest etc.

The Board reviewed the performance of the individual Directors including Independent Directors, on the basis of criteria such as contribution of the individual Director to the Board and Committee meetings and preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

The Board is of the opinion that during the year, all Directors including the Independent Directors of the Company possess requisite qualifications, integrity, expertise and experience (including proficiency) in their respective fields.

30. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The members of the Board are familiarised with the activities of the Company. The Directors are provided with documents to enable them to have better understanding of the Company, its various operations and the industry in which it operates.

Independent Directors are made aware of their roles and responsibilities at the time of appointment through formal letter of appointment. Directors interact with the management, senior leadership team of the Company which enables them to understand the Company's strategy, business updates and its model, group structure, operations, update on research and development, product offerings, markets, organisation structure, finance, human resources, technology, quality, facilities, risk management strategy, regulatory updates

and governance policies. Factory visit are organised for the Directors to enable them to familiarise them with the manufacturing facilities and the processes.

The details of familiarisation programme imparted to the Independent Directors are placed on website of the Company and web link thereto is <https://cleanscience.co.in/wp-content/uploads/2024/04/FY-23-24-Familiarisation-programme.pdf>

31. DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Independent Directors have submitted declarations that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015. There was no change in the circumstances affecting their status of Independent Directors of the Company.

The Board of Directors is of the opinion that the Independent Directors of the Company holds highest standards of integrity and possess requisite expertise and experience required to fulfil their duties as Independent Directors. The Independent Directors have confirmed that they have registered themselves with Independent Directors database of The Indian Institute of Corporate Affairs (IICA) and have cleared online proficiency test as applicable.

32. AWARDS AND RECOGNITION

During the year, the Company received the following:-

1. Maharashtra State Export Award" under Silver Category- Chemical Sector for significant contribution to exports from Maharashtra for the year 2021-22 from Government of Maharashtra, Directorate of Industries, Industries Department on 8th February, 2024.
2. Maharashtra State Export Award" under Gold Category- Chemical Sector for significant contribution to exports from Maharashtra for the year 2020-21 from Government of Maharashtra, Directorate of Industries, Industries Department on 8th February, 2024.
3. Maharashtra State Export Award" under Gold Category- Chemical Sector for significant contribution to exports from Maharashtra for the year 2019-20 from Government of Maharashtra, Directorate of Industries, Industries Department on 8th February, 2024.

BOARD'S REPORT (Contd.)

4. Maharashtra State Export Award" under Gold Category- Chemical Sector for significant contribution to exports from Maharashtra for the year 2018-19 from Government of Maharashtra, Directorate of Industries, Industries Department on 8th February, 2024.
5. Mr. Ashok Boob, Managing Director received Lala Shriram National Award 2023 for Leadership in Chemical Industry from Indian Institute of Chemical Engineers.

Responsible Care Certification

The Company successfully completed Responsible Care certification of Indian Chemical Council.

Four Star Export House Certificate

The Company was granted Four Star Export House Recognition Certificate by Ministry of Commerce and Industry, Director General of Foreign Trade for a period of 5 years upto 31st March, 2028.

33. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism as a part of Whistle Blower Policy required under Section 177(9) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The policy provides a mechanism for its Directors, Employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud, actual violation of Company's Code of Conduct.

It also provides for adequate safeguards against victimisation of persons who avails this mechanism and allows direct access to the Chairman of Audit Committee. A quarterly report on the whistle blower complaints received is placed before the Audit Committee for its review. The said policy has been posted on website of the Company and web link thereto <https://cleanscience.co.in/wp-content/uploads/2023/02/Whistle-Blower-Policy.pdf>.

34. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on 31st March, 2024 is available on the Company's website at <https://cleanscience.co.in/investors/compliance/corporate-governance/annual-returns/>

35. EMPLOYEES

The information required under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is provided in

Annexure VIII and IX of the Board's Report.

36. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees, whether permanent, contractual, temporary and trainees are covered under this Policy.

The Company has duly constituted internal complaint committee as required under the provisions Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints were received by the Committee. The Company is committed to provide safe and conducive work environment to all its employees and associates.

To ensure all the employees are sensitised regarding issues of sexual harassment, the Company conducts regular training and awareness programmes for its employees.

37. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company believes that its employees are the key growth drivers towards the sustainable performance and develop a competitive advantage. The HR policies and procedures of your Company are geared towards nurturing and development of Human Capital.

The Company firmly believe not just right hiring but also on boarding new joinee as an equally important factor. Fresh talent is hired through campus recruitment both from local and Premier Colleges. We ensure our new Talent is acclimatised to the new work environment and is supported through their induction in the respective departments which involves technical, functional, leadership development and culture building programme.

With an eye to promote home grown leaders we have High Potential programmes to nurture talent and prepare them to take the next position. We also provide accelerated growth to our High Potential employees across various departments.

The organisation provides ample opportunities for employees to enhance their skills by internal job rotations as well.

As an equal opportunity employer, we promote diversity and inclusion. Our women employees find

BOARD'S REPORT (Contd.)

this enabling environment conducive for growth. We promote women in various leadership positions in our organisation. Employee care and well-being are a priority for Clean Science. Under this it takes various initiatives including running an annual Health Check-up, celebrating festivals, Annual Cultural Function, Cricket Tournament, Dusshera, Christmas, Women's Day, felicitation of children of employees who have cleared higher secondary exams.

Your Company has transparent processes for rewarding performance and retaining talent.

The Company had 457 employees as on 31st March, 2024. Employee relations at all locations continued to remain cordial. Your directors wish to acknowledge the sincere and dedicated efforts of the employees of the Company and would like to thank them for the same.

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

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

39. DETAILS OF DIFFERENCE 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.

40. COMPLIANCE WITH SECRETARIAL STANDARDS

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

41. 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).

42. ACKNOWLEDGEMENTS

Your directors take this opportunity to thank various Government Authorities, Central and State Governments and Shareholders for their support, continuous cooperation and guidance. Your Board appreciates the relentless effort of the Management Team and employees who steers the Company in achieving its goals and gratefully acknowledge their contribution to the Company. Your directors also take this opportunity to express their gratitude for the valuable assistance and the trust placed by the Bankers, Lenders, Vendors, Customers, Shareholders, Advisors, Rating Agencies, Stock Exchange and the general Public towards the Company.

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

Ashok R. BoobManaging Director
(DIN: 00410740)**Krishnakumar R Boob**Whole-time Director
(DIN: 00410672)

Place: Pune

Date: 15th May, 2024

ANNEXURE – I

CLEAN SCIENCE AND TECHNOLOGY LIMITED DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE

Pursuant to the provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015" as amended (the "**Listing Regulations**"), it is mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on the market capitalisation calculated as on 31st March, every year.

The Board of Directors (the "**Board**") of Clean Science and Technology Limited (the "**Company**") has adopted and formulated Dividend Distribution Policy, in compliance with the Listing Regulations, and has uploaded the same on the Company's website at www.cleanscience.co.in.

2. DEFINITIONS

The terms referred to in this policy ("**Policy**") will have the same meaning as defined under the Companies Act, 2013 (the "**Act**") and the rules made there under and the Listing Regulations.

3. EFFECTIVE DATE

20th March, 2021

4. OBJECT

The object of this Policy is to establish the parameters to be considered by the Board before declaring or recommending dividend. The Policy aims to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient funds are retained for the growth of the Company.

5. SCOPE

The Policy covers the following:

a. Dividend to Equity Shareholders of the Company:

At present the Company has issued equity shares and accordingly, the Dividend will be distributed equally among all the equity shareholders based on their shareholding on the record date. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

b. Interim Dividend:

Interim Dividend(s), if any, shall be declared by the Board.

In case no final dividend is declared for any particular financial year, interim dividend paid during that year, if any shall be regarded as final dividend for the year in the Annual General Meeting ("**AGM**").

c. Final Dividend:

Recommendation, if any, shall be made by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

The dividend as recommended by the Board shall be approved/declared in the AGM of the Company.

The Dividend Payout would be minimum 15% of Net Profit After Tax and the Board has the discretion to recommend higher or lower dividend considering various parameters and circumstances prevailing at that time.

6. PARAMETERS TO BE CONSIDERED

The Board shall consider following parameters, factors and circumstances before declaring or recommending dividend:

a. Statutory Requirements: The Board shall comply with the provisions of the Companies Act, 2013 and rules applicable there under including those with respect to mandatory transfer of a certain portion of profits to any specific reserve which may be applicable to the Company at the time of taking decision with regard to dividend declaration or retention of profit.

b. Internal Factors: The Board shall consider following internal factors:

1. Company's Liquidity position including its present and expected obligations.
2. Profits of the Company.
3. Present and Future Capital expenditure plans of the Company including organic / inorganic growth opportunities.
4. Financial commitments w.r.t. the outstanding borrowings and interest thereon.
5. Financial requirement for business expansion and/or diversification, acquisition etc of new businesses.
6. Past dividend trend of the Company and the Industry.
7. Cost of borrowings.

ANNEXURE –I (Contd.)

8. Other Corporate Action options (For ex. Bonus issue, Buy back of shares).
9. Any other relevant or material factor as may be deemed fit by the Board.

c. External Factors: The Board shall consider following external factors:

1. State of economy and capital markets.
2. Applicable taxes including dividend distribution tax.
3. Regulatory Changes: Introduction of new or changes in existing tax or regulatory requirements (including dividend distribution tax) having significant impact on the Company's operations or finances.
4. Any other relevant or material factor as may be deemed fit by the Board.

7. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Company may be restrained to declare dividends in following circumstances:

- a. Inadequate profits: If during any financial year, the profits of the Company are not adequate, the Board may decide not to recommend any dividend for that year.
- b. Dividend not to be declared out of reserves: As a rule, dividend for any particular financial year shall be recommended or paid out of the Profit of that financial year and the Board shall not declare or recommend any dividend out of the reserves, except for reasons to be expressly laid down. Any decision in this regard shall be reflected in the Annual Report and website of the Company while declaring/ recommending dividend.

8. ENTITLEMENT AND TIMELINES FOR DIVIDEND PAYMENTS

- a. Entitlement: The dividend shall be paid to the shareholders entitled to receive dividend on the record date / book closure date as per applicable laws.
- b. Timelines: The payment of dividend shall be made within the time prescribed under the Act or the rules made there under. Presently, dividend is to be paid within 30 days from the date of declaration by the Board in case of Interim Dividend and within 30 days from the declaration by the shareholders in the AGM in case of Final Dividend.

9. MANNER OF UTILISATION OF RETAINED EARNINGS

The retained earnings shall be deployed in line with the objects of the Company as detailed in Memorandum of Association of the Company. The Company shall endeavour to utilise its retained earnings in a manner which shall be beneficial to the interest of the Company and also its shareholders. The decision of utilisation of the retained earning shall be based on the factors like strategic and long term plans of the Company, future equity acquisitions, diversification opportunities or any other criteria that may be considered relevant by the Board in this regard.

10. AMENDMENT

The Board may, from time to time, make amendment(s) to this Policy to the extent required due to change in applicable laws and / or regulations or as deemed fit on a review.

ANNEXURE – II

FORM AOC – I

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

(Pursuant to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

(₹ in million)

Sr. No.	Details	Particulars			
		Clean Fino-Chem Limited	Clean Science Private Limited	Clean Organics Private Limited	Clean Aromatics Private Limited
1	Name of the Subsidiary				
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April, 2023 – 31st March, 2024	1st April, 2023 – 31st March, 2024	1st April, 2023 – 31st March, 2024	1st April, 2023 – 31st March, 2024
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	₹	₹	₹	₹
4	Share capital	99.92	9.82	0.90	1.00
5	Reserves & Surplus	3131.82	(2.51)	(0.21)	(0.11)
6	Total Assets	3,638.51	7.70	0.73	0.92
7	Total Liabilities	406.77	0.39	0.05	0.03
8	Investments	90.55	7.64	-	-
9	Turnover	19.24	1.02	0.10	0.09
10	Profit /(Loss) Before Taxation	(45.33)	0.54	(0.02)	0.01
11	Provision for Taxation	(8.54)	(0.14)	-	-
12	Profit / (Loss) After Taxation	(36.79)	(0.40)	(0.02)	0.01
13	Proposed Dividend	-	-	-	-
14	% of Shareholding	100%	100%	100%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year – Nil

PART "B": ASSOCIATES/JOINT VENTURE

There are no associate companies/ joint ventures

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

Place: Pune

Date: 15th May, 2024

Ashok R. Boob
Managing Director
(DIN: 00410740)

Krishnakumar R Boob
Whole-time Director
(DIN: 00410672)

Annexure III

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

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

(Pursuant to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(A) CONSERVATION OF ENERGY:

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

During the last 3 years, the Company had undertaken various projects to reduce energy consumption while increasing consumption of renewable power.

1) Major emphasis on renewable energy:

- a. Roof-top solar power generation capacity across the factory units increased from 1.8 MW to 2.0 MW during 2023-24. It has generated 2.11 million Kwh of electricity, resulting in total savings of ₹ 46 million.
- b. A group Captive Solar Power Generation plants are operational in Solapur district at two locations with the total Open Access capacity of 17.5 MW. Indirectly through these plants, the Company was able to obtain solar power for its manufacturing units in Kurkumbh, Tal. Daund, Pune. Approximately 18.03 million kWh of electricity was utilised from the solar source during 2023-24, resulting in total savings of ₹ 393 million. These initiatives have also helped us reduce our carbon footprint.
- c. As a result of our initiatives in renewable energy approx. 65% of power consumed in 2023-24 was through renewable solar power.

2) Installation of energy efficient equipment's:

- a. Multiple Effect Evaporation systems with Mechanical Vapour Recompressor (MVR) in our Effluent Treatment Plant (ETP) have saved 6,771 GJ of heat energy by way of steam savings thereby reducing approx. 651 MT of GHG emission.
- b. Process heat recovery systems for steam generation are operational in all our units. It had saved in aggregate for all three units approx. 82,242 MT of steam in current FY.
- c. Overall percentage of Renewable Energy against the Total Energy requirements has increased by 20.20%

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

- a. Enhanced generation and utilisation of Solar electricity - One more plant of 5.0 MW capacity commissioned in 2023-24. Capacity expansion of roof-top solar generation by 0.2 MW has been completed in 2023-24

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

- a. ₹ 2.38 million were invested in installation of roof top solar power project.

(B) TECHNOLOGY ABSORPTION:

i. The efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution:

- a. Replacement of old batchwise operated box type calciners in one of the manufacturing block with high efficiency continuous rotary calciners.
- b. Installation of Float Mount Triton Aerators for ETP Aeration Tank in Unit 2, replacing conventional twin lobe type blowers resulting in power saving & less maintenance cost
- c. Replacement of less energy efficient & maintenance prone reciprocating type dry vacuum pumps with high efficient & maintenanc-free rotary vacuum pumps (scroll type & claw type)

The said efforts has resulted in reduction of effluents, improvement of yields, reduction of costs and lower emissions.

ii. 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.**

ANNEXURE –III (Contd.)

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

- a. R&D unit is engaged in research activities developing environmentally friendly new technologies for pharma, additives and speciality chemicals, which India currently depends on imports. The Company has been successful in developing a series of products such as 770, 944, 622, 119, 292 and 2020 under Hindered Amine Light Stabilisers (HALS) series. Products 770, 944 and 622 went into commercial scale from lab level and rest are in production pipeline.
- b. Bottle necks observed in scaling up of 770 and 4HT were resolved in coordination with the project team to stream line the production.
- c. R&D resolved the bottlenecks of quality issues in current product benzoquinone (BQ). We are now testing the process at pilot stage.
- d. Process development for a pharma intermediate was done and progress is on the commercial production.
- e. Plastic application lab as well as analytical R&D department was created with suitable technical team to support and enhance the performance of R&D activities.

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

- a. Efforts of R&D resulted addition of HALS such as 770, 944 and 622 in Clean Science portfolio, which in turn will increase the revenue as well as diversify the customer base and expand geographical reach.
- b. Improvement in the BQ and TBHQ processes resulted in better quality and improved the customer base.
- c. Developments of HALS series will diversify the Clean Science product portfolio and help to enter into polymer/paint customer base.

(iii) Future Action Plan

- a. Further expansion of HALS portfolio and developing UV stabilisers and antioxidants having the same polymer/ paint customer base
- b. A full-fledged plastic application lab will be developed to support the HALS business.
- c. Development of downstream products from existing products.
- d. Development of pharma and agro intermediates currently being imported in India.
- e. Improving the conversion and yields in our continuous process by introducing/modifying catalysts.

(D) Expenditure in Research and Development:

(₹ in million)

Particulars	2023-24	2022-23
Capital Expenditure	34.08	32.24
Revenue Expenditure	32.58	29.83
Total Expenditure	66.67	62.07
Total R&D expenditure as % of Total Turnover	0.84%	0.67%

(E) Foreign Exchange Earnings and Outgo:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Foreign Exchange Earnings	5,235.75	6,713.17
Foreign Exchange outgo	1,076.09	1,010.43
Net Foreign Exchange Earnings	4,159.66	5,702.74

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

Ashok R. Boob
Managing Director
(DIN: 00410740)

Krishnakumar R Boob
Whole-time Director
(DIN: 00410672)

Place: Pune

Date: 15th May, 2024

Annexure IV

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.: -

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2024, which were not at arm's length basis.

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

There were no material contracts or arrangements or transactions for the year ended 31st March, 2024. Thus this disclosure is not applicable.

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

Place: Pune
Date: 15th May, 2024

Ashok R. Boob
Managing Director
(DIN: 00410740)

Krishnakumar R Boob
Whole-time Director
(DIN: 00410672)

Annexure V

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

CSR has been a long-standing commitment at Clean Science and Technology Limited ("Company") and forms an integral part of our activities. Being a responsible corporate citizen, the Company is committed to performing its role towards the society at large. In alignment with its vision, the Company always works towards adding value to its stakeholders by going beyond business goals and contributing to the well-being of the community. Its contribution to social sector development includes several pioneering interventions and is implemented through the involvement of stakeholders within the Company and with the broader community.

The Company's objective is to pro-actively support meaningful socio-economic development. It works towards developing an enabling environment that will help citizens realise their aspirations towards leading a meaningful life. The Company aims to identify critical

areas of development contributing to the well-being of the community and benefitting them over a period of time.

The Corporate Social Responsibility Policy ("Policy") of the Company sets out the framework guiding the Company's CSR activities. The Policy also sets out the rules that need to be adhered to while taking up and implementing CSR activities.

As per the requirement of Section 135 of the Companies Act, 2013, the Company had laid down a CSR Policy under which the Company had identified projects as per the Schedule VII of the Act in the following areas:

- Promoting Health Care,
- Promoting Education,
- Environment sustainability,
- Livelihood enhancement projects.
- Conservation of Water
- Ensuring animal welfare

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Prof. Ganapati Dadasaheb Yadav	Non-Executive - Independent Director, Chairman	1	1
2	Mr. Ashok Ramnarayan Boob	Executive Director, Member	1	1
3	Mr. Krishnakumar Ramnarayan Boob	Executive Director, Member	1	1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:

Sr	Particulars	Weblink
i)	Composition of CSR Committee	https://cleanscience.co.in/investors/compliance/corporate-governance/board-committees/
ii)	CSR Policy	https://cleanscience.co.in/wp-content/uploads/2023/02/Corporate-Social-Responsibility-Policy.pdf
iii)	CSR Projects	www.cleanscience.co.in

4. Provide the Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: - Not applicable

5. CSR obligation for the Financial Year

Sr.	Particulars	Amount (in million)
5 (a)	Average net profit of the Company as per sub-section (5) of section 135	3,214.14
(b)	Two percent of average net profit of the Company as per sub-section (5) of section 135	64.28
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	-
(d)	Amount required to be set-off for the financial year, if any	1.93
(e)	Total CSR obligation for the financial year [(b)+(c) -(d)]	62.35

ANNEXURE –V (Contd.)

6. Amount spent for the Financial Year

Sr.	Particulars	Amount (in million)
6 (a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	62.93
(b)	Amount spent in Administrative Overheads	2.45
(c)	Amount spent on Impact Assessment, if applicable	0
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	65.38

6. (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 65.38	-	-	-	-	-

6 (f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹ million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	64.28
(ii)	Total amount spent for the Financial Year	65.38
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	1.10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	1.10

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(1) Sl. No.	(2) Preceding Financial Year(s)	(3) Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	(4) Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	(5) Amount Spent in the Financial Year (in ₹)	(6) Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		(7) Amount remaining to be spent in succeeding Financial Years (in ₹)	(8) Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	22-23	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	21-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	20-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE –V (Contd.)

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes/ No

If Yes, enter the number of Capital assets created/acquired: 11

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in million)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
1	Constructed 4th and 5th Floor of OPD building at Seth Tarachand Ramnath Charitable Ayurvedic Hospital Trust approx. area 10,430 sq. ft.	411001	28th March, 2024	5.10	CSR-00005308	Seth Tarachand Ramnath Charitable Ayurvedic Hospital Trust	580, Rasta Peth, Vaidya Nanal Shastri Path, Pune – 411001
2	Constructed Nursing College and Operation Theatre.	422 605	28th March, 2024	12.50	CSR-00002698	Sangamner Medical Foundation and Research Institute	Sangamner, Ahmednagar 422 605
3	Constructed 1st floor of Hostel Building of Warkari Shkshan Sanstha approx. area 4,000 sq. ft.	412705	24th February, 2024	5.70	CSR-00026175	Warkari Shkshan Sanstha	Shree Kshetra Alandi Devachi, Tal. Rajgurunagar, Dist., Pune - 412705
4	Laproscopy Machine and related instruments	412202	31st March, 2024	1.92	-	Prayagdham Hospital	Koregoan Road, Uruli Kanchan-412202
5	Planer Machine J-1010 Band Saw J-540 Lathe Machine J-922H(6 feet) Compressor MS/5A (80 Ltr) Adjustable circular saw J-534 Spindle Molder J-1504ST	411052	31st March, 2024	0.50	CSR-00022701	CSR Pune	Hingane Home Colony, Near Marathvada Engineering College, Karve Nagar, Pune - 411052
6	Laboratory Equipment- 5 Part Cell Counter 3 Part Cell Counter Electrolyte Analyzer Arterial Blood Gas (ABG) Microscope	411028	31st March, 2024	1.80	CSR-00002233	Maharashtra Arogya Mandal	165, Tupe Patil Rd, Malwadi, Hadapsar, Pune, Maharashtra 411028

ANNEXURE –V (Contd.)

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in million)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
7	Ambulance – Maruti Suzuki Ertiga (CNG Variant)	411038	31st March, 2024	1.00	CSR-00003002	Sadhana Village, Pune	1, Priyankit Apartment, Paramhans Nagar Lane 3, Opp. Vanaz, Paud Road, Kothrud, Pune - 411038
8	Installed 500 Litre Ro Filter Water Tank	413801	15th March, 2024	0.17	-	Shree Bhairavnath Madhyamik Vidyalay, Malad	Shree Bhairavnath Madhyamik Vidyalay, Malad.
9	Dental Chair and its related accessories	411001	31st March, 2024	0.31	-	Guru Nanak Medical Foundation, Camp Pune	Gurudwara Rd, Lohegaon, Pune, Maharashtra 411001
10	Installed 116 Toilet blocks in Hanumannagar, Daund	414006	18th November, 2023	1.50	-	Daily wage workers and their childrens residing in slum areas of Hanumannagar.	Village Hanumannagar, Daund – 414006
11.	Installed rainwater harvesting system approx. 230 Sq. mt. over Roof Top	412115	-	0.55	CSR 00018313	Aniket Seva Bhavi Sanstha	Gadewadi (Urawde), Mulshi, Pune – 412115

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not applicable

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

Place: Pune
Date: 15th May, 2024

Ashok R. Boob
Managing Director
(DIN: 00410740)

Krishnakumar R Boob
Whole-time Director
(DIN: 00410672)

Annexure - VI

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Clean Science and Technology Limited

Office No. 603 & 604, 6th Floor, Tower No. 15, Cybercity, Magarpatta City, Hadapsar, Pune, Maharashtra-411013

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Clean Science and Technology Limited** having CIN: L24114PN2003PLC018532 (Hereinafter called 'the Company')

Secretarial Audit was conducted for the financial year 2023-24, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and for expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and representations made by the Management, during the audit period covering the financial year ended on 31st March, 2024 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of the following list of laws and regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;
2. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
3. SEBI (Prohibition of Insider Trading) Regulations, 2015;
4. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
5. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021;
6. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
7. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
8. SEBI (Delisting of Equity Shares) Regulations, 2021;
9. SEBI (Buyback of Securities) Regulations, 2018;
10. SEBI (Depositories and Participants) Regulations, 2018 and circulars/ guidelines issued thereunder;

(vi) Other Applicable Laws: As informed by the management, other laws were complied with to the extent they are applicable.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive

ANNEXURE –VI (Contd.)

Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the committee and Board Meetings, agenda and detailed notes on agenda are sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

The decisions were passed by the Board members unanimously and recorded as a part of minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period: -

1. The Board of directors approved the modification in Clean Science and Technology Limited Employee Stock Option Scheme, 2021 at their meeting held on 18th May, 2023.
2. The public shareholding of the Company was 21.50 % as on 31st March, 2023. To meet the criteria of Minimum Public Shareholding, the Company received letters from members of the promoter group about their intention of selling the shares in the open market to achieve the Minimum Public Shareholding (MPS) in terms of requirement of Rule 19(2)(b) and 19(A) of Securities Contracts (Regulation) Rules, 1957 and Regulation 38 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with para 3(7)(ii) of the SEBI Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/18 dated 3rd February, 2023. The members of the promoter group divested 37,28,975 equity shares of ₹ 1 each aggregating to 3.51% of the total paid-up capital of the company, the details of which are as follows-

Sr. No.	Name of the member of promoter group	No. of shares sold	% in terms of paid-up capital
1.	Mrs. Asha Ashok Boob	18,65,710	1.756%
2.	Mrs. Nilima Krishnakumar Boob	8,78,960	0.827%
3.	Mrs. Asha Ashok Sikchi	9,84,305	0.927%
	Total	37,28,975	3.51

Post this transaction, the shareholding of promoter and promoter group stood at 74.98% as on 31st March, 2024.

3. The members approved the following resolutions at the Annual General Meeting (AGM) held on 10th August, 2023:
 - a. Modification in Clean Science and Technology Limited – Employee Stock Option Scheme 2021- Special Resolution.
 - b. Grant of Employee Stock Options to the Eligible Employees of Subsidiary Company(ies) of the Company under 'Clean Science and Technology Limited Employee Stock Option Scheme 2021'- Special Resolution.
4. The Company received an in-principal approval from the BSE Limited and National Stock Exchange of India Limited on 25th September, 2023 for listing of upto a maximum of 2,50,000 equity shares of ₹ 1/- each of Clean Science and Technology Limited to be allotted pursuant to Clean Science and Technology Limited – Employee Stock Option Scheme 2021 (CSTL ESOS 2021).
5. The registered office address of the company shifted from "Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune- 411013" to "Office No. 603 & 604, 6th Floor, Tower No.15, Cybercity, Magarpatta City, Hadapsar, Pune – 411013" within the local limits of Pune city w.e.f. 3rd October, 2023.
Further, consequent to shifting of registered office of the company, the books of accounts have been maintained at the registered office w.e.f. 3rd October, 2023.
6. The Board of directors approved the appointment of Mr. Keval Doshi- Independent Director on the board of Clean Fino-Chem Limited (CIN- U24290PN2022PLC209532), a material subsidiary of the company w.e.f. 8th September, 2023.
7. The Board of directors recommended the appointment of M/s. Price Waterhouse Chartered Accountants LLP (FRN-012754N/N500016) as Statutory auditors to the members for a period of five years commencing from the conclusion of 21st Annual General Meeting till the conclusion of 26th AGM to be held for the Financial Year 2028-29 in place of M/s. B S R & Co., Chartered Accountants whose term would end upon conclusion of ensuing AGM.

ANNEXURE –VI (Contd.)

8. The Board of directors at their meeting held on 3rd February, 2024 approved the further investment in Clean Fino-Chem Limited, a wholly owned and material subsidiary upto ₹ 200 crs. in the form of Equity Capital/Debentures/Intercompany loan in one or more tranches in FY 2023-24 and FY 2024-25.
9. The Company approved grant of 16,971 options to eligible employees under CSTL ESOS 2021 and allotted 14,465 equity shares under CSTL ESOS 2021 during the year.

For **J. B. Bhave & Co.**

Company Secretaries

Jayavant B. Bhave

Proprietor

FCS: 4266 CP: 3068

UIN: S1999MH025400

PR No.: 1238/2021

UDIN: F004266F000361051

Place: Pune

Date: 15th May, 2024

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF CLEAN SCIENCE AND TECHNOLOGY LIMITED (2023-24)
AUDITORS' RESPONSIBILITY

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSA1 to CSA4) -

- Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility as the Auditor is to express the opinion on the compliance with the applicable laws and maintenance of Records based on the Secretarial Audit conducted by me.
- The Secretarial Audit needs to be conducted in accordance with applicable Auditing Standards. These Standards require that the Auditor should comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records.
- I am also responsible to perform procedures to identify, assess and respond to the risks of material misstatement or non-compliance arising from the Company's failure appropriately to account for or disclose an event or transaction. However, due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit was properly planned and performed in accordance with the Standards.

Accordingly, I wish to state as under-

1. The Secretarial Audit for the financial year has been conducted as per the applicable Auditing Standards.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the

secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the process and practices that I followed provide a reasonable basis for my opinion that the statements prepared, documents or Records maintained by the Company are free from misstatement.

3. My responsibility is limited to only express my opinion on the basis of evidences collected, information received and Records maintained by the Company or given by the Management. I have not verified the correctness and appropriateness of the financial records and books of accounts maintained by the Company.
4. Wherever required, I have obtained the Management Representation about compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of the Corporate Laws, other applicable laws, rules, regulations and standards is the responsibility of the management. My examination is limited to verification of procedure on test basis.
6. This Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **J. B. Bhave & Co.**
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068

Place: Pune
Date: 15th May, 2024

Annexure VII

DETAILS OF ESOS

In terms of Regulation 14 read with Part F of Schedule I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Particulars	Details
Any material changes in the Scheme and whether the scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	<p>During the year, the Company obtained the approval of shareholders at the Annual General Meeting held on 10th August, 2023 to make amendments in CSTL ESOS 2021. The key amendments to the CSTL ESOS 2021 were as below:</p> <ol style="list-style-type: none"> Increase the aggregate number of Employee Stock Options ("Options") as originally approved from 1,00,000 (One Lacs) Options to 3,50,000 (Three Lacs Fifty Thousand) Options with an addition of 2,50,000 (Two Lacs Fifty Thousand) options for grant to Eligible Employees under CSTL ESOS 2021. Grant of Options to the Eligible Employees of Subsidiary Company(ies) of the Company under CSTL ESOS 2021. <p>The scheme is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.</p>

- A.** Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:

Refer Note No. 43 Forming part of the standalone financial statements and Note No. 45 of Consolidated financial statements for the financial year 2023-24. Please note that the said disclosures are provided in accordance with Indian Accounting Standards (Ind AS) 102- Share based Payment.

- B.** Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with ' Indian Accounting Standard 33 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time:

Refer Note No. 43 Forming part of the standalone financial statements and Note No. 45 of Consolidated financial statements for the financial year 2023-24. Please note that the said disclosures are provided in accordance with Indian Accounting Standards (Ind AS) 33- Earnings per share.

C. Details related to ESOS

Sr. No.	Particulars	Details
i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including	<p>The CSTL ESOS 2021 has been formulated and implemented primarily with a view to reward the employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this scheme to retain talent. The Company views ESOPs as an instrument that would enable the employees to share the value they create for the Company and align individual objectives of employees with the objectives of the Company in coming years. The CSTL ESOS 2021 contemplates grant of options to the Eligible Employees, as may be determined in due compliance of SEBI SBEB and Sweat Equity Regulations 2021 and provisions of the CSTL ESOS 2021. After vesting of options, the Eligible Employees earn a right (but not an obligation) to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.</p> <p>The Nomination and Remuneration Committee of the Company shall administer CSTL ESOS 2021. All questions of interpretation of the CSTL ESOS 2021 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in CSTL ESOS 2021.</p>

ANNEXURE – VII (Contd.)

Sr. No.	Particulars	Details
a)	Date of shareholders' approval	<p>Shareholders at the Extraordinary General Meeting held on 27th March, 2021, approved the CSTL ESOS 2021.</p> <p>Subsequently post listing of shares the shareholders on 17th March, 2022, ratified the CSTL ESOS 2021 through Postal Ballot. The Company received In-principle approval from BSE Limited on 9th June, 2022 and National Stock Exchange of India Limited (NSE) on 16th June, 2022 for the said CSTL ESOS 2021.</p> <p>During the year, the Company obtained the approval of shareholders at the Annual General Meeting held on 10th August, 2023 to make amendments in CSTL ESOS 2021. The key amendments to the CSTL ESOS 2021 were as below:</p> <p>a) Increase the aggregate number of Employee Stock Options ("Options") as originally approved from 1,00,000 (One Lacs) Options to 3,50,000 (Three Lacs Fifty Thousand) Options with an addition of 2,50,000 (Two Lacs Fifty Thousand) options for grant to Eligible Employees under CSTL ESOS 2021.</p> <p>b) Grant of Options to the Eligible Employees of Subsidiary Company(ies) of the Company under CSTL ESOS 2021.</p>
b)	Total number of options approved under ESOS	Nomination and Remuneration Committee to grant Options not exceeding 3,50,000 (Three Lacs Fifty Thousand) to the Eligible Employees under the CSTL ESOS 2021, in one or more tranches, exercisable into not more than 3,50,000 (Three Lacs Fifty Thousand) Shares of face value of ₹ 1 (Rupee One) each fully paid-up, with each such Option conferring a right upon the Eligible Employee to apply for one Share of the Company, in accordance with the terms and conditions as may be decided under the CSTL ESOS 2021
c)	Vesting requirements	<p>Options granted under CSTL ESOS 2021 would vest after 1 (one) year but not later than 4 (four) years from the date of Grant of such Options.</p> <p>Vesting of Options would be subject to continued employment with the Company and thus the Options would vest essentially on passage of time. In addition to this, the Nomination and Remuneration Committee may also specify certain performance criteria and vesting schedule subject to satisfaction of which the Options would vest.</p>
d)	Exercise Price or Pricing Formula	The Exercise Price per Option shall be the price as determined by the Nomination and Remuneration Committee which in no case shall be less than face value of the shares.
e)	Maximum Term of Options Granted	4 years.
f)	Source of shares (primary, secondary or combination)	Primary, the shares exercised will be listed on the Stock Exchanges.
g)	Variation in terms of Options	-
ii)	Method used to account for ESOS - Intrinsic or fair value	Fair Value
iii)	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	-

ANNEXURE – VII (Contd.)

Sr. No.	Particulars	Details		
iv)	Option movement during the year (For each ESOS):			
a)	Number of options outstanding at the beginning of the period	70,008		
b)	Number of options granted during the year	16,971		
c)	Number of options forfeited / lapsed during the year	2,739		
d)	Number of options vested during the year	19,372		
e)	Number of options exercised during the year	14,465		
f)	Number of shares arising as a result of exercise of options	14,465		
g)	Money realised by exercise of options (₹), if scheme is implemented directly by the Company.	85,45,186		
h)	Loan repaid by the Trust during the year from exercise price received	NA		
i)	Number of options outstanding at the end of the year	69,775		
j)	Number of options exercisable at the end of the year	4,805		
v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Weighted-average exercise price per option – ₹ 702/- Weighted-average fair value per option – ₹ 166.92 to ₹ 1006.97		
vi)	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to-			
a)	Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;			
Sr. No.	Employee Name	Designation	Number of options granted at an exercise price of ₹ 500/-	% of options granted during the year
1	Mubina Baber	GM-HRD	1,982	11.67
b)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and			
Sr. No.	Employee Name	Designation	Number of options granted	% of options granted during the year
1	Mr. Saumendu Mandal	V P Projects (Clean Fino-Chem Limited)	4,975	29.31
2	Mr. Rupesh Ingle	Sr. GM Operations (Clean Fino-Chem Limited)	4,975	29.31
3	Mr. Ravindra Pande	Sr. Manager Purchase (Clean Fino-Chem Limited)	1,008	5.94
4	Mr. Prakash Bade	Manager EHS (Clean Fino-Chem Limited)	928	5.47
5	Mr. Santosh Khot	DGM – Civil (Clean Fino-Chem Limited)	926	5.46
6	Mr. Shivaji Abhang	Manager HR & Admin (Clean Fino-Chem Limited)	887	5.23
c)	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant. - NA			

ANNEXURE –VII (Contd.)

Sr. No.	Particulars	Details						
vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:							
a)	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	Refer note 43 of Standalone Financial Statements for the year ended 31st March, 2024.						
b)	the method used and the assumptions made to incorporate the effects of expected early exercise	Pricing Formula: Black-Scholes-Merton Option Pricing Formula. Significant Assumptions used during the year to estimate the fair values of options at the time of grant of the option: <ol style="list-style-type: none"> 1. Risk Free Interest Rate: 5.03% - 7.38% 2. Expected Life: 1.50 year- 6.5 years 3. Expected Volatility: 24.99% - 40.76% 4. Expected Dividend: 0.16% - 0.31% 5. Stock Price Per Share: ₹ 509.33 – ₹ 1,345.30 						
c)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The volatility input, measured in % per year, is how much you generally expect the underlying security to move during the life of the option. The measure of volatility used in Black-Scholes option pricing model is the annualised standard deviation of the continuously compounded rate of return on the stock over a period of time.						
d)	whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	<table border="1"> <tbody> <tr> <td>Stock Price</td> <td>The stock price of the Company is the price as on date of grant as per valuation report. (as the options were granted prior to the date of listing.</td> </tr> <tr> <td>Risk Free Interest Rate</td> <td>The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity approximately equal to the expected life of the options based on the zero-coupon yield curve for government securities.</td> </tr> <tr> <td>Expected Dividend Yield</td> <td> Expected dividend yield is dividend per share divided by market price per share. The expected dividend yield of the Company over the life of the option is estimated considering the Company's past dividend policy. </td> </tr> </tbody> </table>	Stock Price	The stock price of the Company is the price as on date of grant as per valuation report. (as the options were granted prior to the date of listing.	Risk Free Interest Rate	The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity approximately equal to the expected life of the options based on the zero-coupon yield curve for government securities.	Expected Dividend Yield	Expected dividend yield is dividend per share divided by market price per share. The expected dividend yield of the Company over the life of the option is estimated considering the Company's past dividend policy.
Stock Price	The stock price of the Company is the price as on date of grant as per valuation report. (as the options were granted prior to the date of listing.							
Risk Free Interest Rate	The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity approximately equal to the expected life of the options based on the zero-coupon yield curve for government securities.							
Expected Dividend Yield	Expected dividend yield is dividend per share divided by market price per share. The expected dividend yield of the Company over the life of the option is estimated considering the Company's past dividend policy.							

Disclosures in respect of grants made in three years prior to IPO under each ESOS

Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made. **NA**

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

Place: Pune
Date: 15th May, 2024

Ashok R. Boob
Managing Director
(DIN: 00410740)

Krishnakumar R Boob
Whole-time Director
(DIN: 00410672)

Annexure VIII

DISCLOSURE UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (A) the ratio of remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each director, for the financial year.

Name	Total Remuneration (₹ in million)	Ratio	% Increase/ (Decrease) in Remuneration
Mr. Ashok Boob, Managing Director*	86.03	449:1	(8%)
Mr. Siddhartha Sikchi, Whole-time Director*	77.43	404:1	(8%)
Mr Krishnakumar Boob, Whole-time Director*	51.62	269:1	(8%)
Mr. Pradeep Rathi, Non-Executive Director	0.42	2:1	(5%)
Prof. G. D. Yadav, Independent Director	0.38	2:1	(19%)
Mr. Sanjay Kothari, Non-executive Director	0.48	3:1	9%
Mr. Keval Doshi, Independent Director	0.54	3:1	2%
Ms. Madhu Dubhashi, Independent Director	0.45	2:1	29%

*Includes 4% Performance Bonus on the profits before tax to be paid proportionate to the remuneration drawn by them.

- (B) the percentage increase in remuneration of CFO, CS in the financial year;

- (i) Mr. Sanjay Parnerkar- Chief Financial Officer was appointed CFO w.e.f. 3rd February, 2023 accordingly % increase is not comparable with previous year.
- (ii) Mr. Mahesh Kulkarni - Company Secretary and Compliance Officer -11%

- (C) the percentage increase in the median remuneration of employees in the Financial Year: 17.31%

- (D) the number of permanent employees on the rolls of Company as on 31st March, 2024: 457

- (E) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average increase in salaries of employees (other than managerial personnel)- 10%

Average increase in remuneration of managerial personnel- (8%)

The increment given to individual employee is based on the employees' potential, experience, performance and contribution to the Company's progress over a period of time. The increment given to Executive Directors is based on their experience, performance and contribution to the Company's progress. The remuneration to Executive Directors also includes 4% Performance Bonus on the profits before tax to be paid proportionate to the remuneration drawn by them.

- (F) Affirmation

It is affirmed that remuneration paid to Directors, Key Managerial Personnel and Other employees is as per the Remuneration policy of the Company.

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

Place: Pune

Date: 15th May, 2024

Ashok R. Boob
Managing Director
(DIN: 00410740)

Krishnakumar R Boob
Whole-time Director
(DIN: 00410672)

Annexure IX

**STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF RULE 5
(2) (I) OF COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014 AND FORMING
PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2024.**

Sr. No.	Name & Age (Years)	Designation	Total Remuneration ₹ (in million)	Qualification and Experience (Years)	Date of Commencement of Service	Last employment held before joining the Company	% share-holding	Relation with any director
1	Mr. Ashok Ramnarayan Boob 72 years	Managing Director	86.03	BCE (UDCT Mumbai) Experience - More than 28 years	07.11.2003	Mangalam Drugs and Organics Limited	12.81	Brother of Mr. Krishnakumar R. Boob
2	Mr. Krishnakumar Ramnarayan Boob 69 years	Whole-time Director	51.62	B. Pharma (UDCT Mumbai) Experience - More than 25 years	07.11.2003	Mangalam Drugs And Organics Limited	2.65	Brother of Managing Director Mr. Ashok R. Boob
3	Mr. Siddhartha Ashok Sikchi 43 years	Whole-time Director	77.43	B. Tech (UDCT Mumbai), M. Sc Synthetic Organic Chemistry, (Canada) Experience - More than 19 years	15.12.2006	-	2.97	-

- The remuneration to Sr. No. 1 to 3 includes Salary and 4% Performance Bonus collectively on Profit Before Tax.
- The conditions of employment are contractual.
- Other terms and conditions are as per the rules of the Company.
- In terms of Rule 5(2)(iii) of the of Companies (Appointment and Remuneration) Rules, 2014, it is clarified that during the Financial Year under review, no employee of the Company was in receipt of remuneration in that year, which in the aggregate or as the case may be at a rate which in the aggregate is in excess of that drawn by the Working Directors and holds himself / herself along with their spouse and dependent children not less than 2% of the equity shares of the Company.
- Details of remuneration of Top 10 employees other than Directors which form part of Directors Report, as required under Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 will be made available to any member on request, in terms of provision of Section 136(1) of the Companies Act, 2013

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

Place: Pune
Date: 15th May, 2024

Ashok R. Boob
Managing Director
(DIN: 00410740)

Krishnakumar R Boob
Whole-time Director
(DIN: 00410672)

Annexure X

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Clean Fino-Chem Limited

Office No. 603 & 604, 6th Floor, Tower No. 15, Cybercity, Magarpatta City, Hadapsar, Pune - 411013, Maharashtra, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Clean Fino-Chem Limited** having CIN: U24290PN2022PLC209532 (Hereinafter called 'the Company')

Secretarial Audit was conducted for the financial year 2023-24, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and for expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and representations made by the Management, during the audit period covering the financial year ended on 31st March, 2024 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of the following list of laws and regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not Applicable during the audit period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of

Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable during the audit period)**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;
2. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable during the audit period)**
3. SEBI (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable during the audit period)**
4. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the audit period)**
5. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021; **(Not Applicable during the audit period)**
6. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable during the audit period)**
7. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; **(Not Applicable during the audit period)**
8. SEBI (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable during the audit period)**
9. SEBI (Buyback of Securities) Regulations, 2018; **(Not Applicable during the audit period)**
10. SEBI (Depositories and Participants) Regulations, 2018 **(Not Applicable during the audit period)** and circulars/ guidelines issued thereunder; **(Not Applicable during the audit period)**

- (vi) Other Applicable Laws: As informed by the management, Other applicable laws were complied with to the extent they are applicable

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ANNEXURE –X (Contd.)

- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted. Being an unlisted public company, which is a wholly owned subsidiary, appointment of Independent Director is exempted. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

All the decisions were passed by the Board members unanimously and recorded as a part of minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period: -

1. The Board of directors allotted 18,39,827 (Eighteen Lakh Thirty-Nine Thousand Eight Hundred and Twenty- Seven) Equity Shares of ₹ 10/- (Rupees Ten only) each at a premium of ₹ 452/- (Rupees Four Hundred and Fifty-Two only) per share on Rights Basis aggregating to ₹ 85,00,00,074/- (Rupees Eighty-Five Crore and Seventy-Four only) on 19th May, 2023.
2. The members approved the appointment of M/s. CA Sanjay S. Rathi & Co. as Statutory Auditors of the Company for a period of five years i.e. for FY 2023-24 to 2027-28 at the Annual General Meeting (AGM) held on 9th August, 2023.
3. The Board of directors allotted 11,70,572 (Eleven Lakh Seventy Thousand Five Hundred and Seventy-Two) Equity Shares of ₹ 10/- (Rupees Ten only) each at a premium of ₹ 588/- (Rupees Five Hundred and Eighty-Eight) per share on Rights Basis aggregating to ₹ 70,00,02,056/- (Rupees Seventy Crore Two Thousand and Fifty-Six only) on 14th September, 2023.

4. The Board of directors approved the shifting of the Registered Office of the Company from Office No. P-4 503, Pentagon, Magarpatta City, Hadapsar, Pune - 411028 to Office No. 603 & 604, 6th Floor, Tower No. 15, Cybercity, Magarpatta City, Hadapsar, Pune - 411013, with effect from 2nd November, 2023.
5. The company being identified as a material subsidiary of Clean Science and Technology Limited, the Holding company in terms of Regulation 24(1) of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015, appointed Mr. Keval Doshi (DIN- 03635213) , as an Additional Non-Executive Director of the company being an Independent Director of Holding Company with effect from 8th November, 2023 to hold office till the ensuing Annual General Meeting.
6. The Board of directors allotted 10,03,346 (Ten Lakh Three Thousand Three Hundred and Forty-Six) Equity Shares of ₹ 10 (Rupees Ten only) each at a premium of ₹ 588/- (Rupees Five Hundred and Eighty-Eight only) per share on Rights Basis aggregating to ₹ 60,00,00,908/- (Rupees Sixty Crore Nine Hundred and Eight only) on 24th November, 2023.
7. In the Extra Ordinary General Meeting held on 3rd February, 2024 the members passed the following resolutions-
 - a. The Capital clause of the Memorandum of Association was altered due to increase in authorised share capital of the company from ₹ 10 crores to ₹ 15 crores-Ordinary resolution.
 - b. Approval for creation of charge on the assets of the company upto ₹ 50 Crore pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013- Special resolution

For **J. B. Bhave & Co.**
Company Secretaries

Jayavant B. Bhave

Proprietor

FCS: 4266 CP: 3068

UDIN: F004266F000325061

PR No.: 1238/2021

Place: Pune

Date: 8th May, 2024

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF
CLEAN FINO-CHEM LIMITED (2023-24)
AUDITORS' RESPONSIBILITY**

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSA1 to CSA4) -

- Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility as the Auditor is to express the opinion on the compliance with the applicable laws and maintenance of Records based on the Secretarial Audit conducted by me.
- The Secretarial Audit needs to be conducted in accordance with applicable Auditing Standards. These Standards require that the Auditor should comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records.
- I am also responsible to perform procedures to identify, assess and respond to the risks of material misstatement or non-compliance arising from the Company's failure appropriately to account for or disclose an event or transaction. However, due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit was properly planned and performed in accordance with the Standards.

Accordingly, I wish to state as under-

1. The Secretarial Audit for the financial year has been conducted as per the applicable Auditing Standards.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the

secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the process and practices that I followed provide a reasonable basis for my opinion that the statements prepared, documents or Records maintained by the Company are free from misstatement.

3. My responsibility is limited to only express my opinion on the basis of evidences collected, information received and Records maintained by the Company or given by the Management. I have not verified the correctness and appropriateness of the financial records and books of accounts maintained by the Company.
4. Wherever required, I have obtained the Management Representation about compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of the Corporate Laws, other applicable laws, rules, regulations and standards is the responsibility of the management. My examination is limited to verification of procedure on test basis.
6. This Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **J. B. Bhave & Co.**
Company Secretaries

Jayavant B. Bhave

Proprietor

FCS: 4266 CP. 3068

Place: Pune

Date: 8th May, 2024

CORPORATE GOVERNANCE REPORT

The Company's Report on Corporate Governance for the financial year ended 31st March, 2024 is in compliance with the principles of Corporate Governance as prescribed in Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015").

A) BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is a set of principles, processes and systems which governs the Company. The essence of Corporate Governance involves transparency, empowerment, accountability and integrity with a view to enhance stakeholders value.

The Company is working towards better tomorrow, where innovation and sustainability go hand in hand and while doing this, Company is maintaining highest standards of Corporate Governance in its conduct towards shareholders, employees, regulators, customers, suppliers and other stakeholders. The Company strongly believes that good Corporate Governance is a journey which leads to corporate growth and enables the Company in inculcating stakeholders trust and confidence, attracting and retaining financial and human capital over the years.

The Corporate Governance philosophy of the Company has been further strengthened with the adoption of the Code of Conduct of the Company and among others, the code of conduct for regulating, monitoring and reporting of trading by insiders, whistle blower mechanism, appointment of Independent Directors, use of green chemistry and host of other policies. The Company, through its Board of Directors, Senior Management and all its employees endeavours to maintain high standards of Corporate Governance.

The Company has established systems and procedures to ensure that its Board of Directors are well informed

to discharge their overall responsibilities and provide the Management with the strategic direction.

The Company's overall governance framework, systems and processes reflect and support its Vision, Mission and Values and it constantly strives to better them and adopt best Corporate practices.


B) BOARD OF DIRECTORS AND THEIR COMMITTEES

The Board of Directors is the apex body appointed by the Shareholders for overseeing the Company's overall functioning and to protect and enhance shareholders value. The Board of Directors review, guides and monitors the corporate strategies, business plans and the corporate performance. The Managing Director is assisted by other Executive Directors and Senior Managerial Personnel in overseeing the functional matters of the Company.





The Board of Directors of the Company comprises of 8 (Eight) eminent persons with considerable professional expertise and experience who provide guidance to the management. The Composition of the Board of Directors with Executive, Non-Executive, Independent and Woman Director is in conformity with the Regulation 17 of SEBI Listing Regulations, 2015 read with Section 149 of the Companies Act, 2013.

a) The composition as on 31st March, 2024 is summarised below: -




Sr No.	Category	% of total strength of the Board
A.	Non-Executive Directors	62.50
1.	Non-Independent Directors	25.00
2.	Independent Directors	37.50
B.	Executive Directors	37.50
	Total (A+B)	100

Names, Category and DIN of Directors	Profile
<p>Mr. Pradeep Rathi (Chairperson)</p> <p>Non-Executive – Non-Independent Director</p> <p>DIN: 00018577</p> 	<p>Mr. Pradeep Rathi holds a Master's degree of Science in Chemical Engineering Practice from Massachusetts Institute of Technology, USA. He also holds a Master's degree in Business Administration from Columbia University, USA. He has been associated with Sudarshan Chemical Industries Limited since last 40 years and retired as Managing Director in 2018. Mr Rathi also holds Directorship positions in other listed entities.</p> <p>Skills / Expertise –</p> <ul style="list-style-type: none"> • General Management • Business • Strategy and Planning • Governance

CORPORATE GOVERNANCE REPORT (Contd.)

Names, Category and DIN of Directors	Profile
<p>Prof. Ganapati Yadav Non-Executive – Independent Director DIN: 02235661</p> 	<p>Prof. Ganapati Yadav holds a Bachelor's degree in Chemical Engineering from University of Bombay. He also holds a Doctorate in Philosophy (Technology) from University of Bombay, a doctorate of Science (Honoris Causa) from D.Y. Patil University, Kolhapur and a Doctorate of Engineering (Honoris Causa) from National Institute of Technology Agartala. He was also awarded the civilian honour of Padma Shri by the Government of India in 2016 for his outstanding contribution in Science and Engineering. He has won over 125 national and international honours, awards, fellowships, editorships, etc. He is Chairman, Waste Management Expert Committee, DST-Govt of India. He also holds position of Independent Director in other listed entities.</p> <p>Skills / Expertise –</p> <ul style="list-style-type: none"> • General Management • Strategy and Planning • Governance
<p>Mr. Sanjay Kothari Non-Executive – Non-Independent Director DIN: 00258316</p> 	<p>Mr. Sanjay Kothari holds a Bachelor's degree in Commerce from the University of Calcutta. He is a Fellow member of the Institute of Chartered Accountants of India, Institute of Company Secretaries of India and Associate member of Institute of Cost & Works Accountants of India. He holds Directorship in other listed and unlisted Companies. He has more than 35 years of experience in business finance and currently specialises in Family Wealth Management of High Networth individuals, loan syndication, equity placements and financial restructuring.</p> <p>Skills / Expertise –</p> <ul style="list-style-type: none"> • General Management • Business • Strategy and Planning • Governance
<p>Ms. Madhu Dubhashi Non-Executive – Independent Woman Director DIN: 00036846</p> 	<p>Ms. Madhu Dubhashi has completed Post Graduation in Business Administration from the Indian Institute of Management, Ahmedabad. She was the CEO of Global Data Services of India Limited, a wholly owned subsidiary of CRISIL. In the past, she has worked with ICICI Limited, Standard Chartered Bank, JM Financials etc. She is presently on the boards of well-known companies as an Independent Director.</p> <p>Skills / Expertise –</p> <ul style="list-style-type: none"> • General Management • Strategy and Planning • Governance
<p>Mr. Keval Doshi Non-Executive – Independent Director DIN: 03635213</p> 	<p>Mr. Keval Doshi holds Bachelor's degree in Commerce from University of Bombay. He is a member of Institute of Chartered Accountants of India and has more than 20 years of working experience in Finance Domain. He was the partner in Ernst & Young LLP.</p> <p>Skills / Expertise –</p> <ul style="list-style-type: none"> • General Management • Business • Strategy and Planning • Governance

CORPORATE GOVERNANCE REPORT (Contd.)

Names, Category and DIN of Directors	Profile
<p>Mr. Ashok Boob Managing Director DIN : 00410740</p> 	<p>Mr. Ashok Boob holds a Bachelor's Degree in Chemical Engineering from the Institute of Chemical Technology, Mumbai. He has more than 28 years of experience in the chemical industry. He is responsible for engineering, production, finance and project implementation. The success achieved in R&D labs is successfully commercialised to plant scale using his expertise in implementing innovative engineering solutions in manufacturing.</p> <p>Skills / Expertise –</p> <ul style="list-style-type: none"> • General Management • Business • Strategy and Planning • Governance
<p>Mr. Siddhartha Sikchi Whole Time Director DIN: 02351154</p> 	<p>Mr. Siddhartha Sikchi holds a Master's degree in Science in Organic Chemistry (with specialisation in catalytic chemistry) from University of Manitoba, Canada (2006) and a Bachelor's degree in Chemical Technology (2003) from Institute of Chemical Technology, Mumbai. He is responsible for R&D, new projects, business development, quality systems and information technology. He has more than 19 years of experience in the speciality chemical industry.</p> <p>Skills / Expertise –</p> <ul style="list-style-type: none"> • General Management • Business • Strategy and Planning • Governance
<p>Mr. Krishnakumar Boob Whole Time Director DIN: 00410672</p> 	<p>Mr. Krishnakumar Boob holds a bachelor's degree in Pharmacy from the University of Bombay, India. He has more than 25 years experience in the chemical industry. He is engaged in day-to-day operational activities having expertise in project procurement, general management and administration, regulatory approvals, compliances, identifying, reviewing and monitoring CSR projects.</p> <p>Skills / Expertise –</p> <ul style="list-style-type: none"> • General Management • Business • Strategy and Planning • Governance

b) Board and Committee meeting procedure and attendance is summarised below: -

The notice of each Board or Committee Meeting(s) along with detailed agenda setting out the business to be transacted at the Meeting(s) supported by relevant notes, presentations if any, and other material information is sent in advance to each Director or Committee member in compliance with the applicable provisions of the Companies Act, 2013, SEBI Regulations and other relevant laws. Documents containing Unpublished Price Sensitive Information are provided to the Board and Committee members at a shorter notice, as per the general consent received from the Directors. On the request of the Directors if

any, Company also provides video conferencing facility for the participation in meeting.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Executive Directors apprise the Board at every meeting overall performance of the Company and of its Subsidiaries. Action taken on the suggestions made by the Board is presented in the subsequent meeting.

The Board of Directors in their meeting reviews the Company's business performance and of its subsidiaries, updates on investments, internal, statutory and secretarial auditors reports/presentation, update on research and development,

CORPORATE GOVERNANCE REPORT (Contd.)

compliance reports, safety, health and environment reports, business strategies, annual operating plans and capital expenditure budgets, approval of quarterly/ half-yearly/ annual financial results, forex exposure, risk management measures, investor grievances, CSR activities, policies review and other related matters.

The Committees of the Board also meet at such intervals as may be mandated by law or the terms of reference of such Committees, to transact the matters of business as may be delegated to such Committees by the Board.

Apart from the Board members, the Chief Financial Officer, Company Secretary and other function head attend the Board and Committee meetings.

The Board/Committee meetings dates are decided in consultation with the Board Members. The schedule of the Board and Committee meetings are communicated in advance to the Directors to enable them to attend meetings. During the Financial Year 2023-24, the Board of Directors met 4 (four) times on 18th May, 2023, 3rd August, 2023, 2nd November, 2023 and 3rd February, 2024 respectively. The maximum time gap between two board meetings was not more than 120 days.

Sr. No.	Name of Directors	*Category	Date and Attendance at Board Meeting				% of Attendance	Attendance at the last AGM
			18th May, 2023	3rd August, 2023	2nd November, 2023	3rd February, 2024		
1	Pradeep Rathi	Chairman -NED	✓	✓	✓	✓	100	✓
2	Sanjay Kothari	NED	✓	✓	✓	✓	100	✓
3	Prof. Ganapati Yadav	NED and ID	✓	✓	-	✓	75	✓
4	Keval Doshi	NED and ID	✓	✓	✓	✓	100	✓
5	Madhu Dubhashi	NED and Woman ID	✓	✓	✓	✓	100	-
6	Ashok Boob	MD	✓	✓	✓	✓	100	✓
7	Siddhartha Sikchi	WTD	✓	✓	✓	✓	100	✓
8	Krishnakumar Boob	WTD	✓	✓	✓	✓	100	✓

*NED – Non-Executive Director, ID – Independent Director, MD – Managing Director, WTD – Whole-time Director

c) Details of directorship held by the Board of Directors in other companies are as follows:

Sr. No.	Name	Category of Director	Inter-se Relationship amongst Directors	*No. of Directorships held in Companies (including ^CSTL)	# No. of Board Committees of Companies (including CSTL) in which director acts as a Member or Chairperson		@ Name of the listed entity in which directorship is held including CSTL and category of Director
					As a Member	As a Chairperson	
1	Pradeep Rathi	Chairman-Non-Executive Director	NA	5	ACM - 2	ACM - 1	1. Clean Science and Technology Limited- NED 2. Sudarshan Chemical Industries Limited- NED, Chairperson 3. Sanghvi Movers Limited – ID 4. Finolex Industries Limited - ID
					SRC - 2	SRC - 0	
2	Ashok Boob	Managing Director	Brother of Mr. Krishnakumar Boob	2	-	-	1. Clean Science and Technology Limited - MD

CORPORATE GOVERNANCE REPORT (Contd.)

Sr. No.	Name	Category of Director	Inter-se Relationship amongst Directors	*No. of Directorships held in Companies (including ^CSTL)	# No. of Board Committees of Companies (including CSTL) in which director acts as a Member or Chairperson		@ Name of the listed entity in which directorship is held including CSTL and category of Director
					As a Member	As a Chairperson	
3	Krishnakumar Boob	Whole Time Director	Brother of Mr. Ashok Boob	2	-	-	1. Clean Science and Technology Limited - WTD
4	Siddhartha Sikchi	Whole Time Director	NA	2	SRC-1	-	1. Clean Science and Technology Limited - WTD
5	Sanjay Kothari	Non-Executive Director	NA	6	ACM -3	ACM -1	1. Clean Science and Technology Limited- NED
					SRC -2	SRC - 1	2. Birla Precision Technologies Limited – NED 3. Ramkrishna Forgings Limited – ID
6	Ganapati Yadav	Independent Director	NA	4	ACM –3	ACM – 0	1. Clean Science and Technology Limited- ID
					SRC -0	SRC - 0	2. Bhageria Industries Limited- ID 3. Godrej Industries Limited- ID 4. Meghmani Organics Limited – ID
7	Keval Doshi	Independent Director	NA	3	ACM –2	ACM -2	1. Clean Science and Technology Limited- ID
					SRC – 0	SRC - 0	2. Kaira Can Company Limited- ID, Chairperson
8	Madhu Dubhashi	Independent Woman Director	NA	5	ACM - 4	ACM -1	1. Clean Science and Technology Limited- ID
					SRC – 1	SRC – 1	2. Pudumjee Paper Products Limited- ID 3. Sanghvi Movers Limited- ID 4. Tega Industries Limited- ID

*For the purpose of reckoning Directorship/Committees position, all Public Limited Companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies, and companies under Section 8 of the Companies Act, 2013, have been excluded.

#Only Audit Committee (ACM) and Stakeholders' Relationship Committee (SRC) are considered for reckoning committee positions.

^CSTL: Clean Science and Technology Limited.

@NED – Non-Executive Director, ID – Independent Director, MD – Managing Director, WTD – Whole-time Director

d) Details of equity shares of the Company held by the Non-Executive Directors as on 31st March, 2024 are given below:

CORPORATE GOVERNANCE REPORT (Contd.)

Name	Category	No. of shares
Pradeep Rathi	Non- Executive – Non-Independent Director	Nil
Sanjay Kothari	Non- Executive – Non-Independent Director	Nil
Ganapati Yadav	Non- Executive – Independent Director	1,89,098
Keval Doshi	Non- Executive – Independent Director	Nil
Madhu Dubhashi	Non- Executive – Independent Woman Director	1,500 (Includes shareholding of immediate relatives)

The Company has not issued any Convertible / Non - Convertible Instruments

e) Independent Directors

Independent directors play a vital role in ensuring Board Independence, and act as a bridge between the management and stakeholders. Independent Directors brings an element of objectivity to the Board Process in the general interest of the Company and thereby to the benefit of minority interests and small shareholders.

In terms of Regulation 25(8) of SEBI Listing Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and Section 149 of the Companies Act, 2013 and that they are independent of the management. Further, in compliance with Regulation 17A of SEBI Listing Regulations, none of the Director on the Board of the Company serves as Independent Director in more than 7 listed companies. Whole-time Director of the Company do not hold position as an Independent Director of any Listed Company. No Independent Director resigned during the Financial Year 2023-24.

• **Familiarisation programme for Independent Directors:**

Pursuant to Regulation 25(7) of SEBI Listing Regulations, 2015, the Independent Directors have been familiarised on various issues including nature of the Industry in which Company operates, the business model of the Company, strategic investments, regulatory updates, industry outlook, related party transactions, Environment, Social and Governance (ESG) aspects, CSR activities together with their roles and responsibilities in the Company.

The said familiarisation was done through various presentations by the management, functional heads, statutory, internal, secretarial auditor during the Board/Committee meetings and through factory visits. The details of familiarisation programme as required under Regulation 46 of SEBI Listing Regulations, 2015 for the Financial Year 2023-24 have been hosted on the website of the Company at <https://cleanscience.co.in/investors/compliance/corporate-governance/familiarisation-program/>

• **Separate Meeting of Independent Directors:**

During the year under review one (1) meeting of the Independent Directors of the Company was held on 14th March, 2024 without the attendance of Non-Independent Directors. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Board taking into account the views of the Executive Directors and Non-Executive Directors, assessed the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonably perform their duties. All Independent Directors attended the Meeting.

f) Skills/expertise/competencies identified by the Board of Directors:

The Board comprises of members with varied experiences in different areas who bring in required skills, competencies and expertise that enable them to make effective contribution to the Board and Committee meetings. The below matrix summarises the key skills, expertise and competencies that the Board thinks necessary for proper functioning in the context of the Company's business and industry as against the Director possessing the same: -

CORPORATE GOVERNANCE REPORT (Contd.)
Matrix of skills / expertise / competencies:

- i) **General Management:** Finance, Operations, Taxation, Legal, Risk Management and Human Resources.
- ii) **Business:** Understanding of domestic and global business dynamics, geographical markets, industry verticals and regulatory jurisdictions.
- iii) **Strategy and Planning:** Strategic thinking, Long term trends and planning, leading management teams.
- iv) **Governance:** Governance Practices serving the best interest of all stakeholders, maintaining board/management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

Director	General Management	Business	Strategy and Planning	Governance
Pradeep Rathi	✓	✓	✓	✓
Ashok Boob	✓	✓	✓	✓
Krishnakumar Boob	✓	✓	✓	✓
Siddhartha Sikchi	✓	✓	✓	✓
Sanjay Kothari	✓	✓	✓	✓
Ganapati Yadav	✓	-	✓	✓
Keval Doshi	✓	✓	✓	✓
Madhu Dubhashi	✓	-	✓	✓

COMMITTEES OF THE BOARD

C) AUDIT COMMITTEE:

The Audit Committee role is to assist the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost Auditor, Secretarial Auditor the performance of internal auditors and the risk management systems.

The Terms of References of the Audit Committee are as follows:

- (1) Oversight of Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommend for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) Approval of payment to statutory auditors for any other services rendered by them.
- (4) Reviewing with the management the annual financial statements and auditors report thereon before submission to the Board for approval with particular reference to;
 - (a) Matters required to be included in Director's Responsibility statement to be included in Board report, in terms of the Companies Act, 2013, as amended;
 - (b) Changes if any in accounting policies and practices and reasons for same;
 - (c) Major accounting entries involving estimates based on the exercise of judgement by management

CORPORATE GOVERNANCE REPORT (Contd.)

- (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
 - (5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - (6) Examination of the financial statement and auditor's report thereon;
 - (7) Monitoring the end use of funds raised through public offers and related matters;
 - (8) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - (9) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (10) Approval or any subsequent modification of transactions of the listed entity with related parties;
 - (11) Scrutiny of inter-corporate loans and investments;
 - (12) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - (13) Evaluation of internal financial controls and risk management systems;
 - (14) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - (15) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (16) Discussion with internal auditors of any significant findings and follow up there on;
 - (17) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - (18) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - (19) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - (20) To review the functioning of the whistle blower mechanism;
 - (21) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
 - (22) Carrying out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;
 - (23) Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
 - (24) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- The Audit Committee shall mandatorily review the following information:**
- (1) Management discussion and analysis of financial condition and results of operations;
 - (2) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - (3) Internal audit reports relating to internal control weaknesses;

CORPORATE GOVERNANCE REPORT (Contd.)

- (4) The appointment, removal and terms of remuneration of the internal auditor.
- (5) Statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) and (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- (6) Review and monitor compliances under SEBI Insider Trading Regulations;
- (7) Carrying out any other function as is mentioned in the terms of reference of the audit committee;

The Composition and attendance of the members of Audit Committee is as follows:

Name	*Category	Attendance at Audit Committee Meeting				% of Attendance
		18th May, 2023	3rd August, 2023	2nd November, 2023	3rd February, 2024	
Keval Doshi	Chairperson - NED and ID	✓	✓	✓	✓	100
Madhu Dubhashi	NED and Woman ID	✓	✓	✓	✓	100
Ganapati Yadav	NED and ID	✓	✓	-	✓	75
Sanjay Kothari	NED	✓	✓	✓	✓	100

*NED – Non- Executive Director, ID – Independent Director

All recommendations of the Audit Committee as mandatorily required were accepted by the Board. The maximum gap between any two meetings of the Committee held during the year was not more than 120 days

The Chief Financial Officer is the permanent invitee to the meetings of the Committee.

The meetings were also attended by Statutory Auditors, Internal Auditors and other invitees.

The Company Secretary acts as Secretary to the Audit Committee.

Pursuant to the terms of reference, the Audit Committee, during the year inter-alia, discussed and deliberated on financial results, approved transactions with related parties including omnibus approval, sale of fixed assets, reviewed Management Discussion Analysis Report, reports of the Internal Auditors, Cost Auditors, Secretarial Auditors, Statutory Auditors, internal financial controls and risk management systems, auditors independence and performance, scope and effectiveness of audit process, investments made by Company, financials of subsidiaries, capex, forex exposure, remuneration of Auditors, recommendation for appointment of auditor in the place of retiring auditor, utilisation of investment made by the Company in the subsidiaries, significant transactions and arrangements entered into by subsidiary companies and other related matters. The Committee also reviewed the compliances under Code of Conduct for Prevention of Insider Trading Regulations, compliance

report under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle blower mechanism.

Further, as required under Secretarial Standards on General Meetings, the Chairman Mr. Keval Doshi was present at the 20th Annual General Meeting of the Company held through Video Conference facility on Thursday, 10th August, 2023 to address shareholder's queries pertaining to Annual Accounts of the Company.

D) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been vested with the responsibility for nominations for Board Membership and Senior Management employees, evaluate the balance of skills, experience, independence, diversity on the Board and for setting up selection criteria, succession planning. Further, the Committee is also responsible for formulating policies with respect to remuneration, performance evaluation, Board Diversity etc. in line with the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The Committee also administers the ESOP scheme and takes appropriate decisions in terms of the said scheme from time to time.

Terms of References of the Nomination and Remuneration Committee:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend

CORPORATE GOVERNANCE REPORT (Contd.)

to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- I. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - II. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - III. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- (2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- (3) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - (4) Devising a policy on diversity of board of directors;
 - (5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
 - (6) Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 - (7) Recommend to the board, all remuneration, in whatever form, payable to senior management.
 - (8) Administering, monitoring and formulating detailed terms and conditions of the Employee Stock Option Scheme;
 - (9) Carrying out any other function as may be required/ mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are listed and/or any other applicable laws; and
 - (10) Performing such other functions as may be necessary or appropriate for the performance of its duties.

The Composition and attendance of Nomination and Remuneration Committee is as follows:

Name	*Category	Attendance at Nomination and Remuneration Committee Meetings		% of Attendance
		18th May, 2023	2nd November, 2023	
Ganapati Yadav	Chairperson - NED and ID	✓	-	50
Keval Doshi	NED and ID	✓	✓	100
Pradeep Rathi	NED	✓	✓	100

*NED – Non- Executive Director, ID – Independent Director

Pursuant to the term of reference of Nomination and Remuneration Committee, during the year, Committee reviewed the status of Clean Science and Technology Limited ESOP 2021 ("ESOP Scheme"), recommended to the Board

CORPORATE GOVERNANCE REPORT (Contd.)

modification in ESOP Scheme by increasing the pool size and grant of options to the employees of Company and its Subsidiaries. Committee also deliberated on performance and revision in remuneration of Executive, Non-executive Directors (Sitting Fees), Senior Management Personnel, Key Managerial Personnel, grant and allotment of Equity Shares under ESOP Scheme, deliberated on performance evaluation of the Board, Committees, Chairperson and Directors including Independent Directors, Managing Director and Whole-time Directors, recommended appointment of Independent Director on the Board of Material Unlisted Subsidiary of the Company.

All recommendations of the Nomination and Remuneration Committee as mandatorily required, were accepted by the Board. Further, in terms of provisions of Section 178(7) of the Companies Act, 2013 and Secretarial Standards on General Meetings, the Chairman Prof. G. D. Yadav was present at the 20th Annual General Meeting of the Company on Thursday, 10th August, 2023 held through Video Conference facility.

Board and Directors Evaluation:

A formal evaluation of the performance of the Board, its Committees, Chairperson, Directors including Managing Director, Whole-time Directors and Independent Directors, was carried out for the Financial Year 2023-24. Under the evaluation process, individual questionnaires covering attendance, contribution to areas impacting company's performance, participation in Board and Committee meetings, annual targets, financial and operational controls, risk management, strategies, expansion, maintaining corporate culture, integrity and ethics, succession planning, core governance and compliance management are circulated to the Directors. The Directors granted individual ratings to the Board, Committee and Executive and Non-Executive Directors

The performance of the respective Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as composition of committee, timely inputs, open communications, meaningful participation and resolution of issues.

The performance of the Board was evaluated after seeking inputs from the members on proper mix of competencies of the Board, timeliness and adequacy of information availability to take decisions, plan of actions, reporting systems, governance practices, potential conflict of interest etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors including Independent Directors, on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings and the preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairperson was also evaluated on the key aspects of his role.

E) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The role of Stakeholders Relationship Committee is to deal with matters relating to investors grievances including complaints relating to non-receipt of annual report, non-receipt of dividends, review adherence to the services being rendered by Registrar and Share Transfer Agents.

Terms of References of the Stakeholders' Relationship Committee:

- (1) Allotment of Shares, Transfer, Transmission of shares, Issue of duplicate share certificates;
- (2) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc and assisting with quarterly reporting of such complaints;
- (3) Review of measures taken for effective exercise of voting rights by shareholders;
- (4) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (5) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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- (6) Formulate policies and procedures in line with the statutory and regulatory requirements to ensure speedy disposal of various requests received from security holders/other stakeholders from time to time;
- (7) Oversee the Investor relations function in the Company and suggest appropriate means to strengthen Investor relations of the Company;
- (8) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

The composition and attendance of Stakeholders' Relationship Committee is as follows:

Name	*Category	Attendance at SRC Meeting	% of Attendance
		9th May, 2023	
Madhu Dubhashi	Chairperson – NED and Woman ID	✓	100
Siddhartha Sikchi	WTD	✓	100
Sanjay Kothari	NED	✓	100

*NED – Non- Executive Director, ID – Independent Director, WTD – Whole Time Director

During the year the Committee met on 9th May, 2023 and all members attended the meeting. Committee deliberated and reviewed the status of Complaints received from the investors during Financial Year 2022-23, investor interactions or communications, performance of Registrar and Transfer Agent, evaluation of Committees own performance etc

Status of investors complaints for the Financial Year 2023-24 are as follows –

No. of pending complaints as on 1st April, 2023	No. of complaints received during the financial year	No. of complaints resolved during the financial year	No. of complaints pending as on 31st March, 2024
0	3	3	0

Name and Designation of Compliance Officer:

Mr. Mahesh Kulkarni, Company Secretary and Compliance Officer

Clean Science and Technology Limited,

Office No. 603 & 604, 6th Floor, Tower No. 15, Cybercity, Magarpatta City, Hadapsar, Pune – 411013, Maharashtra, India.

Email – compliance@cleanscience.co.in

Telephone no.: - + 91-020-41264761

The Company has taken some investor friendly activities by communicating and encouraging investors to register their email ids, file nomination forms with respective depository participant, updating their bank and other details for payment of dividend, encashment of dividend warrants and tax deducted at source related activity etc.

F) RISK MANAGEMENT COMMITTEE:

Risk is an integral and inseparable component of the business operations of a company. The Company believes that identifying significant risks which the Company may face and devising risk assessment

and mitigation procedures to tackle such risks would play an important role in protecting shareholder value, improving governance processes and meeting unforeseen exigencies in the cycle of conduct of business operations of the Company.

Terms of References of the Risk Management Committee:

- (1) To formulate a detailed risk management policy
- (2) To identify, monitor, mitigate and oversee implementation of the risk management policy, including evaluating the adequacy of risk management and internal control systems;
- (3) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the entity;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board informed about the nature and content of its discussions, recommendations and actions to be taken;

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- (6) To take steps to identify and mitigate information technology and cyber security risks that the Company is or may be exposed to, on a regular basis.
- (7) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (8) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG (environmental, social and governance) related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- (9) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
- (10) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
- (11) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary

The Composition and attendance of Risk Management Committee is as follows:

Name	*Category	Attendance at Risk Management Committee Meetings		% of Attendance
		7th September, 2023	3rd February, 2024	
Pradeep Rathi	Chairperson – NED	✓	✓	100
Ashok Boob	MD	✓	✓	100
Keval Doshi	NED and ID	✓	✓	100
Sanjay Kothari	NED	-	✓	50

*NED – Non-Executive Director, MD – Managing Director, ID – Independent Director

The Company has in place a risk management framework and policy that provides an all-inclusive approach to safeguard the organisation from strategic, operational, financial, legal and compliance risks through an adequate and timely actions. The Risk Management framework is designed to identify risks, evaluate the impact and mitigate the risks that could affect the business. The potential risks are identified and mitigation measures are implemented to address the same. The Company has maintained Risk Register on the basis of impact analysis on the organisation. The risks are categorised as high, medium and low based on their impact and likelihood of occurrence. Risk registers are placed before the Risk Management Committee briefing them the appropriate actions taken to mitigate the same. During the year Risk Management Committee reviewed risks and the mitigation measures adopted by the Company w.r.t geo political risks, market risks, finance risk, forex risks, technological risks, human resource management, ESG and legal or compliance risks.

The Risk Management policy of the Company can be accessed on the website of the Company through web link - <https://cleanscience.co.in/wp-content/uploads/2023/02/Risk-Management-Policy.pdf>

G) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Corporate Social Responsibility Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013, and rules made thereunder. The Committee has powers to make donations/ contributions to the CSR projects or programmes to be implemented directly or through implementing partners which include a company established under Section 8 of the Companies Act, 2013, or a registered public trust or registered society and provide reports regularly to the Board on such matters.

The CSR policy of the Company can be accessed on the website of the Company through web link - <https://cleanscience.co.in/wp-content/uploads/2023/02/Corporate-Social-Responsibility-Policy.pdf>

CORPORATE GOVERNANCE REPORT (Contd.)

Terms of References of the Corporate Social Responsibility (CSR) Committee:

- (1) Formulation of a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company in areas or subjects specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder read with Schedule VII;
- (2) Recommending the amount of expenditure to be incurred, to be at least 2% of the average net profit of the Company in the three immediately preceding financial years.
- (3) Instituting a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company;
- (4) Monitoring the CSR policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (5) Identifying CSR policy partners and corporate social responsibility policy programmes;
- (6) Identifying and appointing the CSR team of the Company, wherever required; and
- (7) Performing such other duties and functions as the Board may require the CSR committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws.

The Composition and attendance of members of CSR Committee is as follows:

Name	*Category	Attendance at CSR Committee Meeting	% of Attendance
		11th May, 2023	
Ganapati Yadav	Chairperson – NED and ID	✓	100
Ashok Boob	MD	✓	100
Krishnakumar Boob	WTD	✓	100

*NED – Non-Executive Director, ID – Independent Director, MD – Managing Director, WTD – Whole-Time Director

Committee reviewed the CSR activities carried during the Financial Year 2022-23, reviewed the progress of the ongoing projects, details of capital assets created, and recommended annual budget of CSR Activities and Annual Action Plan for Financial Year 2023-24 to the Board.

Recognising the social accountability and to make a positive impact on society, CSR Committee has decided the following focus area for the CSR activities of the Company –

- a) Education, Healthcare and Medical Relief
- b) Eradicating Hunger, Poverty and Mal nutrition
- c) Employment Enhancement, Vocational Skills for Women and Disabled Children
- d) Livelihood Enhancement for Disabled Persons
- e) Environment and Sustainability
- f) Activities undertaken by CSTPL Foundation

H) OTHER COMMITTEES CONSTITUTED BY THE COMPANY:

Finance Committee

The finance committee was formed in the year 2007 and the Board delegated some powers to the

committee to take routine business and financial decisions like opening of bank accounts, availing credit facilities, for smooth running of business and operational needs.

The powers of the Finance Committee are mentioned below:

- (1) To take decisions regarding the matters of routine financial assistance as may be referred by the Board of Directors from time to time;
- (2) To assess the procedural and other requirements of proposal for loans, working capital finance and other financial assistance, to approve and avail the same from Banks and Financial Institutions and Government Departments;
- (3) To assess the need and complete the formalities regarding opening of bank accounts at Pune, Kurkumbh and other places as per the requirement of Company's projects at various places;
- (4) To report the Board regarding any discrepancies/ errors/frauds observed during the routine/ financial operations of the Company;
- (5) To prepare budgets, reports, presentations on costs, cash flows, etc. as demanded by the Board from time to time;

CORPORATE GOVERNANCE REPORT (Contd.)

(6) To do all other acts as may be delegated by the Board of Directors from time to time.

During the year, no Finance Committee Meeting was convened.

Composition of Finance committee is as follows –

Name	*Category
Pradeep Rathi	Chairperson – NED
Ashok Boob	MD
Krishnakumar Boob	WTD
Siddhartha Sikchi	WTD

*NED – Non-Executive Director, MD – Managing Director, WTD – Whole Time Director

I) REMUNERATION OF DIRECTORS
a. Pecuniary Relationship or Transactions with Non-Executive Directors

During the year under review, there were no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees and reimbursement of expenses incurred by them to attend the meetings of the Board/Committee.

b. Non-Executive Directors' compensation and disclosures

Non-Executive Directors, including Independent Directors are paid sitting fees for attending the meetings of the Board and Committees of the Board. During the year under review, the Company paid sitting fee of ₹ 75,000/- per meeting per Director for attending Board Meeting and ₹ 30,000/- per meeting per director for attending committee meetings.

Criteria of Remuneration to Non-Executive Director is as per the Nomination and Remuneration Policy -

https://cleanscience.co.in/wp-content/uploads/2024/06/NRC_Policy_updated_06_2024.pdf

The details of the sitting fees paid to Non-Executive Directors in Financial Year 2023-24 is given below:

Name of Director	Category	Sitting fees (₹ in million)
Pradeep Rathi	Non-Executive – Non Independent Director	0.42
Sanjay Kothari	Non-Executive – Non Independent Director	0.48
Ganapati Yadav	Non-Executive – Independent Director	0.38
Keval Doshi	Non-Executive – Independent Director	0.54
Madhu Dubhashi	Non-Executive – Independent Woman Director	0.45

c. The Remuneration details of Managing / Executive Directors are mentioned below:

₹ in million

Component	Ashok Boob- Managing Director	Krishnakumar Boob- Whole Time Director	Siddhartha Sikchi - Whole Time Director
Basic Pay	33.07	19.84	29.76
Performance Bonus (Collectively 4%)	52.96	31.78	47.67
Total	86.03	51.62	77.43

Managing Director is appointed under the contract for a period of five years and with termination notice period of 6 months and Executive Directors are appointed under the contract for a period of five years and subject to re-appointment due to retirement by rotation in the Annual General Meeting. No employee stock options were granted to Managing Director and Executive Directors.

CORPORATE GOVERNANCE REPORT (Contd.)

J) SENIOR MANAGEMENT PERSONNEL –

Nomination and Remuneration Committee identifies persons who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment/removal. Particulars of the Senior Management Personnel as on 31st March, 2024 are as follows -

Sr No.	Name	Designation
1.	K. S. Saboo	President Operations
2.	Parth Maheshwari	President Projects and Operations
3.	Kothanda Rama Pichaandi	Vice President R & D
4.	Mubina Baber	Head – Human Resource
5.	Vijay Jadhav	Head – Safety
6.	Sanjay Parnerkar	Chief Financial Officer
7.	Pratik Bora	Vice President – Corporate Finance
8.	Mahesh Kulkarni	Company Secretary

There are no changes in the composition of Senior Management Personnel since the closure of the previous financial year.

K) GENERAL BODY MEETINGS:

Details of last three Annual General Meetings are given below:

Annual General Meeting:

 Date |
  Time |
  Venue |
  Special Resolutions Passed |
  No. of Directors present

2022-23

 Thursday, 10th August, 2023


 3.00 p.m.

 Meeting convened through Video Conferencing / Other Audio-Visual Means

Deemed Venue: –


Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411013

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 Modification in Clean Science and Technology Limited – Employee Stock Option Scheme, 2021 ("CSTL ESOS 2021") to –

- Increase the aggregate number of Employee Stock Options from 1,00,000 to 3,50,000 for grant to Eligible Employees.
- Grant of options to the Eligible Employees of Subsidiary Company(ies) of the Company under CSTL ESOS 2021.
- Such other required modifications necessary to incorporate changes as mentioned in point (a) and (b)

2021-22

 Monday, 8th August, 2022

 3.00 p.m.

 Meeting convened through Video Conferencing / Other Audio-Visual Means

Deemed Venue: - Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411013


 7


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CORPORATE GOVERNANCE REPORT (Contd.)

 Date |
  Time |
  Venue |
  Special Resolutions Passed |
  No. of Directors present



2020-21

 Tuesday, 15th June, 2021

 3.30 p.m.

 Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411013


 3

-  i) To consider borrowing limits of ₹ 500 Crores under Section 180(1) (c) of the Companies Act, 2013
-  ii) To consider and approve creation of charge on the movable and immovable properties of the Company both present and future in respect of the borrowings under Section 180(1) (a) of the Companies Act, 2013

Extra Ordinary General Meetings:

Details of Extra Ordinary General Meetings held during last 3 years are given below:






2021-22

 Postal ballot on 17th March, 2022

 -


 N.A


 N.A

-  i) To consider and approve the modifications in Clean Science and Technology Limited Employee Stock Option Scheme 2021.
-  ii) To ratify the Clean Science and Technology Limited Employee Stock Option Scheme 2021.
-  iii) To approve continuation of employment of Mr. Ashok Boob Managing Director of the Company, consequent of his attaining the age of 70 years w.e.f 2nd March, 2022.
-  iv) To approve re-appointment of Mr. Ashok Boob, as Managing Director of the Company for further term of 5 years w.e.f 28th July, 2022.
-  v) To approve payment of aggregate annual remuneration in excess of 5% of net profits of the Company in a year collectively to all Executive Directors who are Promoters.






2020-21

 Saturday, 27th March, 2021

 03.00 pm

 Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411013

 3

-  i) To alter object clause of Memorandum of Association.
-  ii) To consider and approve payment of managerial remuneration to Mr. Ashok Boob for the financial year 2020-21.
-  iii) To consider and approve payment of managerial remuneration to Mr. Krishnakumar Boob for the financial year 2020-21.
-  iv) To consider and approve payment of managerial remuneration to Mr. Siddhartha Sikchi for the financial year 2020-21.
-  v) To approve Employee Stock Option Scheme 2021.

CORPORATE GOVERNANCE REPORT (Contd.)

2020-21

- Thursday, 25th February, 2021
- 11.00 am
- Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411013
- 3
- i) Approval for conversion of the Company into a Public Limited Company.
 - ii) Adoption of amended Memorandum of Association.
 - iii) Adoption of amended Articles of Association.
 - iv) To increase investment limits for non-resident Indians

2020-21

- Friday, 15th January, 2021
- 10.00 am
- Hotel Westin Pune, 36/3-8, Mundhwa Road, Koregaon Park Annexe, Ghorpadi, Pune, Maharashtra 411001
- 3
- Shifting of Registered Office Address of The Company Outside Local/City Limits

No Special Resolutions were passed through Postal Ballot during Financial Year 2023-24.

- a) Person who conducted the postal ballot exercise – NA
- b) Whether any special resolution is proposed to be conducted through postal ballot – NA
- c) Procedure for Postal Ballot – NA

L) MEANS OF COMMUNICATION

(a) Financial Results:

The quarterly, half-yearly and annual financial results of the Company are generally published in Business Standard/Financial Express (All India Edition) (English) and Loksatta (Marathi Edition). The financial results of the Company are uploaded on the website of the Company after these are submitted to the Stock Exchange at <https://cleanscience.co.in/investors-kit/>

(b) Annual Report:

The Annual Report includes statutory and non-statutory information to the shareholders like Boards Report, Management Discussion Analysis Report, Report on Corporate Governance, Business Responsibility and Sustainability Report, details of the products, global reach of the Company, geography wise revenue etc.

Pursuant to relaxation granted by Ministry of Corporate Affairs and Securities and Exchange

Board of India vide general circular no. 09/2023 dated 25th September, 2023 and circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated 7th October, 2023 respectively, Company sent an Annual General Meeting ("AGM") Notice and copy of Annual Report through e-mails to all those Members whose e-mail ids are registered with the Company/RTA/Depository Participant. Company is once again appealing to the shareholders to register their e-mail ids with the Company/RTA/Depository Participants if they have not done yet. The Annual Report of the Company is also disseminated on the Company's website.

(c) Investor Presentations and Investors meet:

The Company participates in various investor conferences and analyst meets held in and outside India. Conference call with investors on Financial Results are held every quarter in which Executive Director, Chief Financial Officer and other Senior Management Personnel participate and answers the queries of existing and prospective investors. In compliance with the SEBI Listing Regulations, Company provides prior intimation of schedule of such investors meet to the stock exchanges and publishes the same on the website of the Company.

Concall Transcript, Audio Recordings of Concall of the Company are available on the website of

CORPORATE GOVERNANCE REPORT (Contd.)

the Company for those who could not attend the call. No Unpublished Price Sensitive Information is discussed in these meetings.

(d) Stock Exchange Disclosures:

Company provides statutory, non-statutory material events, information and updates about the Company and of its material subsidiary to the stock exchanges from time to time. Post disclosure of such events, information and updates to the stock exchanges are hosted by the Company on its website. In compliance with the SEBI Listing Regulations, Company has framed the Policy for determination of materiality for disclosure of events or information to stock exchanges.

M) GENERAL SHAREHOLDER INFORMATION
(a) Annual General Meeting- date, time and venue

In continuation of Ministry's general Circular No. 20/2020 dated 5th May, 2020, General Circular No. 02/2022 dated 5th May, 2022, General Circular No. 10/2022 dated 29th December, 2022, MCA has issued General Circular No.

(d) Name and Address of each Stock Exchange at which company shares are listed and stock code

Listing on Stock Exchanges	Name	Address	Stock Code
Equity Shares	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	543318
Equity Shares	National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	CLEAN

The Annual Listing Fees and custodian charges of the depositories for the Financial Year 2024-25 has been paid to both the stock exchanges and depositories, respectively.

(e) Market price data – High and Low during each month in the last financial year 2023-24

Month	BSE		NSE	
	High Price ₹	Low Price ₹	High Price ₹	Low Price ₹
April 2023	1,473.00	1,277.00	1,474.00	1,274.80
May 2023	1,574.95	1,376.00	1,574.40	1,376.00
June 2023	1,429.90	1,330.00	1,427.40	1,329.60
July 2023	1,415.65	1,282.85	1,417.95	1,282.85
August 2023	1,439.70	1,281.15	1,440.00	1,280.00
September 2023	1,533.00	1,394.75	1,533.85	1,393.00
October 2023	1,435.50	1,290.00	1,437.95	1,290.00
November 2023	1,448.05	1,299.00	1,449.00	1,295.35
December 2023	1,591.00	1,372.90	1,591.70	1,368.10
January 2024	1,622.40	1,401.00	1,622.00	1,401.00
February 2024	1,501.30	1,368.30	1,503.95	1,370.00
March 2024	1,427.20	1,280.00	1,432.00	1,277.20

[Source: This information is compiled from the data available on the website of BSE and NSE]

09/2023 dated 25th September, 2023, pursuant to which Companies are allowed to hold their Annual General Meeting ("AGM") through video conferencing ("VC") or other audio-visual means ("OAVM") upto 30th September, 2024. Accordingly, your Company will be conducting the 21st AGM through VC/OAVM facility. Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice of AGM, and this mode will be available throughout the proceedings of the AGM.

The 21st Annual General Meeting will be held within stipulated timeline as per the provisions of the Companies Act, 2013.

(b) Financial Year

The financial year covers the period from 1st April, 2023 to 31st March, 2024.

(c) Dividend Payment date:

Final Dividend for 2023-24 if approved by the shareholders, will be paid within stipulated timeline as per the provisions of the Companies Act, 2013.

CORPORATE GOVERNANCE REPORT (Contd.)

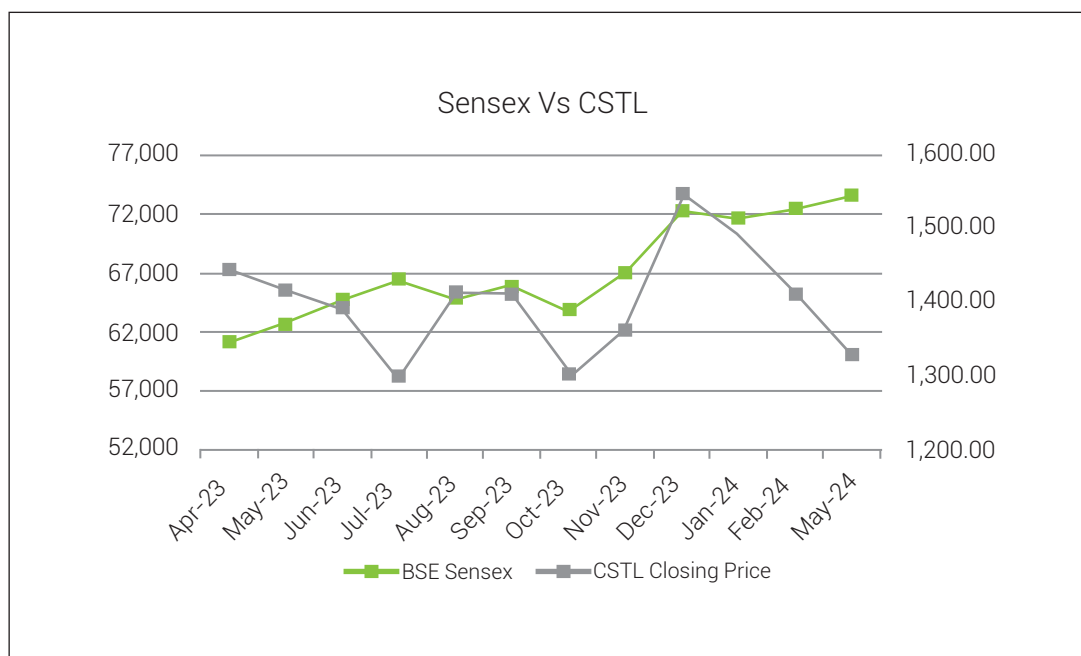
The market share price data of the Company in comparison to broad-based indices like BSE Sensex and Nifty are given below:

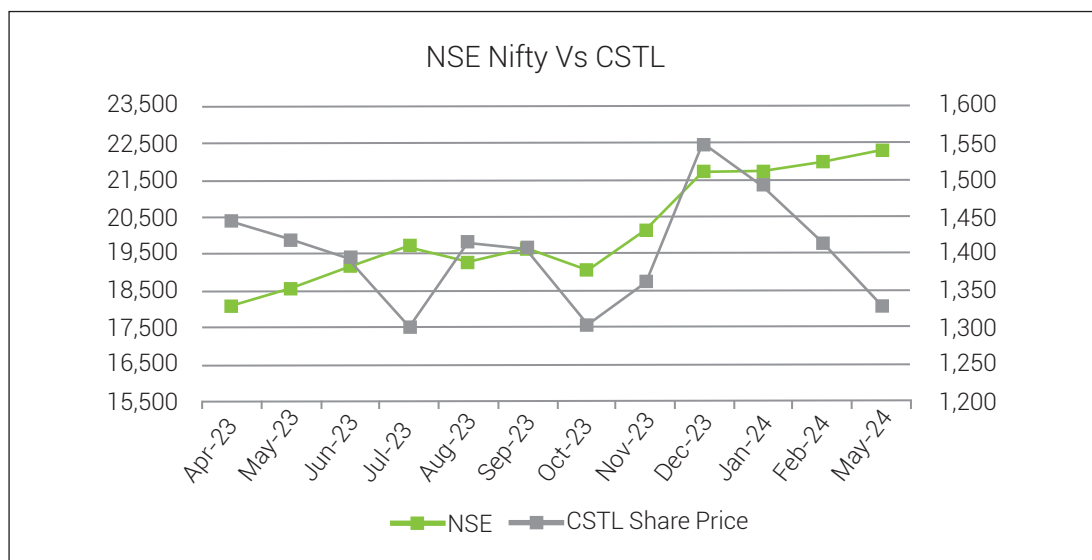
Months	Company's closing price at BSE	BSE Sensex Closing	Company's closing price at NSE	Nifty 50 Closing
April 2023	1,444.75	61,112.44	1,444.00	18,065.00
May 2023	1,417.85	62,622.24	1,418.75	18,534.40
June 2023	1,393.25	64,718.56	1,396.00	19,189.05
July 2023	1,300.45	6,6527.67	1,300.30	19,753.80
August 2023	1,414.05	64,831.41	1,417.75	19,253.80
September 2023	1,410.65	65,828.41	1,409.25	19,638.30
October 2023	1,304.10	63,874.93	1,304.20	19,079.60
November 2023	1,362.00	66,988.44	1,363.75	20,133.15
December 2023	1,548.65	72,240.26	1,549.10	21,731.40
January 2024	1,494.15	71,752.11	1,493.55	21,725.70
February 2024	1,412.40	72,500.3	1,413.40	21,982.80
March 2024	1,328.10	73,651.35	1,329.35	22,326.90

[Source: This information is compiled from the data available on the website of BSE and NSE]

Performance in comparison to broad-based indices: (BSE Sensex, NSE Nifty, etc)

[Source: This information is compiled from the data available on the website of BSE and NSE]



CORPORATE GOVERNANCE REPORT (Contd.)

(f) Registrar & Share Transfer Agents: Link Intime India Private Limited

Particulars	Address	Contact details
Link Intime India Private Limited	Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001	Contact Person: Mr. Sandip Pawar, Tel: +91020-46014473 E-mail: pune@linkintime.co.in website- www.linkintime.co.in

(g) Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, transfer, transmission and transposition of securities shall be effected only in Demat Mode. All the shares of the Company are in dematerialised form only and no shares are held in physical form.

(h) Shareholding Pattern
Shareholding pattern as on 31st March, 2024: -

Category	*No. of equity shares	% of Equity Capital
Promoters & Promoter Group	7,96,63,325	74.97
Mutual Funds	44,81,211	4.22
Insurance Companies	7,50,175	0.71
Alternate Investment Funds	1,20,468	0.11
Foreign Portfolio Investors	62,52,290	5.88
Non-Resident Individuals	3,24,937	0.31
Resident Individuals	87,09,947	8.20
Bodies Corporates (including LLP, NBFC, Foreign Companies)	56,67,204	5.33
Others (Trusts, HUF, Clearing Members)	2,82,447	0.27
Total	10,62,52,004	100

*Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

CORPORATE GOVERNANCE REPORT (Contd.)

Distribution of Shareholding

Distribution of Shareholding as at 31st March, 2024.

Sr. no	Shares Range	*Number of Shareholders	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
1	1 to 500	2,82,702	99.47	73,53,946	6.92
2	501 to 1000	921	0.33	6,83,156	0.64
3	1001 to 2000	304	0.11	4,44,194	0.41
4	2001 to 3000	94	0.03	2,35,212	0.22
5	3001 to 4000	32	0.01	1,14,807	0.11
6	4001 to 5000	21	0.00	96,806	0.09
7	5001 to 10000	52	0.02	3,78,934	0.36
8	10001 and above	96	0.03	9,69,44,949	91.25
Total		2,84,222	100	10,62,52,004	100

* Without consolidating the folios on the basis of PAN

(i) Dematerialisation of Shares and Liquidity

The Company's shares are held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number (ISIN) allotted to the Company's Shares under the Depository System is INE227W01023. The Company's shares are actively traded on the stock exchanges. As on 31st March, 2024, 100 % of the shareholding in the Company are held in dematerialised form.

(j) Outstanding GDRS/ADRS/Warrants/Convertible Instruments, Conversion Date and likely impact on equity

The Company has not issued GDRs/ADRs/Warrants or any Convertible instruments.

(k) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company does not deal in commodities. Information with respect to Foreign Exchange Risk and Hedging Activities' is provided in Notes of the Standalone and Consolidated Financial Statements as at and for the year ended 31st March, 2024, respectively.

(l) Plant Locations:

Sr. No	Particulars	Address
1	Unit 1	Plot No. D-28, MIDC Kurkumbh, Tal. Daund, District: Pune -413802 , Maharashtra, India, Ph: +91-2117-235866/235868
2	Unit 2	Plot No. D-26/3, MIDC Kurkumbh, Tal. Daund, District: Pune – 413802, Maharashtra, India, Ph: +91-2117-235867/235869
3	Unit 3	Plot No. D-25/1/1, D-26/2, MIDC Kurkumbh, Tal. Daund, District: Pune – 413802, Maharashtra, India, Ph: +91-2117-299368/299468

(m) Address for correspondence:

Clean Science and Technology Limited,

Office No. 603 & 604, 6th Floor, Tower No.15, Cybercity, Magarpatta City, Hadapsar, Pune -411013

(n) Credit Rating

The following is the list of credit ratings assigned/re-affirmed to the Company

Long-term rating	CRISIL AA-/Stable (Reaffirmed)
Short-term rating	CRISIL A1+ (Reaffirmed)

(o) Transfer of unclaimed amounts/ shares to the Investor Education and Protection Fund (IEPF):

In terms of Section 124 of the Companies Act, 2013, if the dividend declared by the Company is not claimed by the shareholders or remains unpaid for 7 years, amount of dividend which remain unpaid and the corresponding shares are required to be transferred to the Investor Education and Protection Fund (IEPF).

CORPORATE GOVERNANCE REPORT (Contd.)

During the period under review Company was not required to transfer any amount/ shares to the IEPF.

Following Table provides dates on which unclaimed dividend and their corresponding shares would become liable to be transferred to the IEPF.

Financial Year	Type of Dividend	Dividend per share (₹)	Date of Declaration of Dividend	Due date of Transfer to IEPF
2021-2022	Final Dividend	3.25	8th August, 2022	7th September, 2029
2022-2023	Interim Dividend	2.00	2nd February, 2023	1st March, 2030
2022-2023	Final Dividend	3.00	10th August, 2023	9th September, 2030
2023-2024	Interim Dividend	2.00	3rd February, 2024	2nd March, 2031

Members who have not encashed the dividend warrants so far in respect of aforesaid period(s) are requested to make claim to Link Intime Private Limited (RTA) well in advance of the above due dates. Company has also sent communication to the shareholders whose dividend is unpaid/ unclaimed for the last three years declared by the Company together with warrants details so as to enable them to complete the process and encash the unpaid dividend.

In order to enable the Company to directly credit the dividend amount in the bank account, members holding shares in demat account are requested to update their Bank details with their respective Depository Participants.

N) OTHER DISCLOSURES
(a) Related Party Transactions:

All the transactions entered into by the Company with Related Parties as defined under the Companies Act, 2013 and the SEBI Listing Regulations, 2015, during the Financial Year 2023-24 were of routine in nature, in the ordinary course of business, at arm's length pricing basis and in compliance with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations, 2015 and Company's policy on Materiality and dealing with Related Party Transactions. There were no material significant related party transactions entered into by the Company that may have potential conflict of interest with the Company. All the Related Party Transactions were approved by the Audit Committee. The statement showing disclosure of transactions with related parties during the year under review as required under Indian Accounting Standard is set out separately in this Annual Report. In compliance with the SEBI Listing Regulations, 2015, Company has disclosed

the details of Related Party Transaction to the stock exchanges and published the same on the website of the Company.

(b) Statutory Compliance, Penalties and Strictures:

The Company has complied with the requirements of the Stock Exchanges, SEBI, and statutory authorities on all matters related to the capital markets. No penalty or strictures were imposed on the Company by these authorities. All the Directors of the Company have confirmed that they are not debarred from holding the office by virtue of any SEBI, Ministry of Corporate Affairs or any other authority.

(c) Establishment of vigil mechanism, whistle blower policy:

In accordance with the requirements of Section 177 of the Companies Act, 2013 read with SEBI Listing Regulations, 2015 the Company has a Whistle Blower Policy approved by the Board of Directors. The policy provides a mechanism for Directors, Key Managerial Personnel, Senior Management, Employees and all stakeholders to report their concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct and provides safeguards against the victimisation of persons who avail of the mechanism. The Company has taken measures to create awareness amongst its employees on the Code of Conduct, Whistle blower and other Governance policies through training sessions.

Access to the Chairman of the Audit Committee was available to all directors, employees and stakeholders of the Company. A quarterly report on the whistle blower complaints was also placed before the Audit Committee for its review. During the year under review no whistle-blower complaints was received.

CORPORATE GOVERNANCE REPORT (Contd.)

The policy with the name and address of the Chairman of the Audit Committee has been circulated to the employees. Direct complaints can be raised to the Chairman of the Audit Committee by sending an email at vigil@cleanscience.co.in or by sending letter at the designated address. The whistle Blower policy adopted by the Company can be accessed from the website at <https://www.cleanscience.co.in/company-policies>

(d) Code of Conduct for Prevention of Insider Trading

The Company has adopted Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders of Clean Science and Technology Limited ("Code of Conduct") under SEBI (Prohibition of Insider Trading) Regulations 2015 ("SEBI PIT Regulations, 2015"). The Code of Conduct lays down the guidelines for procedures to be followed and disclosures to be made by designated persons while trading in securities of the Company. The Company Secretary is the Compliance Officer for ensuring the compliance with and for the effective implementation of the SEBI PIT Regulations 2015 and the Code of Conduct on Insider Trading across the Company.

During the year, the Company also took steps to sensitise compliance requirements under SEBI PIT Regulations, 2015 with the Designated Persons by holding physical, virtual sessions and regular communications.

In terms of provisions of SEBI PIT Regulations, 2015 read with Code of Conduct on Insider Trading, the Audit Committee had periodically reviewed the compliance of the SEBI PIT Regulations and noted actions taken in case of violation of SEBI PIT Regulations.

(e) Structured Digital Database

The Company has in place a structured digital database wherein details of persons with whom Unpublished Price Sensitive Information is shared on a need to know basis and for legitimate purpose are entered. The database is maintained internally by the Company in accordance with SEBI PIT Regulations, 2015.

The Secretarial Auditors have in their Annual Secretarial Compliance Report have affirmed compliances under Regulation 3(5) and 3(6) of SEBI PIT Regulations, 2015.

(f) Details of compliance with mandatory requirements and adoption of the non-mandatory Requirements:

The Company is compliant with all the mandatory requirements of the SEBI Listing Regulations, 2015 for Financial Year 2023-24.

The following non-mandatory requirement under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

- **Reporting of Internal Auditor:**

The Internal Auditor reports to the Audit Committee and participates in the meetings of the Audit Committee and presents Internal Audit observations to the Audit Committee.

- **Separate posts of Chairperson and the Managing Director**

The Chairperson of the Board is a Non-Executive Director and not related to the Managing Director of the Company.

(g) Disclosure of Commodity Price risks and commodity hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July, 2023 is not required to be given.

(h) Details of raising of funds through preferential allotment or qualified institutions placement:

There were no instances of raising of funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations, 2015.

(i) Certificate from Practicing Company Secretary Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has obtained a certificate from M/s. J. B. Bhavé & Co, Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India and Ministry of

CORPORATE GOVERNANCE REPORT (Contd.)

Corporate Affairs or any such authority. The said certificate is annexed as **Annexure III** to this report and forms part of this Annual Report.

(j) Confirmation regarding acceptance of recommendation of Committee:

In terms of the SEBI Listing Regulations, 2015, the Board of Directors confirm that during the year, it has accepted recommendations received from its Committees.

(k) Consolidated Fees paid / payable to Statutory Auditors

During the year total fees paid /payable to BSR & Co. LLP, the Statutory Auditors of the Company for all services availed by the Company and its subsidiaries, on a consolidated basis, is as follows-

Type of Service/Fees	Amount in million (₹)
Statutory Audit Fees	1.90
Other Services	0.75
Reimbursement of expenses	0.23
Total	2.88

(l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has formulated a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH") and the rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace.

During the year, awareness programmes had been conducted in the Company for the new joiners as well as for existing employees. Audit Committee periodically reviews the complaints received under POSH. There were no complaints relating to sexual harassment, pending at the beginning of financial year, received during the year and pending as on the end of the Financial Year 2023-24.

(m) Details of Loans and Advances by Company and its Subsidiaries:

No Loans and advances are made to firms/companies by the Company or its subsidiary in which directors are interested.

(n) Compliance of Corporate Governance Requirements:

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015.

(o) Details of Unclaimed Suspense Account

No shares of the Company are lying in the unclaimed suspense account.

(p) Disclosure of Certain Type of Agreements Binding Listed Company -

There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

(q) Compliance with Accounting Standard

The Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with relevant rules thereunder for the preparation of Financial Statements. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

(r) Subsidiary Companies

As on 31st March, 2024, the Company had 4 wholly owned subsidiaries. Company has complied with the Corporate Governance Requirements with respect to subsidiaries in terms of review of financial statements, in particular investments, significant transactions and arrangements made by the subsidiaries, placing of Board Meeting minutes etc. A policy to determine a material subsidiary has been framed and the same may be accessed on the Company's website at the link - <https://www.cleanscience.co.in/company-policies>.

In terms of Regulation 16(1)(c) of SEBI Listing Regulations, 2015 and Company's policy on Material Subsidiaries, Clean Fino-Chem Limited ("CFCL") has been determined as a "Material Subsidiary" of the Company i.e. a subsidiary company whose income or net worth exceeds 10% of the consolidated income or net-worth of the Company and its subsidiaries in the immediately preceding accounting year.

CFCL was incorporated on 22nd March, 2022 in Pune City, Maharashtra, India. The manufacturing facility of CFCL was formally inaugurated on 17th

CORPORATE GOVERNANCE REPORT (Contd.)

February, 2024 and it commenced its operations on 1st March, 2024.

CFCL in its Annual General Meeting held on 9th August, 2023 appointed M/s CA Sanjay S. Rathi & Co. (FRN – 109182W) as the statutory auditors for the period of five years i.e for 2023-24 to 2027-28.

In terms of Regulation 24 of the Listing Regulations, Mr. Keval Doshi, Independent Director of the Company has been appointed as the Director on the Board of CFCL.

(s) Smart ODR

To strengthen the existing grievance redressal system, SEBI has established Online Dispute Resolution ("ODR") for resolution of disputes arising in the Indian Securities Market between investor/clients and listed companies or registered intermediaries. ODR harnesses online conciliation and online arbitration for resolution of disputes. The ODR Portal has the necessary features and facilities for the investors to file the complaint/dispute against the Company / Registered Intermediaries and to upload any documents or papers pertaining thereto. Link to access ODR portal (<https://smartodr.in/login>) is also available on the website of the Company.

(t) Green Initiative

As responsible corporate citizen, the Company welcomes and supports the "Green Initiative" undertaken by Ministry of Corporate Affairs, Government of India enabling electronic delivery of documents including the Annual Report and other correspondence to the members at their email addresses registered with Depository participants and RTA. Members who have not registered their email addresses so far are requested to do the same.

O) MD AND CFO CERTIFICATION

In terms of the provisions of Regulation 17(8) of the SEBI Listing Regulations, 2015, the Managing Director and Chief Financial Officer (CFO) have issued a certificate, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed as **Annexure I** to this report and forms part of the Annual Report.

P) CERTIFICATE ON CORPORATE GOVERNANCE

A Compliance Certificate from M/s. J. B. Bhavé & Co, Practicing Company Secretary pursuant to Schedule V of the Listing Regulations regarding the compliance of conditions of Corporate Governance is annexed as **Annexure II** to this report and forms part of the Annual Report.

Q) WEBLINK FOR CORPORATE INFORMATION AND POLICIES:

Name	Website Link
Code of Conduct for Board of Directors and SMPs	https://cleanscience.co.in/wp-content/uploads/2023/02/Code-of-Conduct-for-Board-of-Directors-and-SMPs.pdf
Code of Conduct for Prohibition of Insider Trading in securities of the Company	https://cleanscience.co.in/wp-content/uploads/2023/06/Code-of-Conduct-for-Prohibition-of-Insider-Trading-in-securities-of-the-Company-updated.pdf
Policy on Related Party Transactions	https://cleanscience.co.in/wp-content/uploads/2023/02/Policy-on-Related-Party-Transactions.pdf
Policy on Prevention of Sexual Harassment at the Workplace (POSH)	https://cleanscience.co.in/company-policies-policy-on-prevention-of-sexual-harassment-at-the-workplace/
Corporate Social Responsibility Policy	https://cleanscience.co.in/wp-content/uploads/2023/02/Corporate-Social-Responsibility-Policy.pdf
Policy to promote Diversity of Board of Directors	https://cleanscience.co.in/wp-content/uploads/2023/02/Policy-to-Promote-Diversity-of-Board-of-Directors.pdf
Whistle Blower Policy	https://cleanscience.co.in/wp-content/uploads/2023/02/Whistle-Blower-Policy.pdf
Archival Policy	https://cleanscience.co.in/company-policies-archival-policy/
Dividend Distribution Policy	https://cleanscience.co.in/wp-content/uploads/2023/02/Dividend-Distribution-Policy.pdf
Policy on Material Subsidiaries	https://cleanscience.co.in/wp-content/uploads/2023/02/Policy-on-Material-Subsidiaries.pdf

CORPORATE GOVERNANCE REPORT (Contd.)

Name	Website Link
Policy for Evaluation of Performance of Board of Directors	https://cleanscience.co.in/wp-content/uploads/2023/02/Policy-for-Evaluation-of-Performance-of-Board-of-Directors.pdf
Terms and Conditions for Appointment of Independent Directors	https://cleanscience.co.in/wp-content/uploads/2024/06/Terms-and-Conditions-for-Appointment-of-Independent-Directors_06_2024.pdf
Policy for Familiarisation Programme for Independent Directors	https://cleanscience.co.in/company-policies-policy-for-familiarisation-programme-for-independent-directors/
Policy for Preservation of Documents	https://cleanscience.co.in/wp-content/uploads/2023/02/Policy-for-Preservation-of-Documents.pdf
Succession Policy	https://cleanscience.co.in/wp-content/uploads/2023/02/Succession-Policy.pdf
Policy on Anti-Bribery and Corruption	https://cleanscience.co.in/company-policies-policy-on-antibribery-and-corruption/
Risk Management Policy	https://cleanscience.co.in/wp-content/uploads/2023/02/Risk-Management-Policy.pdf
Code of Practices and Procedures for fair disclosure of UPSI	https://cleanscience.co.in/wp-content/uploads/2023/02/Code-of-Practices-and-Procedures-for-fair-disclosure-of-UPSI.pdf
Policy for Determination of Materiality	https://cleanscience.co.in/wp-content/uploads/2023/08/Policy-for-Determination-of-Materiality_updated-on-03.08.2023.pdf
Nomination and Remuneration Policy	https://cleanscience.co.in/wp-content/uploads/2024/06/NRC_Policy_updated_06_2024.pdf

Declaration in compliance of the Code of Conduct as required under Schedule V of SEBI Listing Regulations, 2015.

I, Ashok Boob, Managing Director of the Company hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, in respect of the financial year 2023-24.

For Clean Science and Technology Limited

Ashok R. Boob
Managing Director
(DIN: 00410740)

Place: Pune

Dated: 15th May, 2024

ANNEXURE I

CERTIFICATE OF MANAGING DIRECTOR AND CFO

Pursuant to regulation 17(8) and Part B of Schedule II of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 For the Financial Year ended 31st March, 2024

To,

The Board of Directors

Clean Science and Technology Limited

Office No. 603 & 604, 6th floor, Tower No. 15, Cybercity,

Magarpatta City, Hadapsar, Pune – 411013

In respect of the Financial Statements of the Company for the Year ended 31st March, 2024, we hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement of 'Clean Science and Technology Limited' ("the Company") for the year ended 31st March, 2024, and that to the best of our knowledge and belief, we hereby state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken for rectifying these deficiencies, if any.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) that there were no significant changes in internal control over financial reporting during the year;
 - (2) that there were no significant changes in accounting policies made during the year; and
 - (3) that there were no instances of significant fraud of which we have become aware of, involving the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Pune

Date: 15th May, 2024

Ashok Boob

Managing Director

Sanjay Parnerkar

Chief Financial Officer

ANNEXURE II

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(As per Provisions of Chapter IV of Securities and Exchange Board of India
(Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time)

To,

The Members

Clean Science and Technology Limited

Office No. 603 & 604, 6th Floor, Tower No. 15, Cybercity,

Magarpatta City, Hadapsar, Pune 411013, Maharashtra

Sub: Corporate Governance Compliance Certificate of Clean Science and Technology Limited

I have examined all relevant records of **Clean Science and Technology Limited** (CIN: L24114PN2003PLC018532) for the purpose of certifying compliance of the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2024. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the above certification.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was carried out in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with the mandatory conditions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable and amended from time to time for the financial year ended 31st March, 2024.

For **J. B. Bhavé & Co.**
Company Secretaries

Jayavant B. Bhavé
Proprietor
FCS: 4266 CP. 3068
UIN: S1999MH025400

PR No: 1238/2021
UDIN: F004266F000361095

Place: Pune
Date: May 15, 2024

ANNEXURE III

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,

Clean Science and Technology Limited

Office No. 603 & 604, 6th Floor, Tower No. 15, Cybercity,

Magarpatta City, Hadapsar, Pune - 411013, Maharashtra, India

I have examined the relevant registers, record, forms, returns and disclosures received from the Directors of **Clean Science and Technology Limited** having CIN: L24114PN2003PLC018532 and having Registered Office at Office No. 603 & 604, 6th Floor, Tower No. 15, Cybercity, Magarpatta City, Hadapsar, Pune - 411013, Maharashtra, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications {including Directors Identification Number (DIN) status at the portal www.mca.gov.in} as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	Designation	DIN	Date of Appointment in the Company
1.	Mr. Ashok Ramnarayan Boob	Managing Director	00410740	07/11/2003
2.	Mr. Krishnakumar Ramnarayan Boob	Executive Director	00410672	07/11/2003
3.	Mr. Siddhartha Ashok Sikchi	Executive Director	02351154	15/12/2006
4.	Mr. Pradeep Ramwilas Rathi	Non-Executive - Non-Independent Director	00018577	15/12/2006
5.	Mr. Sanjay Kothari	Non-Executive - Non-Independent Director	00258316	20/12/2009
6.	Mr. Ganapati Dadasaheb Yadav	Non-Executive - Independent Director	02235661	15/12/2006
7.	Mr. Keval Navinchandra Doshi	Non-Executive - Independent Director	03635213	06/02/2021
8.	Ms. Madhu Dubhashi	Non-Executive - Independent Director	00036846	20/02/2021

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on the same based on my verification. This Certificate is specifically being issued in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For J. B. Bhavé & Co.

Company Secretaries

Jayavant B. Bhavé

Proprietor

FCS: 4266 CP: 3068

UIN: S1999MH025400

PR No: 1238/2021

UDIN: F004266F000361141

Place: Pune

Date: May 15, 2024

Management Discussion and Analysis

GLOBAL ECONOMY

The global economic landscape continued to demonstrate a fairly resilient performance in 2023, showcasing a steady growth rate of 3.1%. For 2024, the projections indicate a steady growth of 3.1%. Furthermore, for 2024, advanced economies are anticipated to grow at 1.5%, while emerging markets and developing economies are forecasted to record a growth rate of 4.1%. On the other hand, by 2025, advanced economies are anticipated to experience a growth rate of 1.8%, with emerging markets and developing economies expected to see a slight increase to 4.2% with global economy growth rate projected at 3.2%.

(Source: *World Economic Outlook, International Monetary Fund (IMF), January 2024*)

On a global scale, the economy is witnessing high interest rates, a deceleration in consumer spending, and subdued labour market conditions. These trends are likely to moderate growth in several major and developing economies. However, the outlook remains optimistic for numerous developing nations, especially those in vibrant regions, such as East Asia, Western Asia, and Latin America and the Caribbean. Despite the prevailing headwinds, such challenges are likely to present invaluable opportunities for innovation and strategic shifts, resulting in enhanced economic resilience and sustainable development. Global headline inflation is projected to decrease to 5.8% in 2024 and further decline to 4.4% in 2025, reflecting a downward revision in the 2025 forecast. (Source: *World Economic Outlook, International Monetary Fund (IMF), January 2024*)

However, many countries are witnessing elevated price pressures, and any further escalation of geopolitical conflicts could pose risks to renewed increases in inflation. There is still uncertainty about the extent of slowdown in the US, and the situation in Europe and China could still intensify. At the same time, downside growth risks have eased to some extent and the forecasts project improved growth conditions by the end of the year.

To reduce inflation, major central banks raised policy interest rates to restrictive levels in 2023. This step has resulted in high mortgage costs, challenges for firms refinancing their debt, tighter credit availability, and weaker business and residential investment. But with inflation easing, market expectations of a decline in future policy rates have given rise to reduced longer-term interest rates and rising equity markets.

World Economic Outlook

	Growth Projections (%)		
	2023	2024	2025
Global Economy	3.1	3.1	3.2
Advanced Economies	1.6	1.5	1.8
Emerging Markets and Developing Economies	4.1	4.1	4.2

(Source: *World Economic Outlook, International Monetary Fund (IMF), January 2024*)

INDIAN ECONOMY

The Reserve Bank of India (RBI) projected a GDP growth rate of 7% for the fiscal year 2024-25. This forecast was made during the Monetary Policy Committee (MPC) meeting announcements on 5th April, 2024. The forecast indicates expectations of sustained robust economic expansion for the Indian economy. The predictions for GDP growth in specific quarters of the fiscal year 2024-25 indicate that the first quarter is anticipated to achieve a growth rate of 7.1%, which represents a slight adjustment from the previous estimate of 7.2% made in February. For the subsequent quarters, the GDP growth forecast stands at 6.9% for the second quarter, and 7% each for the third and fourth quarters.

(Source: <https://www.indiatoday.in/business/story/rbi-mpc-gdp-growth-projected-at-7-percent-for-2024-25-2523565-2024-04-05>)

The second advance estimates (SAE) indicate that real GDP growth for 2023-24 stands at 7.6%, marking the third consecutive year of growth at 7% or higher. This robust economic performance can be attributed to several factors, including a rebound in private consumption, increased investment activity, and a recovery in exports. The revisions in GDP growth reflect enhanced government capital expenditure and strong manufacturing activity. Positive trends in GST collections, rising auto sales, consumer optimism, and strong credit growth showcases resilient urban consumption demand. Additionally, expanding manufacturing and services PMIs signal sustained solid economic momentum on the supply side.

The investment cycle is gaining steam, aided by a sustained thrust on Government capex. Such efforts have led to an increase in capacity utilisation, the flow of resources to the commercial sector, and the policy support from the

Management Discussion and Analysis (Contd.)

Production Linked Incentive (PLI) and other schemes. As of September 2023, investments of nearly ₹ 95,000 Crores have materialised under the PLI schemes. These investments have resulted in the production of goods worth ₹ 7.80 Lac Crores and the creation of direct and indirect employment to over 6.4 Lacs. Additionally, the PLI schemes have led to exports surpassing ₹ 3.20 Lac Crores. The various sectors contributing to these exports include large-scale electronics manufacturing, pharmaceuticals, food processing, and telecom and networking products. A revival in private corporate investment is also underway, with both services and infrastructure firms being optimistic about the overall business conditions. Net external demand is also on the rise, with narrowing merchandise trade deficit.

Moreover, the Government has allocated a significant proportion towards infrastructure development in the interim Union Budget for 2024-25. The interim budget proposes an infrastructure capital outlay of ₹ 11.11 Lac Crores for the fiscal year 2024-25. This move is an attempt to spur private investments across various sectors like railways, roads, and renewable energy.

(Source: <https://economictimes.indiatimes.com/news/economy/policy/interim-budget-2024-25-rs-11-11-lakh-crore-allocated-for-infrastructure-creation/articleshow/107316381.cms?from=mdr>)

As per recent discussions at the RBI meetup, headline Consumer Price Index (CPI) inflation is projected to hover around 5.1-5.0% throughout the first quarter of 2024-25. Subsequently, it is forecasted to moderate to 3.8% in the second quarter of 2024-25, followed by a rise to 4.8-4.6% in the latter half of the same fiscal year.

Excluding food & beverage, pan, tobacco, intoxicants, and fuel and light, CPI inflation is forecasted to stand at 3.4% during the fourth quarter of 2023-24 and the first quarter of 2024-25. This figure is anticipated to increase marginally to 3.7% in the second quarter of 2024-25, with a further uptick to 4.1-4.3% in the subsequent two quarters.

(Source: <https://rbidocs.rbi.org.in/rdocs/Publications/PDFs/SPF8705042425182A580CFE4F51A4247AA97D5EF40B.PDF>)

GLOBAL CHEMICALS MARKET

The global chemical industry stepped into 2024 with a positive outlook. Despite the challenges faced in 2022 and

2023, the industry rebounded with moderate growth in 2024. Some of the challenges still persisted in the industry. However, there are many positives to look at, including rising demand, favourable regulations, and the industry focus on sustainability & decarbonisation, digitalisation, and innovation. The combined effect of these positive trends is laying a strong foundation for growth and success in the years ahead.

The Global Chemical Market was valued at US\$ 2.9 trillion in 2022, and is projected to reach US\$ 4.66 trillion by 2030. Furthermore, the market is likely to register a compound annual growth rate (CAGR) of 6.1% during the forecast period from 2023 to 2030.

(Source: <https://www.snsinsider.com/reports/global-chemical-market-4043#:~:text=The%20Global%20Chemical%20Market%20was,period%20from%202023%20to%202030.>)

The global chemical market stands as one of the largest and most diverse sectors in the world economy. It encompasses an array of products, including basic chemicals, specialty chemicals, and agrochemicals, among others.

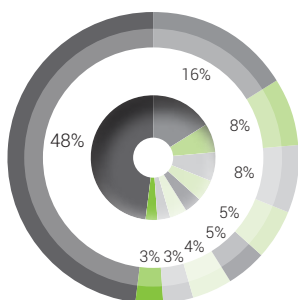
With the increasing demand for these products across various industries, the chemical market continues to expand rapidly. Furthermore, the chemicals sector has outperformed the broader market since 2011, largely due to the increased demand from emerging markets, such as China and India.

(Source: <https://www.mckinsey.com/industries/chemicals/our-insights/india-the-next-chemicals-manufacturing-hub#/>)

Additionally, the rising demand for specialty chemicals across various industries is fuelling market growth. Specialty chemicals find applications in sectors such as automotive, electronics, construction, and agriculture. Their unique properties and functions are currently driving innovation and creating new market opportunities. With industries becoming more specialized, the demand for tailor-made chemicals is expected to surge, which will provide a significant impetus to the global market. Other significant factors driving the demand for chemicals are the rapid industrialisation and urbanisation in emerging economies. With growth in these economies, there is a substantial increase in infrastructure development, manufacturing activities, and agricultural activities.

Management Discussion and Analysis (Contd.)

Country-Wise Distribution of India's Chemical Exports for 2023-24



Geography	In %	Geography	In %	Geography	In %
The US	16	Brazil	8	China	8
Saudi Arabia	5	The Netherlands	5	UAE	4
Belgium	3	Japan	3	Others	48

(Source: <https://www.grandviewresearch.com/industry-analysis/specialty-chemicals-market>, <https://www.globenewswire.com/en/news-release/2023/10/30/2769273/0/en/Chemical-Market-to-Surpass-USD-4-66-Trillion-by-2030-Driven-by-Increased-Demand-for-Specialty-Chemicals-and-Growing-Sustainability-Initiatives-Research-by-SNS-Insider.html>)

GLOBAL SPECIALTY CHEMICALS MARKET

Specialty chemicals are specific molecules or combinations designed to provide unique functionality or performance in various industries. These include automotive, construction, electronics, consumer goods, pharmaceuticals, food & beverage, flavours & fragrances, specialty polymers, paper & pulp, mining, and industrial sectors. The global market for these chemicals is likely to possess high growth potential in emerging markets over coming years. Factors such as industrialisation and the rising prevalence of consumer-driven economies are expected to drive this potential.

The global market size for speciality chemicals stood at US\$ 641.5 billion in 2022-23, and is anticipated to register a compound annual growth rate (CAGR) of 5.2% from 2024 to 2030. (Source: <https://www.grandviewresearch.com/industry-analysis/specialty-chemicals-market>)

The geopolitical conflict in Europe triggered an increase in oil costs, which affected the price of producing chemicals. This rise in oil prices is anticipated to have a significant impact on the market for speciality chemicals. From the manufacturer's viewpoint, the impact of rising energy prices resulted in higher chemical prices and eroded profits to some extent. The import and export of raw materials across regions, particularly in the European region, were impacted by supply interruptions, ultimately affecting the overall speciality chemicals market. Alongside, the market is characterised by significant efforts towards research and development, focussing on creating new products consistently. This keeps the degree of innovation at a moderate to high level. The specialty chemicals are function-specific products thus there is need of continuous innovation in this industry.

In 2023, the Asia-Pacific region dominated market with the highest revenue share of 49.9%, followed by the European Union by 25% and the US at 23%. This can be attributed to factors such as economic progress, industrialisation, and the growth of major end-user sectors. China and India are major countries contributing to the growth in Asia-Pacific region, much akin to the global chemicals market. The demand for additives in the region is influenced by food & beverage, personal care and cosmetics, and pharmaceutical applications. China, India, and Japan are the key manufacturers of speciality chemicals in the Asia-Pacific region, with China as global manufacturing leader which also leads to product market growth.



(Source: <https://www.grandviewresearch.com/industry-analysis/specialty-chemicals-market>, <https://www.statista.com/statistics/1307191/specialty-chemicals-sales-european-union-by-segment/#:~:text=Specialty%20chemicals%20sales%20in%20the,Union's%20chemical%20revenue%20in%202022.>)

Management Discussion and Analysis (Contd.)

KEY GLOBAL INDUSTRY TRENDS IN THE NEXT FIVE YEARS

Green Chemicals: Green chemistry aims to reduce the environmental impact of manufacturing chemical products by minimising the use of hazardous substances. These green chemicals come with diverse applications. These include their use as precursors for agricultural chemicals, anti-oxidants in the food and feed industry, key components in the production of Active Pharmaceutical Ingredients (APIs), and in the manufacturing of polymers and monomers. According to the UnivDatos Market Insights Analysis, the shift from a reliance on fossil fuels to renewable energy sources is propelling growth in the 'green chemicals' sector. The Green Chemicals Market, with a value of US\$ 100.9 billion in 2022, is projected to grow significantly and reach US\$ 274.2 billion by 2032. Over the period from 2022 to 2032, this market is forecasted to clock in a Compound Annual Growth Rate (CAGR) of 10.8%. This indicates substantial expansion and opportunity within the green chemicals industry over the next decade.

(Source: <https://market.us/report/green-chemicals-market/>)

Regional Dominance: The Asia-Pacific region is set to dominate the market, driven by factors like rapid urbanisation, the increasing demand for application-specific chemical compounds in the construction and manufacturing sectors, rising population growth, and growing awareness about agrochemical use. China holds the largest share in the Asia-Pacific specialty chemicals market, while India is the fastest-growing country within the region. (Source: <https://www.businesswire.com/news/home/20230518005615/en/Global-Specialty-Chemicals-Market-Report-2023-A-738.23-Billion-Market-in-2022---Forecasts-to-2028---Rising-Demand-For-Sustainable-Specialty-Chemicals-High-Performance-Materials---ResearchAndMarkets.com>, <https://finance.yahoo.com/news/chemical-distribution-global-market-report-122500679.html>)

End-User Demand: The global market for performance chemicals experienced substantial growth. This growth is said to be driven by the increasing demand for high-performance materials across various industries, such as automotive, construction, electronics, agriculture, and consumer goods. The market size for performance chemicals was US\$ 275.8 billion in 2022, while it is projected to achieve a market size of US\$ 453.4 billion by 2032, registering a CAGR of 5.2% during the period from 2023 to 2032. (Source: <https://www.acumenresearchandconsulting.com/performance-chemicals-market>)

The global pharmaceutical chemicals market demonstrated noteworthy growth, with projections indicating substantial expansion in the coming years. Its market size is expected to reach US\$ 197.4 billion by 2030, expanding

at a growth rate of 6.9% from 2021 to 2030. This growth can be attributed to multiple factors. These include the increasing demand for pharmaceuticals, the development of novel medications, the rising need for better healthcare infrastructure, and a surge in desire for improved healthcare systems globally. (Source: <https://www.biospace.com/article/pharmaceutical-chemicals-market-size-growth-trends-report-2021-2030/>)

Also, there is a growing demand for fast-moving consumer goods (FMCG). These comprise packaged meals, personal hygiene products, and household cleaners. Notably, the size of the global FMCG market was valued at US\$ 11,782.6 billion in 2022, with a projected CAGR of 5.3% from 2023 to 2032. (Source: <https://www.acumenresearchandconsulting.com/fast-moving-consumer-goods-market>)

INDIA SPECIALTY CHEMICALS MARKET

India currently holds a market share of 22% in the global specialty chemicals market.

(Source: <https://www.icis.com/explore/resources/news/2023/11/24/10947845/india-specialty-chemical-makers-struggle-amid-poor-global-demand-dumping/>)

The Indian specialty chemicals sector envisages a period of fast-paced growth driven by several market forces. The country is emerging as a preferred manufacturing hub for both domestic and export markets. Forming approximately 20% of the total chemicals market in India, the specialty chemicals sector has been playing a pivotal role in driving the growth of the chemicals industry.

India is the second-largest market for specialty & fine chemicals in the Asia-Pacific region. The market growth for the country can be attributed to the presence of its companies manufacturing these chemicals on a large scale.

Moreover, the penetration of specialty & fine chemicals in India is high owing to the presence of mature end-user industries in the country. For instance, India is among the major automotive manufacturing countries in the Asia-Pacific region. The use of specialty chemicals such as fibres, sealants, paints, and adhesives in the automotive industry of the country is expected to fuel the growth of the market in India in the coming years.

(Source: <https://www.grandviewresearch.com/industry-analysis/specialty-chemicals-market>)

India's specialty chemicals sector continues to thrive, buoyed by several inherent growth drivers. These encompass a robust domestic demand base, burgeoning exports with ample room for expansion, and significant opportunities for import substitution. Key catalysts driving this growth include competitive manufacturing costs, a relentless focus on R&D and innovation, the availability of a skilled and experienced workforce, and stringent compliance standards. Moreover, the Government's

Management Discussion and Analysis (Contd.)

proactive measures to enhance the ease of doing business and provide comprehensive policy support across various industries further bolsters the sector's growth trajectory. The chemicals industry in India is valued at US\$ 220 billion and is projected to record a growth rate of 9-12% p.a., aiming to reach US\$ 300 billion by 2026. (Source: <https://www.trade.gov/country-commercial-guides/india-chemicals>)

The specialty chemicals sector is expected to drive this growth substantially and promote industrial expansion, ultimately yielding a noteworthy market value. With Indian companies displaying remarkable dynamism, the global market share of India in the specialty chemicals arena is anticipated to witness a two-fold increase in the foreseeable future.

(Source: Specialty Chemicals Market Size & Share Report, 2030 (grandviewresearch.com), Indian Specialty Chemicals Industry: ready for a quantum leap (ey.com))

Key Growth Drivers for the Indian Specialty Chemicals

Export Opportunities - India has emerged as a major exporter of specialty chemicals, capitalising on its competitive manufacturing costs, skilled workforce, and favourable government policies. With increasing demand from international markets, there is significant potential for export-led growth in the sector. The growth in chemical exports has been possible due to a surge in shipments of organic and inorganic chemicals, agrochemicals, dyes and dye intermediates. India is poised to clock in a CAGR of 11% from 2023 to 2026.

(Source: *India: The next chemicals manufacturing hub* | McKinsey)

Rise of Domestic Demand - India's rapidly expanding economy and growing middle-class population are fuelling the domestic demand for specialty chemicals across various industries. These include pharmaceuticals, agriculture, automotive, and construction. The domestic demand is expected to rise to US\$ 850 billion to US\$ 1,000 billion by 2040.

(Source: <https://economictimes.indiatimes.com/industry/indl-goods/svs/chem-/-fertilisers/indian-chemical-industry-to-be-valued-at-1-trillion-by-2040/articleshow/98334280.cms>)

Technological Advancements - Investments in R&D and innovation are promoting technological advancements within the sector. These are driving the development of high-value-added products with enhanced performance characteristics. Such an innovation-driven approach is making the sector more competitive and opening up new growth avenues.

Rise of Green Chemistry - Green chemistry reflects a growing awareness of the need to minimise the environmental impact of chemical processes and products.

Simultaneously, it focusses on the importance of addressing concerns related to health and safety. Factors such as Government initiatives, consumer demand, and industrial awareness have contributed to the rise of green chemistry in India. With the growing awareness of sustainability and technological advancement, green chemistry is expected to boost innovation and growth gradually in the Indian chemical sector.

Make in India and China+1 Strategy - The 'Make in India' initiative, alongside 'the China +1' strategy, has been instrumental in propelling the Indian chemical industry forward. By encouraging global companies to diversify their manufacturing beyond China, India has emerged as a favourable destination for investment and expansion. This manufacturing shift has reduced its dependency on China, opening up new export opportunities and spurring domestic manufacturing. Government support, encompassing incentives and policy measures, has further bolstered the industry's growth.

Outlook

The Indian specialty chemicals industry is expected to continue its growth trajectory, driven by increasing demand from various sectors, export opportunities, and favourable market conditions. The industry's resilience, competitiveness, and potential for expansion position it as a key player in the global market, with a positive outlook for the year ahead.

The Indian specialty chemicals industry is expected to clock in a Compounded Annual Growth Rate (CAGR) of more than 9.3% from 2023 to 2030. This growth is estimated to outpace the industry from the rest of the world in the coming years. The industry represents 22% of India's chemicals and petrochemicals market and is valued at US\$ 32 billion, with significant growth prospects expected in the near future.

(Source: <https://www.grandviewresearch.com/industry-analysis/india-specialty-fine-chemicals-market-report>)

While the industry faces challenges such as poor global demand and competition from imports, there are opportunities for growth through capacity expansions, new chemistries, and forays into innovative products.

The Indian specialty chemicals market is poised for substantial and rapid growth, driven by factors like strong process engineering capabilities, low-cost manufacturing, and government initiatives that support local investments and production. The chemicals industry in India is valued at US\$ 220 billion and is projected to grow at a rate of 9-12% per annum, aiming to reach US\$ 300 billion by 2026.

(Source: <https://www.trade.gov/country-commercial-guides/india-chemicals>)

(Source: *Specialty Chemicals industry - India* - KPMG India)

Management Discussion and Analysis (Contd.)

COMPANY OVERVIEW AND PRODUCT PORTFOLIO

Clean Science and Technology Limited (also referred to as 'CSTL' or 'The Company') is a trusted producer of Performance Chemicals, Pharma & Agrochemicals, and FMCG chemicals. CSTL's core strength lies in its capacity to design innovative and atom-efficient technologies, demonstrating a commitment to molecular excellence. This capability is complemented by the Company's in-house project engineering skills and is further enhanced through backward integration. This competitive advantage allows the Company to consistently deliver high-quality products that meet global regulatory standards.

At CSTL, innovation is not just a concept but a way of functioning. The Company continuously strives to redefine its chemistry through ground-breaking research and development. In the process, it ensures every molecule it creates and every process it undertakes exemplifies excellence in its molecular design and application.

Clean Fino-Chem Limited uses the tagline 'Redefining Chemistry' to highlight its dedication to pushing boundaries and setting new standards in chemical manufacturing. The Company is committed to achieving molecular excellence through continuous innovation and transformative solutions that make a positive impact on the industry and beyond.

The Company strongly emphasises designing novel atom-efficient technologies and commercialising them through innovative engineering skills. This strategic focus helps lower the costs of effluents and capital expenditure (capex) compared to peers in the industry. As a consequence, the Company's return ratios consistently outperform those of its peers. Its commitment to continual improvement in novel technology ensures that there is a continuous enhancement in its capabilities. As a result, the Company has positioned itself as a leading name in efficiency and innovation within the industry. CSTL has emerged as one of the top global players for its key products, with exports to China, the US, and Europe. CSTL's state-of-the-art facilities and strong R&D capabilities enable it to meet the highest quality standards, while efficiently addressing the regulatory compliance requirements of its global clientele.

Sustainability is deeply integrated in the business practices across the entire value chain. CSTL prioritises health, safety and environmental concerns, ensuring the well-being and security of all the stakeholders. The Company's comprehensive sustainability efforts make it a reliable long-term partner for customers worldwide.

CSTL's focus on technology, innovation, and strategic growth will certainly enable the Company to continue and thrive as a leader in the specialty chemical industry.

Its specialisation lies in producing essential functionally critical chemicals across three key sectors. These sectors include performance chemicals, FMCG chemicals, and pharma & agro intermediates. With such a diverse range of products, the Company caters to multiple industries, including personal care, food, agriculture, pharmaceuticals, water treatment, construction, and consumer goods. Leveraging its strong R&D capabilities, CSTL continually develops groundbreaking and environmentally-friendly processes. Adopting this approach helps the Company meet the evolving demands of global markets consistently.

Performance Chemicals

Performance chemicals is the largest, fastest-growing and most margin accretive segment of the Company and contributed to 67% of revenues in 2023-24. The segment includes chemicals like MEHQ, BHA, AP, TBHQ, and the recently introduced HALS series.

Performance chemicals cater to various industries, including food, acrylic acids, and plastics, among others. In the process, they meet the growing demand for additives like antioxidants, preservatives, and stabilisers in these industries.

The rising consumption in these sectors is a notable driving force behind the growth of specialty chemicals. Also, the increasing focus on product safety, quality, and environmental regulations, besides the demand for specialty chemicals like antioxidants and stabilisers, ensure rising product stability and longevity.

Pharma & Agro Intermediates

The Pharma and Agro Intermediates segment contributed to 19% of revenues in 2023-24. Some of the chemicals in the segment include Guaiacol, DCC, Veratrole and p-BQ. These chemicals serve critical roles in pharmaceuticals, agriculture, and other industries with a growing demand for their applications. The increasing need for pharmaceutical intermediates, reagents, and specialty chemicals in various sectors is a significant driver for the growth of Guaiacol, DCC, and p-BQ.

The production of import substitution products like DCC, which is used in the pharma industry, can increase CSTL's demand and market share. Being the only manufacturer of such products in India provides the Company with a competitive advantage and growth potential in the market.

FMCG Chemicals

The FMCG chemicals segment contributed 13% to revenues in 2023-24 and has two key chemicals, Anisole and 4-MAP.

These chemicals are essential for the production processes in various industries such as cosmetics, and precursor

Management Discussion and Analysis (Contd.)

to perfumes and fragrances. Their rising demand owing to their versatile applications and significance in manufacturing processes is a valuable growth driver in the market.

Products	Applications	Outlook/Growth Prospects
MEHQ (Monomethyl Ether of Hydroquinone)	Used as polymerisation inhibitor in acrylic acids, acrylic esters, and super absorbent polymers (diapers and sanitary pads). Is also a precursor for the agrochemical industry, selectively.	MEHQ serves as a stabilising agent for monomers. With the rising consumption of acrylic acids and super absorbent polymers, the demand for MEHQ is expected to experience steady growth.
BHA (Butylated Hydroxy Anisole)	Used as antioxidant in food and feed industry.	The rise in global demand for processed foods and animal protein, has led to an increase in demand for BHA.
AP (Ascorbyl Palmitate)	Used in infant food formulations, breakfast cereals and cosmetics.	The breakfast cereals market is predicted to reach US\$ 140.8 billion in revenues by 2033 with CAGR 6.0%. (Source: https://www.globenewswire.com/en/news-release/2024/02/13/2828086/0/en/Breakfast-Cereals-Market-Predicted-To-Reach-USD-140-8-Billion-In-Revenues-By-2033-With-6-0-CAGR-Market-US.html)
TBHQ (Tertiary Butyl Hydroquinone)	Used as a stabiliser in oil industry.	The global oil stabiliser market is set to experience steady growth in the coming years. This growth is expected to be driven by a combination of continuous technological advancements, growing environmental awareness, and the rising need for streamlined operations.
HALS (Hindered Amine Light Stabilisers)	Used as stabilisers in range of polymers that find application in diverse end-user industries like automotive, among others.	The market size for global polymers is expected to reach around US\$ 1,207.11 billion by the end of 2032. (Source: https://www.precedenceresearch.com/polymers-market)
Guaiacol	Used as a precursor to manufacture APIs for cough syrup (pharma industry). Key raw material to produce Vanillin.	The market size for cough syrups is poised to grow from US\$ 4.8 billion in 2022 to US\$ 6.42 billion by 2030, recording a CAGR of 3.7% during the forecast period of 2023. (Source: https://www.skyquestt.com/report/cough-syrup-market#:~:text=What%20is%20the%20global%20market,period%20(2023%2D2030))
DCC (Dicyclohexyl Carbodiimide)	Used as reagent in anti-retroviral.	The discovery of new applications and improved formulations is enabled by investments in R&D, thus broadening the utility of DCC across industries.
p-BQ (Para Benzoquinone)	Used as an intermediate in agrochemical industry.	The market size for global agrochemicals was estimated at US\$ 234.27 billion in 2023, and is anticipated to register a CAGR of 3.1% during 2024-2030. (Source: https://www.grandviewresearch.com/industry-analysis/agrochemicals-market#:~:text=The%20global%20agrochemicals%20market%20size,of%20agriculture%20across%20the%20globe.)
4-MAP (4-Methoxy Acetophenone)	Used as a UV blocker in sunscreens (cosmetics industry).	The Indian cosmetics market, which is one of the largest in the world, is expected to clock in a CAGR of 6.7% over the next five years. (Source: https://timesofindia.indiatimes.com/blogs/voices/the-future-of-indian-cosmetics-industry-recommendations-for-newcomers/)
Anisole	Used as a precursor to perfumes, insect pheromones, and pharmaceuticals. The majority is used for captive consumption	The market for anisole is likely to reach US\$ 132.8 million by 2030, registering a CAGR of 5.3%. (Source: <i>Anisole Market Size Worth \$132.8 million by 2030</i> (kbvresearch.com))

Management Discussion and Analysis (Contd.)

Navigating through the challenges presented by the current economic environment, CSTL has demonstrated commendable financial resilience throughout the year. The Company has adhered to disciplined financial management and implemented strategic foresight, which have been pivotal amid the economic uncertainties and market volatility. This ability to adeptly adjust to fluctuating market conditions while keeping its financial foundation strong highlights its effective business model and the team's dedication to their work.

Looking ahead, CSTL is optimistic about its future growth prospects. The Company has identified promising opportunities for expansion and is actively pursuing strategic initiatives to capitalise on them. Its focus remains on delivering sustainable value to its shareholders while ensuring prudent financial stewardship.

(₹ million)

Particulars	2023-24	2022-23
Export Revenues	4,972	6,713
Domestic Revenues	2,807	2,552
Other Operating Income	116	93
Total Revenues	7,894	9,358
Cost of Material Consumed	2,755	3,260
Employee Costs	465	450
Power & Fuel Costs	643	898
Other Expenses	659	724
Total Expenses, excluding Depreciation and Interest	4,522	5,332
EBITDA	3,372	4,026
EBITDA (%)	43.4	43.5
Depreciation Costs	438	358
Interest Costs	8	2
Other Income	384	388
PBT	3,310	4,054
PBT % to Sale of Goods	42.5	43.8
Tax Expenses	833	1,019
PAT	2,477	3,035
PAT %	31.8	32.8

Financial Ratios

	2023-24	2022-23	% Change & Comments
Inventory Turnover (Cost of Goods Sold/ Average Inventories)	2.5	3.3	The slight decrease in CSTL's inventory turnover from 3.3 in 2022-23 to 2.5 in 2023-24 is due to decreased sales.
Current Ratio (Current Assets/ Current Liabilities)	4.9	5.1	The slight decrease from 5.1 in 2022-23 to 4.9 in 2023-24 is owing to the increase in trade payable of the Company.
Debtors' Turnover Net Sales/ Average Trade Receivables	5.0	6.2	A decrease in the debtors' turnover ratio from 6.2 in 2022-23 to 5.0 in 2023-24 is due to lower sales during the year.
Operating Profit Margin (Profit before Interest and Taxes/ Net Sales)	37.7	39.6	The Company's operating margins declined slightly from 39.6% in the previous year to 37.7% this year, reflecting declined sales.
Net Profit Margin (%) (Net Profit after Tax/ Net Sales)	31.8	32.8	Decline in net profit margin from 32.8% to 31.8% is on account of sales.
Return on Net Worth (%) (Net Profit after Tax/ Average Net Worth)	22.2	34.0	Decline in return on net worth from 34.0% to 22.2% is on account of lower profitability.
Interest Coverage Ratio (Earnings before Interest and Taxes/ Interest Expenses)	-	-	-
Debt-Equity Ratio (Net Debt/ Net Worth)	-	-	-

Management Discussion and Analysis (Contd.)

HUMAN RESOURCES

Employee Well-Being and Safety

CSTL prioritises maintaining stringent safety standards to guarantee employee well-being at the workplace throughout its operations. Employees undergo comprehensive training related to safe work practices and behaviour. Apart from this, they are trained with the correct utilisation of personal protective equipment (PPE). The Company's Occupational Health Centre (OHC), staffed with qualified doctors and nursing professionals, is readily accessible for employees seeking medical assistance. Also, CSTL has partnered with local hospitals to ensure prompt medical support and organise health check-ups for the workforce routinely. Regular training and refresher sessions in the Company emphasise the importance of strict adherence to safety protocols across all levels and departments. Additionally, CSTL offers medical insurance coverage to its employees and proudly maintains a record of zero fatalities in its plants and offices.

Training and Development

CSTL is dedicated to enhancing its employees' capabilities continuously through diverse training programmes facilitated by both internal and external expert faculties. These programmes not only encompass technical subjects but also behavioural and managerial topics. Training sessions are conducted through various methods, such as classroom lectures, project assignments, and simulated drills. The Company's training initiatives substantially impact performance by bolstering productivity, elevating product quality, and mitigating workplace incidents. Additionally, regular compliance training sessions are conducted to uphold regulatory standards. CSTL has embraced digitalisation across most of its HR processes, fostering accuracy, transparency, and accountability within its operational framework. Prioritising employee well-being, the Company is actively revising its policies and practices to align with industry-leading standards.

Clean Connect Annual Day

CSTL provides a range of employee engagement programmes designed to foster a vibrant workplace culture. One such initiative is the Annual Day celebration, offering employees an exceptional platform to display their talents. A notable feature of the event is the recognition of employees who have shown persistent commitment by completing 10 or 5 years of service within the organisation.

To build better employee engagement and prioritise employee well-being, the Company also organised a cricket tournament for its employees. Furthermore, it celebrated

key festivals as part of employee engagement initiatives, including Republic Day, Independence Day, Diwali, and Women's Day, among others. These initiatives not only fostered team spirit and camaraderie among employees but also promoted a sense of unity and cultural appreciation within the workplace. By encouraging participation in sports and celebrating diverse traditions, the Company actively builds a positive and inclusive work environment that values employee well-being and happiness.

Smooth Onboarding

CSTL firmly emphasises the significance of not just recruiting the right individuals but also ensuring a smooth onboarding process for new team members. The Company prioritises helping new entrants get acclimatised to the work environment. It also provides dedicated support during their induction into respective departments. Furthermore, CSTL organises communication meetings specifically designed to offer additional assistance and outreach to new hires.

Talent Acquisition

CSTL's strategic campus hiring from reputed colleges effectively attracts fresh talent from both local institutions and esteemed engineering colleges. With a focus on cultivating internal leaders for the Company's success, it implements high-potential programmes designed to nurture talent and prepare individuals for future leadership positions. Moreover, CSTL offers accelerated growth opportunities for high-potential employees across various departments. The organisation also prioritises skill development through internal job rotations, providing ample opportunities for employees to broaden their expertise and contribute to the Company's success.

Inclusive Workforce

As an advocate of equal opportunity, CSTL promotes diversity and inclusion throughout the workplace. The Company provides an enabling environment that supports the growth of its female employees. It encourages the appointment of women in various leadership positions within the organisation.

Total employees and workers - 1,155

Women employees and workers - 42

Women employees and workers (in %) - 3.63

CSR

CSTL's CSR philosophy is intertwined with its core focus on sustainability. The Company is committed to creating a better future and continuously endeavours to contribute to the social and economic development of the communities it operates in.

Management Discussion and Analysis (Contd.)

Since its inception, CSTL has deployed and supported numerous initiatives, especially in key areas, such as education, environmental sustainability, health and sanitation, skill development, and community development. The Company is sensitive to the greater needs of the nation. In this regard, it supports projects for the preservation of environment and encourages disabled people to become self-reliant.

CSTL's objective is to shape a sustainable future for generations to come, with the goal of fostering the development and upliftment of society as a whole through its initiatives. The Company's employees engage actively in all its CSR initiatives, thereby enhancing the effectiveness of its efforts for community outreach.

ENVIRONMENT, HEALTH AND SAFETY MEASURES

CSTL prioritises safety as one of its core values. The Company is committed to continuously improving its safety performance by benchmarking against industry leaders and implementing world-class environmental, health, and safety practices. The health and safety of CSTL's employees are integral to all its activities. The Company strives to prevent accidents and health risks by continuously improving its work environment and safety measures. Its efforts have resulted in a significant reduction in injury incidents across all its manufacturing plants. CSTL has implemented the ISO 45001:2018 Occupational Health and Safety Management System at all its manufacturing locations. In addition, the Company's ISO 14001:2015 and Responsible Care certifications, demonstrate its commitment to reducing environmental impact and upholding the highest health, safety, and sustainability standards. CSTL's initiatives towards ensuring sustainability have helped the Company successfully reduce its GHG emissions and water consumption over the years. More than 65% of CSTL's power requirement is met through Company-owned, open access solar power projects.

KEY RISKS AND MITIGATION STRATEGIES

CSTL faces multiple risks that are likely to affect the smooth functioning of its business. These risks may be posed by internal or external factors. As a result, they can adversely impact the effectiveness of the Company's strategies, its operational and financial objectives, earning capacity, and financial position. Higher energy costs due to increased expenditure on coal and fuel pose a significant risk to the Company's business performance. Other risks include risk of pricing on account of capacity additions in the US & China, higher inflation and recessionary pressures (both global and domestic). These risks can lead to a demand slowdown, currency devaluation, and changes in exports or imports from global markets.

The Risk Committee regularly convenes to deliberate on key risks and update the Risk Register with any new insights. Individual risk owners drive the responsibility of identifying key risks, assessing their impact, and outlining mitigation strategies to manage these risks effectively. This proactive approach to risk management ensures that the Company is well-prepared to address potential challenges and maintain operational stability.

The Company's risk management and mitigation activities are designed to recognise, assess, and manage risks in their early stages. Simultaneously, they implement appropriate measures to mitigate those risks. At CSTL, risk management is a continuous process involving the analysis and management of all risks posed to the business, and it has adopted a structured framework to achieve this.

1. Regulatory Risk

Impact - CSTL needs to obtain, renew, or maintain statutory and regulatory permits, licences, and approvals at various stages of its operations. These procedures can help manage its business and manufacturing facilities effectively. Any failure or delay in the same may adversely affect the Company's operations.

Mitigation - CSTL maintains a compliance checklist, including information on the scheduled renewal dates for various licences and approvals. The Company monitors this checklist closely, and conducts regular internal audits, while ensuring its manufacturing facilities comply with local and international regulatory requirements.

2. Environmental Risk

Impact - CSTL faces the risk of inefficient handling of effluents. Certain environmental laws impose strict liability for accidents resulting from hazardous substances, and non-compliance with these laws may lead to penalties.

Mitigation - CSTL's effluent treatment procedure is one of its key criteria for product commercialisation. The Company has achieved the lowest effluent cost across products due to its innovative technology and clean processes. Investments in its ETP plant continue to be driven by advanced equipment and strong controls.

CSTL has also installed ~17.4 MW offsite solar capacity and 2.0 MW roof top solar and through these the Company obtains solar power for its manufacturing units. Furthermore, the Company has planted 11,000+ trees which will lead to Water Rejuvenation and

Management Discussion and Analysis (Contd.)

Restoration in the surrounding area and will also help to reduce carbon footprint.

3. Raw Material Risk

Impact - CSTL's raw materials mainly comprise commodities and hence, are subject to high volatility in price. Any adverse movement in raw material price could have a negative impact.

Mitigation - The Company maintains long-term relationships with suppliers and adopts robust inventory management practices. This way, it ensures a steady supply of raw materials at a competitive cost. The Company is also not dependent on a single source and has multiple suppliers for all its procurement needs.

4. Macro Risk

Impact - CSTL's extensive global sales profile makes it susceptible to worldwide disruptions. Any adverse macro-factors, such as geopolitical tensions or supply chain disruptions, can have a significant potential impact on its business operations. For instance, the Red Sea crisis this year exemplified one such macro risk that posed challenges to the Company's operations.

Mitigation - The Company greatly de-risks its sales profile while catering to diverse end-user industries across multiple geographies. CSTL continues to be a key player and a preferred supplier in the products it manufactures. Hence, it is relatively well-positioned to mitigate the adverse impacts of macro conditions.

5. Forex Risk

Impact - CSTL has a considerable net forex exposure, with 64% of revenue derived from exports. As such, it faces the risk of financial loss on account of volatility in foreign exchange.

Mitigation - The Company tracks currency movements regularly under its Forex Policy and all foreign currency exposure is hedged using plain vanilla forward contracts.

6. Technology Risk

Impact - CSTL faces risks generally associated with adopting new process technologies and product introductions.

Mitigation - CSTL has 4 R&D centres, and a strong, dedicated team of 100+ individuals, including nine individuals with PhD degrees. CSTL is committed

to strengthening its R&D capabilities, thus enabling the consistent introduction of new products and processes.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

CSTL's Board of Directors are responsible for the implementation and assessment of effective internal financial controls. To that end, the Company has established policies, procedures, control frameworks, and management systems.

Such initiatives ensure compliance with all regulatory requirements, internal controls, and accurate financial and operational reporting requirements. At the entity and process levels, internal control mechanisms are designed to ensure adherence to the established procedures and ethical codes of conduct. The Senior Management certifies the effectiveness of internal controls. Alongside, it ensures compliance with financial and commercial transactions, and declares any conflict of interest observed. The Company's independent internal auditors further bolster the internal control process. CSTL's Audit Committee reviews and approves the audit plan. In addition, regular meetings are held to review auditor reports and compliance. Significant audit observations and follow-up actions are reported to the Audit Committee for further review.

CAUTIONARY STATEMENT

Statements in the Directors' Report, Management Discussion and Analysis or elsewhere in this Annual Report, may be 'forward-looking', including, but without limitation, statements relating to the implementation of strategic initiatives and other statements related to Clean Science and Technology Limited's future business developments and economic performance. While these 'forward-looking' statements indicate CSTL's assessment and future expectations concerning the development of its business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from the Company's expectations. These factors include, but are not limited to, general market, macroeconomic, Governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect CSTL's business and financial performance. The Company undertakes no obligation to publicly revise any 'forward-looking' statements to reflect future/likely events or circumstances.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR]

Clean Science and Technology Limited

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24114PN2003PLC018532
2	Name of the Listed Entity	Clean Science and Technology Limited ("CSTL")
3	Year of incorporation	07-11-2003
4	Registered office address	Office No. 603 & 604, 6th floor, Tower No. 15, Cybercity, Magarpatta City, Hadapsar, Pune – 411013
5	Corporate address	Office No. 603 & 604, 6th floor, Tower No. 15, Cybercity, Magarpatta City, Hadapsar, Pune – 411013
6	E-mail	compliance@cleanscience.co.in
7	Telephone	+91 020 41264761
8	Website	https://www.cleanscience.co.in
9	Financial year for which reporting is being done	2023-2024
10	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange (BSE) & National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹ 10,62,52,004
12	Contact Person	
	Name of the Person	Mr. Ashok Boob, Managing Director
	Telephone	+91 020 41264761
	Email address	compliance@cleanscience.co.in
13	Reporting Boundary	
	Type of Reporting (Standalone/Consolidated Basis)	Standalone- Basis Reporting
14	Name of assurance provider	Not applicable for 2023-24
15	Type of assurance provider	Not applicable for 2023-24

II. Product/Services

16	Details of business activities	S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
		1.	Manufacture of Organic and Inorganic Chemicals	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	100%

17	Products/ Services sold by the entity	S. No.	Product/Service	NIC Code	% Of Total Turnover contributed
		1.	Performance Chemicals	20299	67.42
		2.	Pharma and Agro Intermediates	20299	19.23
		3.	FMCG Chemicals	20299	13.35

III. Operations

18	Number of locations where plants and/or operations/offices of the entity are situated:	Location	Number of plants	No. of Offices	Total
		National	3	1	4
		International	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

19	Market served by the entity	Locations	Numbers
	a. No. of Locations	National (No. of States)	16
		International (No. of Countries)	36
	b. What is the contribution of exports as a percentage of the total turnover of the entity?	64%	
	c. A brief on types of customers	The Company is involved in B2B business and provides a product portfolio diversified into three major areas: Performance Chemicals, Pharma & Agro Intermediates, and FMCG Chemicals. The Company's products find applications in various critical end-user industries and everyday product verticals, including precursors for agricultural chemicals, antioxidants for food and infant food formulations, precursors to manufacture APIs for cough syrup, polymers and monomers, the cosmetic industry, perfumes, and many other applications. The Company has national as well as international customers who are dealing in Performance Chemicals, Pharma and Agro Intermediates and FMCG Chemicals ranging from institutional to distributors and dealers.	

IV. Employees
20. Details as at the end of Financial Year:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a.	Employees and workers (including differently abled)					
	Employees					
1	Permanent Employees (A)	454	415	91%	39	9%
2	Other than Permanent Employees (B)	3	3	100%	0	0%
3	Total Employees (A+B)	457	418	91%	39	9%
	Workers					
4	Permanent (C)	1	1	100%	0	0%
5	Other than Permanent (D)	697	694	99.57%	3	0.43%
6	Total Workers (C+D)	698	695	99.57%	3	0.43%
b.	Differently abled employees and workers					
	Employees					
1	Permanent Employees (E)	-	-	-	-	-
2	Other than Permanent Employees (F)	-	-	-	-	-
3	Total Employees (E+F)	-	-	-	-	-
	Workers					
4	Permanent (G)	-	-	-	-	-
5	Other than Permanent (H)	-	-	-	-	-
6	Total Differently Abled Employees (G+H)	-	-	-	-	-

21. Participation/Inclusion/Representation of women

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	8	1	12.5%
2	Key Management Personnel	2	-	0%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	2023-24 (Turnover rate in current FY)			2022-23 (Turnover rate in previous FY)			2021-22 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	42%	28%	41%	29%	48%	31%	24%	41%	25%
Permanent Workers	67%	-	67%	0%	0%	0%	40%	0%	40%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23	Names of holding / subsidiary / associate companies / joint ventures	S. No	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
		1	Clean Science Private Limited	Wholly Owned Subsidiary	100%	No
		2	Clean Organics Private Limited	Wholly Owned Subsidiary	100%	No
		3	Clean Aromatics Private Limited	Wholly Owned Subsidiary	100%	No
		4	Clean Fino-Chem Limited	Wholly Owned Subsidiary	100%	No

VI. CSR Details

24	Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	Turnover (in ₹ million)	7,894
	Net worth (in ₹ million)	12,156

VII. Transparency and Disclosures Compliances

25	Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct	Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If yes, then provide web-link for grievance redress policy	2023-24 Current Financial Year			2022-23 Previous Financial Year		
					Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
		Communities	Yes	https://www.cleanscience.co.in/company-policies	Nil	Nil	NA	Nil	Nil	NA
		Shareholder	Yes		3	Nil	All resolved	Nil	Nil	NA
		Employees and workers	Yes		Nil	Nil	NA	Nil	Nil	NA
		Investor (Other than shareholders)	Yes		Nil	Nil	NA	Nil	Nil	NA
		Customers	Yes		24	Nil	All resolved	Nil	Nil	NA
		Value Chain Partners	Yes		Nil	Nil	NA	Nil	Nil	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

26 Overview of the entity's material responsible business conduct issues

Material Issues	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Air Emissions and Quality	R	SOx, NOx, SPM, and particulate matter emissions from DG sets and boilers have been linked to serious health problems in India. Failure to monitor and comply with the norms prescribed by regulatory bodies' such as CPCB has a longterm negative impact on the environment and society, with heavy fines imposed.	Efforts are continuously made to maintain and improve further, the air emission quality from all our thermal utilities. Though all our emissions are well within control, CSTL invests more for continual improvement. We have implemented air emission mitigation measures like Electrostatic Precipitator and scrubbers to reduce stack emissions from Boilers. It is also planned to install US patented RPC (Rotary Particulate Collector) to further improve air emission quality. Steam generation by way of application of pinch technology has catered 34% of steam requirement reducing load on direct fuel (coal) consumption which has also reduced air emission directly.	Negative
Climate Change	R	Over time, the effects of climate change have become more frequent and severe, and they now pose a growing risk to the entire world. Climate change-related extreme weather events put the Company's operations, infrastructure, as well as the health and safety of its employees, at physical risk. Also, the growth and profitability of the business may be hampered by economic disruptions brought on by transition risks. We must build a climate plan as the regulatory compliance requirements for carbon markets are evolving. Also, due to the nature of our operating activities, including logistics, we utilise a lot of energy. With the increasing importance of energy efficiency and to reduce energy consumption, CSTL can realise cost savings in operations while offsetting a significant amount of GHG emissions by implementing initiatives for the same.	<p>Energy efficient operations is the key focus of CSTL. The Processes are selected and designed that are most energy efficient.</p> <ol style="list-style-type: none"> 1. Energy saving measures are taken right from the design stage. Almost 65% of power saving is achieved during installation of the cooling towers which are generally highest power consuming utility in any chemical plant. Natural draft cooling towers are installed wherever possible. 2. Flash steam generated across all plants is efficiently utilised. 3. Around 34% of the total steam requirement is generated using Pinch Technology i.e. process heat utilisation. 4. Around 65% of the total electricity requirement is fulfilled from solar power. 5. Almost 20% of total energy requirement is from renewable sources i.e. 5% from solar and 15% from the process/waste heat recovery. <p>All above initiatives work for energy saving & thereby reduction in GHG emissions & improve the climate</p> <p>CSTL has implemented various strategies and taken initiatives on regular basis to utilise resources efficiently, reduce waste and minimise emissions as part of our sustainability commitment. With a focus on "atom economy" and "clean chemistry", the Company has developed innovative catalytic chemical processes that have less impact on the environment. We strive towards minimising the disposal of water, emissions, and hazardous substances in nature. All manufacturing facilities of CSTL are ISO certified and we focus on investing and continuously improving our energy efficiency across all activities (manufacturing and non-manufacturing) with an aim to reduce our overall energy requirement. Innovative waste heat recovery systems are implemented that has resulted in reducing non-renewable input sources. CSTL has also installed ~17.4 MW offsite solar capacity and 2.0 MW roof top solar and through these the Company obtains solar power for its manufacturing units. Total 20.14 million kWh of electricity was utilised from the solar source as open access plus roof top during 2023-24, resulting in total savings of ₹ 439.5 million.</p> <p>We have installed Float Mount Triton Aerators for ETP Aeration Tank. We have reduced green house gases (GHG) emissions over the last three years. The Company planted 11,000+ trees which will lead to Water Rejuvenation and Restoration in the surrounding area and will also help to reduce carbon footprint. We are undertaking another tree plantation project to plant 12,000+ trees on ~ 19-hectare land in Kurkumbh, Tal. Daund which will further reduce carbon footprint.</p>	Positive

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Material Issues	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Product Stewardship	O	It is vitally necessary for the chemical sector to address the risks related to product responsibly, given the high vulnerability of product quality and safety issues. Businesses have the chance to improve their products and address usage of hazardous raw materials, resource conservation, energy use, effluent disposal, and climate change issues. Companies may face additional costs as governments and international organisations implement numerous supply chain regulations to prevent counterfeit, substandard, or mislabeled products from entering the distribution system.	Clean and green chemistry is the bedrock on which CSTL is conceptualised. CSTL strives to manufacture products by developing innovative catalytic processes that are environmentally less impactful. The efforts made, help derive benefits like process improvement, cost reduction and less effluent generation. Using this approach CSTL can consistently launch new products. CSTL ensures the products have a proper labeling and display of information for consumer's safety. Relevant labelling on packing is also done indicating name of product, nature of hazards, prevention, storage requirements, disposal and usage of the product as identified in domestic/ international laws.	Positive
Waste Management	R	As a Chemical industry we are committed to reducing waste generation, managing it well, and following all regulations pertaining to both hazardous and non-hazardous waste. We believe that sound waste management is crucial for environmental protection. It is our responsibility to ensure that the waste generated from our facilities is segregated and disposed in the most appropriate manner.	The Company strictly adheres to the 3R process of reduce, recycle, and reuse. CSTL have set up state of the art ETP's in all its manufacturing sites along with a Glass house for handling of solid waste generated in ETP. Change in chemistry of one process has resulted in the reduction of salt (waste) generation by 39%, reduction in water evaporation load by 50% and reduction in one of the RM consumption by 61% respectively.	Positive
Water and Effluents	R	The chemical industry utilises water for a variety of processes and varying levels of water purity are necessary at various stages in the manufacturing process. We view it as our responsibility to cut back on freshwater use, water effluents, and increase the water reuse/recycling.	The Company strictly adheres to the 3R process of reduce, recycle, and reuse for water resources. CSTL has installed a rainwater harvesting system that stores the rainwater in underground water tanks, this water is filtered and used for internal consumption. We have also invested in state of the art Round Disc Reverse Osmosis (RDRO), Multiple Effect Evaporator (MEE), and Mechanical Vapor Re-compression (MVR) for recycling almost 100% of our treated effluent. All the plants of CSTL have achieved Zero Liquid Discharge (ZLD) status. Also, we focus on maximising process heat utilisation that has resulted in minimising the evaporation losses and reducing water consumption. All the plants of CSTL have achieved Zero Liquid Discharge (ZLD) status. Freshwater consumption has reduced during the last 2 years	Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Material Issues	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Community Engagement	0	Establishing relationships of trust with communities and making sure they participate frequently will help CSTL to contribute to social development and minimise any potential objections from the communities.	<p>CSTL's CSR activities are spread across various focus areas such as Education, Healthcare, Medical Relief, livelihood enhancement and Environmental Sustainability.</p> <p>The above CSR activities are conducted in local areas to enable to community engagement and development.</p>	Positive
Human Capital Management	0	<p>Our people are a key factor in our growth and a pathway to our success. Together, we can accomplish more by fostering a culture of safety, employee involvement, and support for diversity in our workforce. The goal of CSTL is to be a company that attracts, nurtures, and retains brilliant and enthusiastic employees. We believe that a diverse workplace is necessary for organisational growth since it recognises employees' individual strengths and the abilities they bring to the table. CSTL recognises the need of having employees who possess the knowledge and abilities necessary for their positions as well as the industry, to ensure the organisation's longterm viability.</p>	<p>As a forward thinking chemical company, CSTL believes in harnessing the diverse talents and perspective of our team members, fostering an environment of abundant opportunities to grow, succeed and contribute to shared goal. Our comprehensive training programmes viz. Technical, Behavioural and Managerial are designed to enhance employee skills boost moral and encourage creativity and innovation. Every team member, brings their own unique background, experiences, and perspectives. Our empowering work environment encourages our employees, creating an atmosphere of togetherness and passion for innovation. Currently women form 8% of our total workforce. We continuously identify internal employees who are put on fast track growth creating internal growth opportunities and success stories</p> <p>Our training programmes have led to increased productivity, fewer accidents/ incidents, improved product quality and reduced rejection. We have mandatory in-house training targets across all functions for staff and workers.</p>	Positive

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Material Issues	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Human Rights	R	Businesses that respect human rights show that they are dedicated to creating long-lasting, win-win partnerships with everyone who has an impact on or is influenced by their operations, including consumers, communities, employees, and investors. The Company's performance in the social domain from the perspective of the employee, workforce and community will be impacted by the absence of a comprehensive human rights governance structure from the aspects of parameters such as working conditions, child/forced labour, fair remuneration, gender diversity, prevention of sexual harassment, freedom of association, collective bargaining.	CSTL has a robust Code of Conduct, Whistle Blower, Human Rights Philosophy Policy, and POSH Policy that covers all the aspects of human rights. All these policies are applicable across vendors, subsidiaries, and affiliates	Negative
Occupational Health and Safety	R	Employees and workers at CSTL may be exposed to hazardous chemicals while they are working. In the worst-case scenarios, failing to maintain health and safety could increase the expense of litigation, limit the amount of available manpower, lower employee morale, or even endanger the profitability of operations. A robust EHS management system combined with thorough hazard identification, mitigation strategies, root cause analysis of reported occurrences, and related corrective action plans will highlight the Company's strategy and persistent commitment to employee health and safety.	For CSTL, employee health and safety is topmost priority. All the plants have achieved Zero Fatalities and there have been no breakdowns or shutdowns due to non-availability of manpower. CSTL has tie-ups with local physicians and hospitals to ensure that medical help is quickly available to all. Also, various initiatives are implemented for safety and health management of workers such as provision of health insurance, Safety trainings, Provision of good quality PPE kits, regular third-party safety audits, free medication, and regular health check-ups. MBBS certified doctor is available round the clock at factory premises. A new rotary calciner has been introduced in one of the manufacturing blocks which will enhance safety, reduce specific power consumption per kg of end product and reduce manpower requirement. Further the Company has started Behavioral Based Safety Training (BBS) for OHS across all departments. First aid training given to more than 150 employees.	Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Material Issues	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Procurement and Supply Chain sustainability	R	Supply chain disruptions may result from inefficiencies in the system and a significant dependence on a small number of suppliers or vendors in the event of external shocks. By using good relationship management and encouraging ethical procurement/sourcing techniques, it is possible to maintain strong, longlasting relationships with suppliers and vendors.	CSTL procures the raw materials from reputed manufacturers and suppliers to maintain the quality and consistency. CSTL undertakes adequate steps to ensure safety during transportation and optimising the logistics to minimise environmental impact. CSTL has received sustainability certifications from EcoVadis, Responsible Care. We maintain long-term relationship with suppliers and robust inventory management practices ensure a steady supply of raw materials at competitive cost.	Positive
Business Ethics and Conduct and Corporate Governance	R	We operate in a complex environment which exposes us to risks concerning corporate governance and ethical business conduct. Any instance involving ethical business conduct may harm companies' reputation. Additionally, this could result in fines, penalties, and unfavourable financial effects.	CSTL considers Corporate Governance as an integral part of good management, and it strives to adhere to the best standards of integrity and ensure compliance and adherence to laws and internal policies. This enables transparency accountability, fairness and responsibility in operations. The Board of Directors has adopted a Code of Conduct Policy and Vigil Mechanism (Whistle Blower Policy) which applies to the Directors, Key Managerial Personnel, Senior Management, and other employees of the Company.	Negative
Innovation and Technology upgradation	O	Technological advancements provides an opportunity to embrace new breakthroughs that can give an advantage in the marketplace and open new possibilities for long-term expansion.	CSTL has a strong team of 90 scientists including 9 PhD's across its 4 R&D units who have expertise over different chemistries and are specialised across the value chain of research and process development. The key focus areas are developing sustainable and innovative chemical processes, further enhancing yield and selectivity in existing processes and develop novel route of synthesis with a focus on atom economy. The recently commercialised HALS series is one such example. The Company has set up a Pilot manufacturing facility which will expedite the process of product testing from lab scale to commercial scale.	Positive
Marketing and Labelling	R	Chemical industry produces products that need to have detailed description of the chemical components used for production to ensure safety of the users and consumers	CSTL abides to all the applicable statutory laws regarding product labelling and displays relevant information on product label. Relevant labelling on packing is also done indicating name of product, nature of hazards, prevention, storage requirements, disposal and usage of the product as identified in domestic/ international laws	Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive towards all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1 Ethics & Transparency	P2 Product Responsibility	P3 Human Resources	P4 Responsiveness to stakeholders	P5 Human Rights	P6 Responsible Operations	P7 Public Policy Advocacy	P8 Inclusive Growth	P9 Customer Engagement and Data Security
Policy and Management Processes									
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes. All the mandatory policies under the Indian laws and regulations have been adopted by the Board and signed by the Managing Director. Other operational internal policies are approved by management and signed by the Managing Director							
	c. Web Link of the Policies, if available	Mandatory Policies viz. CSR Policy, Nomination and Remuneration Policy, Code of Conduct for Prohibition of Insider Trading in Securities of the Company, Policy on Related Party Transactions. Dividend Distribution policies and Code of Conduct are available at https://www.cleanscience.co.in/company-policies . Other policies are available internally with the respective department and on internal network.							
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes							
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes							
4	Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Policies that the Company has adopted are in conformity with relevant national and international standards wherever statutorily applicable: Principle 1: ISO 9001:2015 Principle 2: Food Safety and Standards Authority of India, Feed Additives and Pre-mixtures Quality System (FAMI-QS), Food Safety System Certification 22000 (FSSC 22000), Roundtable on Sustainable Palm Oil (Mass Balance), Segregated Sustainable (SG) Palm Oil, OK Kosher, HALAL MUI, Green Co, Responsible Care Principle 3: ISO 45001:2018 Principle 5: US FDA (Bioterrorism) Principle 6: ISO 14001:2015 Principle 9: EU REACH, Responsible Care							

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ethics & Transparency	Product Responsibility	Human Resources	Responsiveness to stakeholders	Human Rights	Responsible Operations	Public Policy Advocacy	Inclusive Growth	Customer Engagement and Data Security
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>The Company has adopted following ESG goals to be achieved over the next 5 years i.e. upto 2027-28.</p> <p>Environmental sustainability goals –</p> <ul style="list-style-type: none"> Reduce specific GHG emissions by 15% from 2022-23 level. For 2022-23, GHG emission was 3.69 tCo₂ e/ MT production. For 2023-24 GHG emission is 3.56 tCo₂ e/MT production. Reduction of 3.46%. Reduce specific water consumption by 15% from 2022-23 level. For 2022-23, water consumption was 11.52 KL water/MT production. For 2023-24, water consumption was 11.25 KL/MT production. Reduction of 2.34%. Increase share of renewable electricity by 25% from 2022-23 level. For 2022-23 renewable electricity consumption was 54,798 GJ (~ 55% share). For 2023-24 renewable electricity consumption was 72,513 GJ (~ 65% share). Reduce specific energy consumption by 15% from 2022-23 level. For 2022-23, energy consumption was 37.55 GJ/ MT production. For 2023-24, energy consumption was 37.08 GJ/ MT production. Reduction of 1.26%. To plant 50,000 trees over the next 5 years. In 2023-24, 11000+ trees planted. <p>Social Responsibility Goals –</p> <ul style="list-style-type: none"> Achieve 30% women staff at the corporate office. Increase training hours by 25% for manpower and staff both. Continual improvement in safety measures to ensure zero casualties. Other key initiative include regular safety audits and health checkups amongst others. <p>Corporate Governance Goals –</p> <ul style="list-style-type: none"> Ensure no auditor qualification or re-statements Ensure 100% compliance to all statutory requirements. 								
6	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	<p>The Company adopted Environment, Social and Governance (“ESG”) goals and targets in 2023-24 and has started working on achieving the same. Progress against these targets shall be disclosed in subsequent years.</p>								
Governance, Leadership and Oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievement	<p>The Company is proud to highlight its achievements in addressing ESG-related challenges and targets. It has set ESG targets for the next 5 years and would endeavor to achieve the same. The Company recognises the importance of sustainability and has made significant progress in reducing its emissions and effluents, as well as ensuring ethical business practices. The Company remains committed to continuous improvement. Its focus for the coming year is to further reduce its greenhouse gas emissions, increase the share of renewable energy sources, improving energy efficiency, encourage sustainable practices, creating diverse and inclusive workplace and enhance its social impact initiatives. The Company understands that ESG considerations are critical to its long-term success and is dedicated to integrating them into all aspects of its business.</p>								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Board of Directors</p>								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes, the Company has put in place an internal framework comprising of the Managing Director, Executive Directors, and functional heads who are responsible for decision-making on sustainability-related performance during their review meetings. The Company also has a CSR committee to review the social performance of the Company. The Company has also formed Responsible Care Steering Committee which meets intermittently to access the implementation and progress of RC Compliances.</p>								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	Yes, the Company follows up for the performance against above policies. It is done by the Managing Director, Executive Directors, and the Functional Heads.									On a quarterly basis and as and when need arises for the review related to performance against above policies during their review meetings								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the Company is compliant with all statutory requirements. The business is guided by national voluntary guidelines on social, environmental, and economic responsibilities that relate to all nine principles of NGRBC.									On quarterly basis.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Yes, CSTL has received certification from BVQI, for ISO 9001, ISO 14001, ISO 45001, and FSSC 22000 .FAMI QS,. Internal Audit is carried out half yearly. Energy Audit is conducted by qualified internal auditors and annually by External Agency . We have qualified for GreenCo with silver rating and authorization of Responsible Care logo from ICC Board.																	
	Other policies are evaluated internally or by respective Committees.																	
12. If answer to Question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:																		
Questions	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is able to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE
PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.
ESSENTIAL INDICATORS
1. Percentage coverage by training and awareness Programmes on any of the principles during the financial year.

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%Age of persons in respective category covered by the awareness programmes
Board of Directors	4	The Board of Directors had been appraised on matters relating to business updates, regulations, economy, environment, social, health and governance aspects, CSR, risk management in the meetings.	100
Key Management Personnel	4	<ul style="list-style-type: none"> ➤ Code of Conduct ➤ Prevention of Sexual Harassment ➤ Safety, Environment and Health ➤ Training on Whistle Blower Policy ➤ HR Philosophy 	100
Employees other than BODs and KMPs	44	<ul style="list-style-type: none"> ➤ Code of Conduct ➤ Prevention of Sexual Harassment ➤ Safety, Environment and Health ➤ Training on Whistle Blower Policy ➤ HR Philosophy 	82%
Workers	4	<ul style="list-style-type: none"> ➤ Code of Conduct ➤ Prevention of Sexual Harassment ➤ Safety, Environment and Health ➤ Training on Whistle Blower Policy ➤ HR Philosophy 	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.
a. Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NIL	NIL	NA	NA
Settlement	NIL	NIL	NIL	NA	NA
Compounding fee	NIL	NIL	NIL	NA	NA

b. Non-Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company considers Corporate Governance as an integral part of good management. The Company strives to adhere to the best standards of integrity and behaviour and ensure compliance and adherence to laws and internal policies. The Code of Conduct, Policy on Anti-Bribery and Corruption, and Vigil Mechanism (Whistle Blower Policy) applies to the Directors, Key Managerial Personnel, Senior Management, and other employees of the Company. The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Personnel, and the Senior Management employees every year. The said Policy also applies to all levels, vendors, associates, and/or advisors, etc., of the Company, including all its subsidiaries, affiliated companies and relevant third parties. The policy is available at <https://cleanscience.co.in/company-policies-policy-on-antibribery-and-corruption/>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regards to conflict of interest:

Topic	2023-24 (Current Financial Year)		2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	NA	-	NA
Number of complaints received in relation to issues of Conflict of Interest of KMPs	-	NA	-	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA.

8. Number of days of accounts payable ((Accounts Payable * 365) / Cost of goods / services procured) in the following format :

	2023-24	2022-23
Number of days of accounts payable	124	90

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

9. Open-ness of business

Provide details of concentration of purchase and sales with trading houses, dealers and related parties along with loans and advances & investments, with related parties, in the following format :

Parameter	Metrics	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	53.7%	56.1%
	b. Number of trading houses where purchases are made from	85	68
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	72.8%	77.0%
Concentration of Sales	a. Sales to dealers / distributor as % of total sales	33%	41%
	b. Number of dealers / distributors to whom sales are made	73	54
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	27%	34%
Shares of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.01%	0.01%
	b. Sales (Sales to related parties / Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NA	NA
	d. Investments (Investments in related parties / Total Investments made)	64%	54%

LEADERSHIP INDICATORS
1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%Age of persons in value chain covered by the awareness programmes
2	The Company's journey since incorporation, visit to the manufacturing facility, awareness on sustainable manufacturing operations, safety and ESG.	65% of Top 10 Vendors by value of business done with such partners

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.

Yes, the Code of Conduct for Board of Directors and Senior Management Personnel (SMPs) mandates each Director and SMP of the Company to demonstrate highest standards of integrity, business ethics and corporate governance. Each Director and SMPs to perform their roles with competence, diligence, good faith and in the best interest of the Company and not engage in any business relationship or any activity which detrimentally conflicts with the interest of the Company. The Directors and SMPs make annual disclosures to the Board relating to all material, financial and commercial transactions where they have personal interest that may have conflict of interest with the interest of the Company at large. Further in the meeting of the Board of Directors, the interested Director abstains from participating in the business agenda items in which they are deemed to be interested. The process to be implemented under such scenario is mentioned Code of Conduct for Board of Directors and SMPs which is available at <https://cleanscience.co.in/wp-content/uploads/2023/02/Code-of-Conduct-for-Board-of-Directors-and-SMPs.pdf>

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE
ESSENTIAL INDICATORS
1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type	2023-24 (Current Financial Year)	2022-23 (Current Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	100%	100%	All R&D developments are focussed on sustainable technologies and green chemistries.
Capital Expenditure (CAPEX)	14%	22%	Expenditure made for harnessing Solar Energy into electricity which has resulted in Sustainable energy sourcing, human health, and wellbeing.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
b. If yes, what percentage of inputs were sourced sustainably?

Yes, approximately 80% of our critical suppliers are screened for sustainable sourcing. The Company has a Vendor Policy that include policy statement on EHS that defines criteria which the suppliers must adhere to such as provision of safe and healthy workplace for the supplier's employees & necessary trainings provided to the employees. The supplier must be compliant with all the applicable regulations and laws, and must have a mechanism to ensure that there is no violation of Human Rights. The supplier must comply with the environmental laws and ensure safe waste management, water discharge, and air emissions.

Further the Company has undertaken following initiatives for sustainable sourcing:-

- Procurement of raw materials in bulk containers, tankers, jumbo bags leads to adherence of environment and safety standards that helps better utilisation of container trips resulting in lower number of trips.
- Long term contracts with suppliers leads to economies of operation and utilisation of available resources.
- Contract for supply of an essential raw material i.e. Green Hydrogen Gas has been executed.
- Sourcing of bulk products and storing in ISO tankers instead of drums results in reduce drum handling and adhere to safety and environmental standards.
- The Company has availed services for Single Window Track and Trace Platform for inbound (purchases) and outbound (sales) Transport vehicles. This provides 24*7 tracking of vehicles, overspeed, night driving, excess stoppages, idling, continuous driving. It also provides support to the driver to view key information like source destination, nearby emergency centres, hospitals, petrol pumps. This will provide performance tracking and take corrective actions, if needed, and will also give visibility and safety of export/import consignments once it reaches from factory to the port/ destination.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

At CSTL, the safety reclaim process for our products involves selling them to an authorised recycler. The hazardous waste generated in CSTL is sent for disposal to MEPL (Maharashtra Enviro Power Limited).

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not applicable.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

CSTL has initiated the process to carry out LCA for one of the major product.

NIC Code	Name of Product/Service	% Of Total Turnover Contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NA	NA	NA	NA	NA	NA

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

NA

Name of Product/Service	Description of the risk/concern	Action Taken
NA	NA	NA
NA	NA	NA
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Raw Materials	5.0%	-
Solvents	99.02%	-

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

The Company uses bulk containers, tankers wherever possible for selling some of its products thereby reducing the usage of plastic packaging. Products for inhouse captive purpose is used in molten state through pipelines. Also, Company uses 100% recycled paper based packing materials.

	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% Of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	415	415	100	415	100	-	-	NA	NA	NA	NA
Female	39	39	100	39	100	39	100	NA	NA	NA	NA
Total	454	454	100	454	100	39	100	NA	NA	NA	NA
Other than Permanent Employees											
Male	3	3	100	3	100	-	-	NA	NA	NA	NA
Female	-	-	-	-	-	-	NA	NA	NA	NA	NA
Total	3	3	100	3	100	-	-	NA	NA	NA	NA

b. Details of measures for the well-being of workers:

Category	% Of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	1	1	100	1	100	-	-	NA	NA	NA	NA
Female	NA	-	NA	-	NA	-	-	NA	NA	NA	NA
Total	1	1	100	1	100	-	-	NA	NA	NA	NA
Other than Permanent Workers											
Male	694	694	100	694	100	-	-	NA	NA	NA	NA
Female	3	3	100	3	100	3	100	NA	NA	NA	NA
Total	697	697	100	697	100	3	100	NA	NA	NA	NA

Workers falling under other than permanent worker category are covered under ESIC benefits.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	2023-24 Current Financial Year	2022-23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company	0.35%	0.32%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

S. No.	Benefits	2023-24 (Current FY)			2022-23 (Previous FY)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Y	100%	100%	Y
2	Gratuity	100%	100%	Y	100%	100%	Y
3	ESI	60%	100%	Y	73%	100%	Y
4	Others-Please Specify	0%	0%	-	0%	0%	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. CSTL's corporate office is accessible to differently abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Equal opportunity is covered in Code of Conduct Policy of the Company. The Company does not differentiate against any one based on gender, caste, religion, age, nationality and other characteristics.

Weblink to the policy is <https://cleanscience.co.in/company-policies/>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Total number of people returned after parental leave in 2023-24	Total Number of people who took parental leave in 2023-24	Return to work rate	Total Number of people retained for 12 months after returning from parental leave	Total number of people returned from parental leave in prior 2022-23	Retention Rate
Permanent Employees						
Male	NA	0	NA	0	0	NA
Female	-	-	-	-	-	NA
Others	-	-	-	-	-	NA
Total	-	-	-	-	-	NA
Permanent Workers						
Male	NA	0	NA	0	0	NA
Female	-	-	-	-	-	NA
Others	-	-	-	-	-	NA
Total	-	-	-	-	-	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The Company having grievances redressal committee and they work and follow all guideline as mentioned in policies of
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	1. Code of Conduct 2. Prevention of Sexual Harassment 3. Safety, Environment and Health 4. Training on Whistle Blower Policy 5. HR Philosophy the Company provides the redressal mechanism for all kinds of stakeholders' grievances which are mentioned in Whistle Blower, POSH and other policies. The concerned policies are available at https://cleanscience.co.in/company-policies/ .

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity.

Category	2023-24 (Current FY)			2022-23 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Permanent Employees						
Male	415	-	0%	461	-	0%
Female	39	-	0%	39	-	0%
Others	-	-	0%	-	-	0%
Total	454	-	0%	500	-	0%
Permanent Workers						
Male	1	-	0%	2	-	0%
Female	-	-	0%	-	-	0%
Others	-	-	0%	-	-	0%
Total	1	-	0%	2	-	0%

8. Details of training given to employees and workers

Category	2023-24 (Current FY)					2022-23 (Previous FY)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	%(B/C)		No. (E)	% (E/D)	No. (F)	%(F/D)
Permanent Employees										
Male	415	390	94	401	97	461	439	95	444	96
Female	39	21	54	35	90	39	23	59	34	87
Others	-	-	-	-	-	-	-	-	-	-
Total	454	411	91	436	96	500	462	92	478	96
Permanent Workers										
Male	1	1	100	1	100	2	2	100	2	100
Female	-	-	-	-	-	-	-	NA	-	NA
Others	-	-	-	-	-	-	-	NA	-	NA
Total	1	1	100	1	100	2	2	100	2	100

9. Details of performance and career development reviews of employees and worker

Category	2023-24 (Current FY)			2022-23 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Permanent Employees						
Male	415	415	100	461	461	100
Female	39	39	100	39	39	100
Others	-	-	-	-	-	100
Total	454	454	100	500	500	100
Permanent Workers						
Male	1	1	100	2	2	100
Female	-	-	-	-	-	NA
Others	-	-	-	-	-	NA
Total	1	1	100	2	2	100

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes, the Company has implemented ISO 45001:2018 occupational health and safety management system at all manufacturing locations.
a1. What is the coverage of such system?	The OHS management system covers all employees, subsidiaries, suppliers, contractors to the extent applicable.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Company believes that accidents and occupational health hazards can be significantly reduced through systematic analysis and control of risks and providing training to the employees. For all routine and non-routine activities we have established process to:- <ul style="list-style-type: none"> • Identify unsafe behaviours (Acts) and conditions through safety walks by area managers and leadership team • Perform Hazard Identification and Risk assessment (HIRA), Job Safety analysis (JSA) and safety meetings. • Regular work area monitoring to check concentration of chemicals, noise level, and quality of air at manufacturing locations is carried out as per statutory requirement. • Assess process related hazards and risks through HAZOP Study.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes, the processes and initiatives are undertaken towards maintaining safety for both workers and employees. <ul style="list-style-type: none"> • The Company encourages employees to report near-miss incidents to line managers to further investigate and implement corrective actions. • Conduct regular inspection and audit of workplace, equipment's and working conditions by safety team. • A suggestion scheme is in place, and the implementation of feasible suggestions is monitored and periodically reviewed. • The training pertaining to safety and process safety by internal as well as external consultants are done on regular basis.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, employees and worker have access to in-house OHC and free medicine facility. <ul style="list-style-type: none"> • Regular Health check-up is also conducted for employees and worker towards initiative pertaining to health management. • The ESIC and Mediclaim schemes are applicable to eligible categories. • Full time medical officer, equipped with medicines, dispensary and ambulance facility.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	2023-2024 Current Financial Year	2022-2023 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company is taking following measures to ensure a safe and healthy workplace:-

- Regular and routine health and safety training programmes to employees at manufacturing units;
- Proactive identification of unsafe activities and taking measures to prevent them
- Installed mechanical systems for safe hot ash disposal, use of insulation pipes.
- Strict implementation of safety protocols such as safety gears, breathing apparatus, gas leak detectors and other protective devices.
- Routine safety audit, good housekeeping, identification, labelling and signage.
- Ensure process safety and prevention of high consequence events through risk-based approach and maintenance practices.
- Round the clock medical officer is available at site. Additionally, tie-ups with local hospitals, nursing home is available.
- Safety, Health and Environment (SHE) Report is presented on quarterly basis to the board of Directors. The Board provides valuable suggestions, guidance to the Management to ensure safety and sustainability.
- Accreditation of manufacturing sites with ISO Standards stay in line with best practices.

In addition the Company received Responsible Care (RC) certification, in which process safety is the key parameter.

13. Number of Complaints on the following made by employees and workers:

Topic	2023-2024 (Current Financial Year)			2022-2023 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	-	-	NA	-	-	NA
Health & Safety	-	-	NA	-	-	NA

14. Assessments for the year:

Topic	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company has been very proactive in any corrective action that needs to be taken upfront to address health & safety at the workplace. Monthly review meetings are conducted by safety department for the root-cause-analysis for incidents occurred. The designing of corrective and preventive actions is done. There is continuous training, third party Safety audit which are conducted every quarter. A senior third-party safety consultant has been on-boarded for conducting a quarterly safety audit of all plants and for providing safety trainings to personnel. The findings of all such measures are shared with the board members. Besides under Responsible Care all Standard Operating Processes, Hazards and Operability Study (HaZOP) had been reviewed. The cumulative result of all these measures have resulted in low incidents for 2023-24.

LEADERSHIP INDICATORS**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

- Employees (Yes/No): Yes- Covered in Term Insurance, Group Personal Accident
 - Permanent Workers (Yes/No): Yes- Covered in Term Insurance, Group Personal Accident
- Contractual workers are covered under group personal accident benefit.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

The Company monitors remittance of statutory dues by contractors operating on the premise of CSTL as part of processing their bills on a regular basis. Routine assessment of the value chain partners is done where compliance with regard to statutory dues is tracked.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	Current 2023-24	Previous 2022-23	Current 2023-24	Previous 2022-23
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No). NA

Subject to requirements, the Company provides opportunities for engagement on specific projects/assignments across the organisation.

5. Details on assessment of value chain partners:

Topic	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0%
Working Conditions	0%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS ESSENTIAL INDICATORS
1. Describe the processes for identifying key stakeholder groups of the entity:

The Company firmly believes that for achieving its sustainability goal of all-round growth and development, stakeholders play a key role. At CSTL, we want to create long term value for all our stakeholders by building a better, sustainable tomorrow.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	<ul style="list-style-type: none"> Company website Reports to stock exchanges, Investor/analyst meets Quarterly results earnings call. Annual General Meeting Emails 	Monthly, Quarterly, Half Yearly, Annually.	<ul style="list-style-type: none"> Long term value creation Transparency Good governance Timely receipt of dividend, annual report. Socially & Environmentally Responsible

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	<ul style="list-style-type: none"> Emails Distributor Customer visits Customer feedback form 	Need based	<ul style="list-style-type: none"> Production Cost Quality Service
Local Communities	Yes	<ul style="list-style-type: none"> Regular engagement with local communities Community engagement during CSR initiatives 	Need based	<ul style="list-style-type: none"> Development initiatives Local employment generation Community well-being Healthcare
Employees	No	<ul style="list-style-type: none"> Monthly review meetings Emails, notice board performance appraisal meeting campaigns circulars 	Monthly, Quarterly, Half-Yearly	<ul style="list-style-type: none"> Diversity Quality of work and life Fair wages & remuneration benefits Training & Development Career growth Health & safety Talent retention Grievance resolution Employee satisfaction
Regulatory bodies and government agency	No	<ul style="list-style-type: none"> Meetings with local, state, central government agencies, Seminars, Specialised programmes, conferences, Industry bodies like (CII, MCCIA) 	Ongoing	<ul style="list-style-type: none"> Compliance with rules and regulations Proactive compliance ESG practices
Suppliers and contractors	No	<ul style="list-style-type: none"> Supplier meets Emails Plant visits Discussion meetings 	Monthly, Quarterly, Annually, Need based	<ul style="list-style-type: none"> Cost Timely delivery On time payment Ethical behaviour Product quality Health & safety
Financial institutions, bankers, and lenders	No	<ul style="list-style-type: none"> Investor meets Financial discussion meetings 	Annual, Need based	<ul style="list-style-type: none"> Good Return on Investments (ROI)

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company management regularly interacts with key stakeholders i.e., investors, customers, suppliers, employees etc. The same is updated to the Board periodically. The Company also updates to the Board on Safety, Health and Environment on quarterly basis and takes inputs and guidance from the Board.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes, the Company has carried out requisite awareness programmes and communicated to the stakeholders. This has helped the Company to understand behavioural expectation from the stakeholders. The Company has also conducted from time to time several workshops in critical areas such as environment, health, safety trainings. This has helped further in the development of a sustainable strategy which is aligned with the Company's ESG goals & targets.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company has identified marginalised and disadvantaged groups through a needs based assessment and engagement with local communities. The marginalised and disadvantaged communities include poor children, women, physically handicapped individuals, orphans, widow women and others. The Company has taken initiatives in specific areas of social development and continuously strives to achieve total inclusiveness by encouraging people from all sections of the community, irrespective of caste, creed, or religion, to benefit from its CSR initiatives. Few of the initiatives are as under: -

- Built 116 toilet blocks in slum area at Hanuman Nagar, Tal. Daund in association with Rotary Club of Daund which will help them have proper sanitation facility.
- Infrastructure development in schools through initiatives like building boundary walls, class rooms, donation of 1448 books for school library, clean drinking water facility, donation of school bags, kits, stationery and other usage items.
- Donation for rehabilitation of 30+ vulnerable children's and female sex workers for livelihood enhancement.
- Creating awareness through NGOs around mental health and suicide prevention, sensitise students on self-care and emotional support to suicide survivors.
- Donation for women empowerment and livelihood enhancement through Atma Nirbhar Diwali Faral, Diyas, packing boxes by disabled and orphan families thereby giving support to 300+ women.
- Donation for 60+ Adivasi/ Tribal Children for creating awareness on health, food, sanitation and day care facilities to improve their health.
- Donation for food, accommodation, health and hygiene facility for 40 blind girls.
- Donation for providing necessary tools and machines to hearing impaired youth to enable them to be independent, self-sufficiency by equipping them with wood cutting machines, tools to pursue equal opportunities in the workforce.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS
ESSENTIAL INDICATORS
1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	2023-24 Current Financial Year			2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	454	454	100	497	497	100%
Other than permanent	3	3	100	3	3	100%
Total Employees	457	457	100	500	500	100%
Workers						
Permanent	1	1	100	2	2	100%
Other than permanent	697	697	100	881	881	100%
Total Workers	698	698	100	883	883	100%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

2. Details of minimum wages paid to employees and workers, in the following format:

Category	2023-24 Current Financial Year					2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	415	92	22%	323	78%	458	154	34%	304	66%
Female	39	4	10%	35	90%	39	18	46%	21	54%
Other than Permanent										
Male	3	0	0%	3	100%	3	0	0%	3	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Workers										
Permanent										
Male	1	0	0%	1	100%	2	0	0%	2	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Other than Permanent										
Male	694	436	63%	258	37%	880	880	100%	0	0%
Female	3	3	100%	0	0%	1	1	100%	0	0%

3. Details of remuneration/salary/wages, in the following format:

a. Median Remuneration / wages

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category (₹ in million)	Number	Median remuneration/salary/ wages of respective category (₹ in million)
Board of Directors (BoD) (including Executive Directors)	7	216.90	1	0.45
Key Managerial Personnel (excluding Executive Directors)	2	7.10	-	-
Employees other than BoD and KMP	413	184.34	39	14.08
Workers	1	0.32	-	-

b. Gross wages paid to female as % of total wages paid by the entity, in the following format:

	2023-24 Current Financial Year	2022-23 Previous Financial Year
Gross wages paid to female as % of total wages	3.02%	2.59%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The mechanism to redress grievances under human rights is same as for other grievances. On receipt of any concern through email, letter, oral or any way of communication etc. anything outside the purview of the Code of Conduct is informed back to the complainant. For complaints within the purview of the Company and which merits further investigation, an investigator either – internal or external is assigned. The investigator conducts investigation by gathering the data, validating, analyzing and gives his observations and recommendations. The investigation report is further reviewed by the described person and the recommendations reviewed by MD and acted per policy.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

6. Number of Complaints on the following made by employees and workers:

	2023-24 Current Financial Year			2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2023-24 Current Financial Year	2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

As part of the Whistleblower and POSH Policy, the Company has mentioned the protection of the complainant's identity. All such matters are handled in strict confidence. Additionally, as part of the Code of Conduct, the Company does not tolerate any form of retaliation against anyone reporting legitimate concerns. Anyone involved in targeting such a person will be subject to strict disciplinary action, as per the policy and the course of the law.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, as per Code of Conduct and Vendor Registration Policy.

10. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% by third party
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

The Company follow all law and procedures as framed by government and other required authorities from time to time.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced because of addressing human rights grievances/complaints.

No such grievances on Human Rights violations received by the Company.

2. Details of the scope and coverage of any Human rights due diligence conducted.

No Due Diligence conducted during 2023-24.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, most of the premises/offices of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Child labour	0%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATOR

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
From Renewable Sources		
Total electricity consumption (A) (GJ)	72,513	54,798
Total fuel consumption (B) (MT)	-	-
Energy consumption through other sources (C) (GJ)	-	31,869
Total energy consumption from renewable sources (A+B+C) (GJ)	72,513	86,667
From Non-Renewable Sources		
Total electricity consumption (D)	37,809	52,660
Total Fuel consumption (E)	10,56,834	10,41,561
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	10,94,643	10,94,221
Total energy consumed (A+B+C+D+E+F)	11,67,156	11,80,889
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	0.000150048	0.000127461
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Energy Consumed/Revenue from operations adjusted for PPP)	*0.00343309	*0.00291630
Energy intensity in terms of physical output	66.9010	68.1413
Energy intensity (optional)	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No assurance obtained from external agency.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	3,56,528	3,53,945
(iv) Seawater / desalinated water	-	-
(v) Others (Reaction Water)	7,439	8,368
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,63,967	3,62,313
Total volume of water consumption (in kilolitres)	3,63,967	3,62,313
Water intensity per rupee of turnover (Water consumed / turnover)	0.00004679	0.00003911
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Water Consumption / Revenue from operations adjusted for PPP)	*0.001070579	*0.0008948
Water intensity in terms of physical output	20.8624	20.9066
Water intensity (optional) – the relevant metric may be selected by the entity	--	--

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency (Y/N) If yes, name of the external agency. No assurance obtained from external agency.

4. Provide the following details related to water discharged

Parameter	2023-24 (Current Financial Year)	2022-23 (Previous Financial year)
Water discharged by destination and level of treatment (in kilolitres)		
(i) To surface Water		
- No Treatments	-	-
- With Treatment – Please specify level of treatment	-	-
(ii) To Groundwater		
- No Treatments	-	-
- With Treatment – Please specify level of treatment	-	-
(iii) To Seawater		
- No Treatments	-	-
- With Treatment – Please specify level of treatment	-	-
(iv) Sent to third-parties		
- No Treatments	-	-
- With Treatment – Please specify level of treatment	-	-
(v) Others		
- No Treatments	-	-
- With Treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No assurance obtained from external agency.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the entity has implemented a mechanism for ZLD. The unique and innovative chemistries using catalytic processes has enabled them to derive maximum product, minimal by-products, and effluents, avoid usage of hazardous raw materials resulting in Zero liquid discharge facility.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
NOx	kg	37,817	30,294
SOx	kg	31,548	34,283
Particulate matter (PM)	kg	67,255	60,242
Persistent organic pollutants (POP)	NA	Nil	Nil
Volatile organic compounds (VOC)	NA	Nil	Nil
Hazardous air pollutants (HAP)	NA	Nil	Nil
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No assurance obtained from external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	101,491	105,562
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	7,448	10,374
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emission / Revenue from operations)		0.000014005	0.000012514
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emission / Revenue from operations adjusted for PPP)		*0.000320436	*0.000286313
Total Scope 1 and Scope 2 emission intensity in terms of physical output		6.244	6.689
Total Scope 1 and Scope 2 emission intensity (optional)– The relevant metric may be selected by the entity		--	--

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance obtained from external agency.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail

Yes, the Company has devised various strategies and taken initiatives on regular basis to address global environmental issues by continuously improving processes which uses less utilities and encourages. The Company has invested in renewable energy resources like Solar power to reduce dependency on fossil fuel and reduce greenhouse gas emissions. The Company also focussed on improving energy efficiency in manufacturing processes by adopting advanced

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

technologies, optimising equipment efficiencies and implementing energy management systems. Tree plantation is one of CSR activity which Company promotes and planted 11,000+ trees. The Company plans to undertake another tree plantation project of 12,000+ trees. The Company is targeting to further reduce the GHG (Green House Gas) emission by 15% from the 2022-23 levels over the coming years. The Company also support R&D initiatives, further building efficiency, and improving processes that reduce greenhouse gas emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	16.2	0.4
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G) – ETP Sludge and MEE (Multiple effect evaporator) salts	1,114	1,091
Other Non-hazardous waste generated (H) – Boiler Ash. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	7,158	4,403
Total (A+B + C + D + E + F + G+ H)	8,288	5,494
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000001065	0.000000593
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	*0.000024378	*0.000013568
Waste intensity in terms of physical output (Total waste generated /Total Metric Tonne of Goods sold)	0.47507	0.31702
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	74.97	245.06
(ii) Re-used	-	-
(iii) Other recovery operations	7,142	4,403
Total	7,216.89	4,648.46
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	16.79	12.33
(ii) Landfilling	742.92	833.63
(iii) Other disposal operations	-	-
Total	759.71	845.96

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. –

No

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We have implemented various waste management practices to minimise waste generation, reduce its environmental impact, and promote sustainability. The various measures to minimise the amount of waste generated has been done in its operations. Our Company has implemented practices such as material reuse, recycling, and composting to minimise the amount of waste sent to landfills.

Our Company has laid down guidelines on waste management for all its units, covering both hazardous as well as nonhazardous waste. The quantity of solid waste and hazardous wastes generated are being disposed of strictly in adherence to the conditions of authorisation. The generated solid wastes are sent to the authorised hazardous waste disposal facility for waste management. The waste generated by the Company is within the permissible limits given by Central or State Pollution Bodies (CPCB/SPCB). Most of solid waste generated across the Company is recycled & reused.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA	NA	NA	NA

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

The Company has not carried out environmental impact assessment of projects undertaken by the entity based on applicable laws, in the financial year 2023-24

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	-	-	-	-	-

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant in accordance with environmental laws, regulations, and industry standards.

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
NA	NA	NA	NA	NA

LEADERSHIP INDICATOR

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres): NA

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area-
- Nature of operations-
- Water withdrawal, consumption, and discharge in the following format:

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Parameter	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater/ desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	0	0
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed / turnover)	0	0
Water intensity (optional) – the relevant metric may be selected by the entity (Kl/MT)	0	0
Water discharge by destination and level of treatment (in kilolitres)		
(i). Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii). Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii). Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv). Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v). Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	TCO ₂ e	696	670
Total Scope 3 emissions per rupee of turnover	TCO ₂ e/₹	0.000000089	0.000000072
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	TCO ₂ e/MT	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company does not operate in ecologically sensitive areas reported at Question 11 of Essential Indicators above.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	A new rotary calciner has been introduced in one of the manufacturing blocks.	Old batch operated box type calciner replaced with high efficiency continuous rotary calciner.	The rotary calciner will enhance safety, reduce specific power consumption per kg of end product, and reduce manpower requirement as it being a continuous calciner
2.	Enhancement of solar power generation capacity by 5 MW	5 MW capacity solar power plant commissioned at Yetnal (Solapur) in April 2023	Reduction in purchased power & thereby Scope 2 emission

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has developed and adopted the Business Continuity Plan (BCP). The framework as per BCP, helps in identification of internal and external risks specifically faced including financial, operational, sectoral, sustainability related risks, cyber security risks or any other risk. The objective of BCP is to identify various threats that can disrupt business operations and the continuity measures taken including Onsite Emergency Plans, protect undamaged property, alternate emergency control centres and evacuation plans. The said plan also provides for Potential loss of operations due to equipment breakdown and/or safety concern the Standard Operating procedures for preventive and predicative maintenance, routine check up of critical equipment's. The Risk Management Committee of the Company reviews BCP and suggests measures for reducing risks.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not applicable

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact

Not applicable

PRINCIPLE 7: BUSINESSES WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. a) Number of affiliations with trade and industry chambers/ associations. – 7
 b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S.no	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/International)
1.	Indian Chemical Council (ICC)	National
2.	Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA)	State
3.	Chemexcil	National
4.	Kurkumbh Environment Protection Co-operative Society Maryadit	State
5.	Federation of Indian Export Organisation	National
6.	Confederation of Indian Industry (CII)	National
7.	National Safety Council	National

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

Not Applicable

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA
NA	NA	NA

LEADERSHIP INDICATORS
1. Details of public policy positions advocated by the entity

S.no	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify)	Web Link, if available
	NIL	NIL	NIL	NIL	NIL

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.
ESSENTIAL INDICATORS
1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not applicable

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes / No)	Resulted communicated in public domain	Relevant Web Link
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not Applicable

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
	NA	NA	NA	NA	NA	NA
	NA	NA	NA	NA	NA	NA

3. Describe the mechanisms to receive and redress grievances of the community

The Company through its Senior Management from Human Resource engages with the gram panchayat representatives. Through these discussions with them, grievances are addressed if any. This action is taken from time to time by the Company as per their CSR policy thereby helping in contributing to various development projects for child education, health, protection of environment, water conservation, restoration and plantation activities. The Company also provides employment opportunities to local community.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	2023-2024 Current Financial Year	2022-2023 Previous Financial Year
Directly sourced from MSMEs/ Small producers	3%	1%
Sourced directly from within the district and neighboring districts	3%	1%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

5. Job Creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on permanent or non-permanent/on contract basis)

Location	2023-24 (Current Financial Year) (Rupees in million)	2022-23 (Previous Financial Year) (Rupees in million)
Rural	--	--
Semi-Urban	354.90	324.90
Urban	--	--
Metropolitan	--	--

(Place to be categorised as per RBI Classification System – Rural / Semi-urban / Urban / Metropolitan)

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

Details of negative social impact identified	Corrective action taken
Not applicable	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S.no	State	Aspirational District	Amount spent (₹)
1.	Maharashtra	Daund	₹ 90 Lacs

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No such policy

(b) From which marginalised /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not Applicable

S . No	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
	NA	NA	NA	NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

Name of Authority	Brief of the Case	Corrective action taken
NA	NA	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

6. Details of beneficiaries of CSR Projects.

S.no	CSR Project	No of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised group
1.	Promoting Healthcare including Preventive Healthcare	3,612	100
2.	Promoting Education	3,246	100
3.	Protection of art and culture	60	100
4.	Environment sustainability and protection of flora and fauna	1,300	100
5.	Conservation of Water	3,200	100
6.	Promoting livelihood enhancement	1630	100
7.	Employment enhancement, vocational skills	300	100
8.	Ensuring animal welfare	50	100

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN RESPONSIBLE MANNER
ESSENTIAL INDICATORS
1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

CSTL has a SOP for Handling of Stakeholders Complaints, SOP for Handling of Market Complaints, and Feedback forms. The SOP clearly defines the process of receiving and addressing complaints. Customer complaints are received through email/written/verbal mode of communication by the marketing department, which is forwarded to the site's Quality Assurance team, where complaints received are captured in the register with a serial number defining the type of complaint categorised under storage, quality, documentation, and packaging.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.

Information related to	As a percentage to total turnover
Environment and Social parameters relevant to product	100
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints

	2023-24 Current Financial Year			2022-23 Previous Financial Year		
	Received during the year	Pending resolution at the end of year	Remark	Received during the year	Pending resolution at the end of year	Remark
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Others	24	Nil	All resolved	Nil	Nil	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. CSTL has an Information Security Management System (ISMS) which is applicable to the CSTL staff, all personnel associated with Third Party, Consultants, Vendors and Visitors that use CSTL IT infrastructure and resources. Weblink of the policy is- <https://cleanscience.co.in/company-policies/>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - Nil
- Percentage of data breaches involving personally identifiable information of customers - Nil
- Impact, if any, of the data breaches. - Nil

LEADERSHIP INDICATORS**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

<https://cleanscience.co.in/products/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company provides the Material Safety Data Sheet (MSDS) with each shipment.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company remains in constant touch with its business partners and informs them of such risks through emails and/ phone calls.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the Company adheres to all applicable laws and regulations on product labeling. Apart from the mandatory declarations, additional declarations relating to safe handling and use of the product are made on the labels.

Independent Auditor's Report

To the Members of Clean Science and Technology Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Clean Science and Technology Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material 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 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Revenue from contracts with customers

See Note 2.4 to standalone financial statements

The key audit matter

Revenue is recognized when the control over the underlying products has been transferred to the customer.

Due to the Company's sales being under various contractual terms across the country and globally, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider a risk of misstatement in the Standalone Financial Statements related to transactions occurring close to the year end, as these transactions could be recorded in the incorrect financial period (cut-off).

There is also a risk of revenue being fraudulently overstated due to pressure on the Company to achieve performance targets throughout the period and towards the period end. Accordingly, fraud and cut-off risks in revenue recognition is considered as a key audit matter.

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 on the standalone financial statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p>Revenue is recognized when the control over the underlying products has been transferred to the customer.</p> <p>Due to the Company's sales being under various contractual terms across the country and globally, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider a risk of misstatement in the Standalone Financial Statements related to transactions occurring close to the year end, as these transactions could be recorded in the incorrect financial period (cut-off).</p> <p>There is also a risk of revenue being fraudulently overstated due to pressure on the Company to achieve performance targets throughout the period and towards the period end. Accordingly, fraud and cut-off risks in revenue recognition is considered as a key audit matter.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Focusing on the Company's revenue recognition for compliance with Ind AS; • Testing the design, implementation and operating effectiveness of the Company's controls on recording revenue. We focused on controls around the timely and accurate recording of sales transactions; • Performing testing on selected statistical samples of revenue transactions recorded during the year. We verified terms of invoices, acknowledged delivery receipts and tested the transit time to deliver the goods. Our tests of detail focused on cut-off samples to verify only revenue pertaining to current year is recognized based on terms set out in sales invoices and delivery documents; • Assessing high risk manual journals posted to revenue to identify any unusual items.

Independent Auditor's Report (Contd.)

OTHER INFORMATION

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 financial statements and auditor's 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.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES 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 other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The 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 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 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 the Management and Board of Directors.

Independent Auditor's Report (Contd.)

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

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 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, except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis during 09 September 2023 till 20 October 2023 and for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - 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 standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3) (b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

Independent Auditor's Report (Contd.)

- g. 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, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 35(a) to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred 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 the Note 47(e) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47(f) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. With reference to the dividend declared or paid during the year by the Company incorporated in India:
 - i. The interim dividend declared or paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013;
 - ii. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act, 2013 to the extent it applies to payment for dividend; and
 - iii. As noted in Note 49 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
 - f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level to log any direct

Independent Auditor's Report (Contd.)

changes for the accounting software used for maintaining the books of account. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

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

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors

during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Place: Pune

Membership No.: 132907

Date: 15 May 2024

ICAI UDIN:24132907BKFVKQ4475

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Clean Science and Technology Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (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 has maintained proper records showing full particulars of intangible assets.
- (i) (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 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 title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) 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 not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) 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 not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) and 3(iii)(c) to 3(iii) (f) of the Order are not applicable to the Company. The Company has made investments in subsidiary company and other parties. The Company has not made any investments in firms and limited liability partnership.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are not prejudicial to the interest of the Company. The Company has not extended any guarantee, security or given any loans or advances in the nature of loans.
- (iv) 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 not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Clean Science and Technology Limited for the year ended 31 March 2024 (Contd.)

respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of

- (b) According to the information and explanations given to us, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Service Tax, Sales tax or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute. The particulars of dues of income tax and duty of customs which have not been deposited on account of any dispute are as follows

Name of the statute	Nature of the dues	Amount disputed (Rs. in Mn)	Amount Paid under protest (Rs. in Mn)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Custom duty dues	7.13	0.24	2011-12 and 2012-13	The commissioner Customs & Central Excise (Appeals)
Income Tax Act, 1961	Income Tax demand	4.69	0.94	2019-20	CIT Appeals
Income Tax Act, 1961	Interest on TDS	3.52	0.70	2020-21	CIT Appeals

- (viii) 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 not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- (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) 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 not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination



Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Clean Science and Technology Limited for the year ended 31 March 2024 (Contd.)

- of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, 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) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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 that the Company is not capable 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Place: Pune

Membership No.: 132907

Date: 15 May 2024

ICAI UDIN:24132907BKFVKQ4475

Annexure B to the Independent Auditor's Report on the standalone financial statements of Clean Science and Technology Limited for the year ended 31 March 2024

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)(g) 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 and Technology Limited ("the Company") as of 31 March 2024 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 2024, 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.

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 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.

Annexure B to the Independent Auditor's Report on the standalone financial statements of Clean Science and Technology Limited for the year ended 31 March 2024 (Contd.)

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 B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Place: Pune

Membership No.: 132907

Date: 15 May 2024

ICAI UDIN:24132907BKFVKQ4475

Standalone Balance Sheet

as at 31st March, 2024

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

Particulars	Notes	As at	
		31st March, 2024	31st March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,966.90	4,221.42
Capital work-in-progress	4	17.64	40.96
Right-of-use asset	3	38.00	38.83
Other Intangible assets	5	5.47	5.95
Financial assets			
(i) Investments	6	3,734.93	1,466.98
(ii) Other financial assets	7	31.64	25.83
Other non-current assets	8	2.57	16.43
Total non-current assets		7,797.15	5,816.40
Current assets			
Inventories	9	1,104.88	1,088.05
Financial assets			
(i) Investments	10	2,925.58	2,816.75
(ii) Trade receivables	11	1,618.09	1,477.22
(iii) Cash and cash equivalents	12	90.30	123.58
(iv) Bank balances other than (iii) above	13	0.29	0.12
(v) Other financial assets	14	16.71	19.36
Other current assets	15	152.11	245.77
Total current assets		5,907.96	5,770.85
Total assets		13,705.11	11,587.25
EQUITY & LIABILITIES			
Equity			
Equity share capital	16	106.25	106.24
Other equity	17	12,050.13	10,081.68
Total equity		12,156.38	10,187.92
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	18	9.37	9.29
(ii) Other financial liabilities	19	4.60	4.60
Provisions	20	6.15	5.76
Deferred tax liabilities (net)	33(d)	322.32	250.71
Total non-current liabilities		342.44	270.36
Current liabilities			
Financial liabilities			
(i) Lease liabilities	18	0.78	0.74
(ii) Trade payables	21		
a) Total outstanding dues of micro enterprises and small enterprises		50.37	4.76
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		886.64	799.05
(iii) Other financial liabilities	22	183.93	184.27
Other current liabilities	23	15.93	78.81
Provisions	24	2.73	2.39
Current tax liabilities (net)	33(c)	65.91	58.95
Total current liabilities		1,206.29	1,128.97
Total liabilities		1,548.73	1,399.33
Total equity and liabilities		13,705.11	11,587.25

See accompanying notes forming integral part of the Standalone Financial Statements. 1 - 49

As per our report of even date attached

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

Rahim Merchant
Partner
Membership No: 132907

Place: Pune
Date: 15th May, 2024

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

Ashok Boob
Managing Director
DIN : 0410740

Sanjay Parnerkar
Chief Financial Officer

Place : Pune
Date: 15th May, 2024

Krishnakumar Boob
Director
DIN : 0410672

Mahesh Kulkarni
Company Secretary
M. No: 19364

Place : Pune
Date: 15th May, 2024

Standalone Statement of Profit and Loss

for the year ended 31st March, 2024

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

Particulars	Notes	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Income			
Revenue from operations	25	7,894.39	9,357.99
Other Income	26	383.51	387.97
Total income		8,277.90	9,745.96
Expenses			
Cost of materials consumed	27	2,776.05	3,383.92
Changes in inventories of finished goods and work-in-progress	28	(21.44)	(124.37)
Employee benefits expense	29	465.07	450.11
Finance costs	30	8.34	1.53
Depreciation and amortisation expense	31	437.83	358.21
Power and fuel		642.73	898.15
Other expenses	32	659.51	723.92
Total expenses		4,968.09	5,691.47
Profit before tax		3,309.81	4,054.49
Tax expense:	33		
Current tax		761.33	977.77
Deferred tax		71.60	41.62
Total tax expense		832.93	1,019.39
Profit for the year (A)		2,476.88	3,035.10
Other comprehensive (loss)/ income			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability - (loss) / gain		(0.80)	1.69
(ii) Income tax relating to remeasurements of defined benefit liability		0.23	(0.43)
Total Other comprehensive (loss) / income (B)		(0.57)	1.26
Total comprehensive income for the year (A+B)		2,476.31	3,036.36
Earnings per equity share (in ₹) [Face value ₹ 1/- per share]			
Basic	34	23.31	28.57
Diluted		23.31	28.56

See accompanying notes forming integral part of the Standalone Financial Statements. 1 - 49

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

Rahim Merchant

Partner

Membership No: 132907

Place: Pune

Date: 15th May, 2024

For and on behalf of the Board of Directors of

Clean Science and Technology Limited

Ashok Boob

Managing Director

DIN : 0410740

Sanjay Parnerkar

Chief Financial Officer

Place : Pune

Date: 15th May, 2024

Krishnakumar Boob

Director

DIN : 0410672

Mahesh Kulkarni

Company Secretary

M. No: 19364

Place : Pune

Date: 15th May, 2024

Standalone Statement of Cash Flows

for the year ended 31st March, 2024

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

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
A. Cash flow from operating activities		
Profit before tax	3,309.81	4,054.49
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	437.83	358.21
(Gain) / Loss on sale of property, plant and equipments	(34.55)	0.82
Dividend income	(0.07)	(0.07)
Finance costs	8.34	1.53
Profit on instruments designated through fair value through profit and loss (FVTPL)	(50.45)	(56.56)
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	(151.09)	(31.29)
Interest income	(28.70)	(60.30)
Mark to Market (gain) / loss on forward contracts	(8.96)	22.62
Unrealised foreign exchange differences	(14.45)	(10.04)
Employee Stock Option Scheme expense	12.47	10.90
Operating profit before working capital changes	3,480.18	4,290.31
Movement in working capital:		
(Increase) in other non-current financial assets	(0.10)	(1.72)
(Increase) in inventories	(16.83)	(206.75)
(Increase) / Decrease in trade receivables	(127.06)	67.04
Decrease in other current financial assets	3.60	68.62
Decrease / (Increase) in other current assets	93.66	(118.34)
Increase in non-current provisions	0.39	4.46
Increase / (Decrease) in trade payables	133.84	(209.43)
Increase in other current financial liabilities	23.82	26.54
Increase in other non current financial liabilities	-	4.60
(Decrease) / Increase in other current liabilities	(62.88)	10.00
(Decrease) in current provisions	(0.23)	(0.34)
Cash generated from operations	3,528.39	3,934.99
Net income tax (paid)	(754.37)	(943.14)
Net cash from operating activities (A)	2,774.02	2,991.85
B. Cash flows from investing activities		
Purchase of property, plant and equipment, right-of-use asset, intangible assets and capital work-in-progress, net of capital creditors and advances	(190.35)	(1,355.35)
Sale proceeds of property, plant and equipment	55.77	3.26
Proceeds from sale of asset held for sale	-	104.11
Bank deposits (placed)/matured during the year	(3.43)	376.81
Investment in subsidiary	(2,150.70)	(650.00)
Purchase of Mutual Funds, Bonds, Market-linked debentures, etc.	(4,368.84)	(5,889.92)
Proceeds from sale of Mutual Funds, Bonds, Market-linked debentures, etc.	4,352.32	4,903.83
Dividend received	0.07	0.07
Interest received	28.78	60.99
Net cash used in investing activities (B)	(2,276.38)	(2,446.20)

Standalone Statement of Cash Flows (Contd.)

for the year ended 31st March, 2024

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

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
C. Cash flows from financing activities		
Interest paid	(7.49)	(1.15)
Proceeds from issue of shares against employee stock options	8.55	9.29
Repayment of lease liabilities	(0.74)	(0.33)
Dividends paid	(531.24)	(557.71)
Net cash used in financing activities (C)	(530.92)	(549.90)
Net (decrease) in Cash and cash equivalents (A+B+C)	(33.28)	(4.25)
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	0.06
Cash and cash equivalents at the beginning of the period	123.58	127.77
Cash and cash equivalents at the end of the period	90.30	123.58
Notes:-		
1. Cash and cash equivalents include		
Cash on hand	0.71	0.83
Balances with bank		
- Current accounts	89.59	122.75
	90.30	123.58
2. Change in liabilities arising from financing activities		
Balance at the beginning of the period	10.03	-
Additions during the year	-	9.98
Interest on lease liabilities	0.86	0.38
Repayment of lease liabilities	(0.74)	(0.33)
Balance at the end of the period	10.15	10.03

See accompanying notes forming integral part of the Standalone Financial Statements. 1 - 49

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

Rahim Merchant

Partner

Membership No: 132907

Place: Pune

Date: 15th May, 2024

For and on behalf of the Board of Directors of

Clean Science and Technology Limited**Ashok Boob**

Managing Director

DIN : 0410740

Sanjay Parnerkar

Chief Financial Officer

Place : Pune

Date: 15th May, 2024

Krishnakumar Boob

Director

DIN : 0410672

Mahesh Kulkarni

Company Secretary

M. No: 19364

Place : Pune

Date: 15th May, 2024

Statement of Changes in Equity

for the year ended 31st March, 2024

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

(A) EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Equity share of ₹ 1 each issues, subscribed and fully paid				
Balance at the beginning of the reporting year	10,62,37,539	106.24	10,62,18,960	106.22
Add: Shares issued on exercise of employee stock options	14,465	0.01	18,579	0.02
Balance at the end of the reporting year	10,62,52,004	106.25	10,62,37,539	106.24

(B) OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and surplus				Total other equity
		Securities premium	General reserve	Employee Share Option Reserve	Retained earnings	
Balance at 1st April, 2022	-	-	42.99	4.83	7,535.04	7,582.86
Total comprehensive income for the year ended 31st March, 2023						
Profit for the year	-	-	-	-	3,035.10	3,035.10
Other comprehensive income (net of tax)	-	-	-	-	1.26	1.26
Total comprehensive income	-	-	-	-	3,036.36	3,036.36
Application money received during the year	9.29	-	-	-	-	-
Issue of shares under employee share option plan	(9.29)	9.27	-	-	-	9.27
Transfer on account of exercise of stock options (refer note 43)	-	3.10	-	(3.10)	-	-
Dividends paid	-	-	-	-	(557.71)	(557.71)
Employee share based payment reserve	-	-	-	10.90	-	10.90
Balance at 31st March, 2023	-	12.37	42.99	12.63	10,013.69	10,081.68
Balance at 1st April, 2023	-	12.37	42.99	12.63	10,013.69	10,081.68
Total comprehensive income for the year ended 31st March, 2024						
Profit for the year	-	-	-	-	2,476.88	2,476.88
Other comprehensive income (net of tax)	-	-	-	-	(0.57)	(0.57)
Total comprehensive income	-	-	-	-	2,476.31	2,476.31
Application money received during the year	8.55	-	-	-	-	-
Issue of shares under employee share option plan	(8.55)	8.54	-	-	-	8.54
Transfer on account of exercise of stock options (refer note 43)	-	3.81	-	(3.81)	-	-
Dividends paid	-	-	-	-	(531.24)	(531.24)
Employee share based payment reserve	-	-	-	14.84	-	14.84
Balance at 31st March, 2024	-	24.72	42.99	23.66	11,958.76	12,050.13

See accompanying notes forming integral part of the Standalone Financial Statements. 1 - 49

As per our report of even date attached

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

Rahim Merchant
Partner
Membership No: 132907

Place: Pune
Date: 15th May, 2024

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

Ashok Boob
Managing Director
DIN : 0410740

Sanjay Parnerkar
Chief Financial Officer

Place : Pune
Date: 15th May, 2024

Krishnakumar Boob
Director
DIN : 0410672

Mahesh Kulkarni
Company Secretary
M. No: 19364

Place : Pune
Date: 15th May, 2024

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

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

1. CORPORATE INFORMATION

Clean Science and Technology Limited (erstwhile known as Clean Science and Technology Private Limited) ('the Company') is a public limited company domiciled in India and is incorporated under Companies Act, 1956 applicable in India. The shares of the Company got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The registered office of the Company is located at Cybercity Towers 15, Magarpatta City, Hadapsar, Pune. The CIN of the Company is L24114PN2003PLC018532.

The Company is engaged in manufacturing and sale of various types of speciality chemicals at its manufacturing plants situated at Kurkumbh MIDC, Daund, Dist: Pune. The Company caters to both domestic and international markets.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and presentation

a) Statement of Compliance

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under section 133 of the Companies Act, 2013 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Company.

The Standalone financial statements for the year ended 31st March, 2024 were approved for issue by the Company's Board of Directors on 15th May, 2024.

b) Basis of measurement

The Standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- ii) Asset held for sale measured at lower of carrying amount or fair value less cost to sell;

- iii) Net defined benefit (asset) / liability that are measured at fair value of plan assets less present value of defined benefit obligations.

The accounting policies adopted for preparation and presentation of Standalone financial statements have been consistent with the previous year.

The Standalone financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest million, upto two places of decimal, 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.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Standalone financial statements is included in the following notes:

- Note 40 – classification of financial assets: assessment of business model within which the assets are held and assessment

Notes to the Standalone Financial Statements (Contd.)

of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a may have risk of resulting in a material adjustment is included in the following notes:

- Note 9 – Valuation of inventories: Allocation of overheads.
- Note 35 – Recognition of contingencies: key assumptions about the likelihood and magnitude of outflow of resources.
- Note 38 – Impairment of trade receivables: Computation of weighted average loss rate.
- Note 41 – Defined benefit obligation: key actuarial assumptions.

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. Revenue is measured at the transaction price of the consideration received or receivable, net of returns, trade discounts, and volume rebates. Revenue also excludes taxes collected from customer.

The sales made by the Company may include transport arrangements from third parties. In such cases, revenue for the supply of such third-party transport arrangements are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue for the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

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 as per agreed terms and conditions with the buyers.

Revenue from sale of solar electricity power is recognised on a point in time basis when solar electrical power is transmitted to Alternating Current Distribution Board (ACDB).

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 First-in-first-out 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 (WIP) and finished goods include conversion costs in addition to the landed cost of raw materials. WIP includes certain inventories used in the production process which has life of more than one year. These inventories are amortised over its useful life and included as part of cost of production.

Finished goods are valued at lower of cost and net realisable value. The net realisable 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.

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

Net realisable 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.

Notes to the Standalone Financial Statements (Contd.)

2.6 Property, plant and equipment

- **Recognition and measurement**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipments 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 method and estimated useful lives**

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 which is as follows:

Type of asset	Useful life (No. of years)
Factory Building	30 years
Non-Factory Buildings	60 years
Plant and Machinery	15-20 years
Office Equipment	5 years
Vehicles	8-10 years
Furniture and fixtures	10 years

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. 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

Notes to the Standalone Financial Statements (Contd.)

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 Other intangible assets:

- **Recognition and measurement**

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

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Expenditure on research activities is recognised in the Statement of Profit and Loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to complete development and to use or sell the asset.

Intangible 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.

- **Subsequent measurement**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortisation**

The useful lives of intangible assets are assessed based on management estimates.

Intangible assets i.e., computer software is amortised on a straight-line basis over the period of expected future benefits commencing from the date the asset is available for its use.

The management has estimated the useful life for software & licenses as following,

Asset Class	Years
Software & licenses	5

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

- **Disposal**

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.8 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 recognised during

Notes to the Standalone Financial Statements (Contd.)

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 unutilised accumulating compensated absences and utilise 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 recognised 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 recognised 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 date, 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

Notes to the Standalone Financial Statements (Contd.)

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 recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

2.9 Employee Share-based Payments

Employees of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Option (ESOP) Reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end

of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Expense relating to options granted to employees of the subsidiaries under the Company's Employee Stock Option plan, is charged for their share of the ESOP cost by equity settlement.

2.10 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 date 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 date.

- 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

Notes to the Standalone Financial Statements (Contd.)

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 date 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 date 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 date.

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.

2.11 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 and stock split 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 and stock split, 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.

2.12 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.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

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

Notes to the Standalone Financial Statements (Contd.)

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

2.13 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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.

2.14 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

Notes to the Standalone Financial Statements (Contd.)

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 prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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.

2.15 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the

Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Profit and Loss.

2.16 Financial instruments

2.16.1 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

Notes to the Standalone Financial Statements (Contd.)

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.

Interest income or expense is recognised using the effective interest rate method. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

(b) Financial assets classified as measured at FVOCI

A financial asset is 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, the Company makes such election on an instrument-by-instrument basis, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in other comprehensive income. When the financial

asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(c) Financial assets classified as measured at FVTPL

Assets that do not meet the criteria for amortised cost or FVOCI 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.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Company and that the amount of the dividend can be measured reliably.

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.

Notes to the Standalone Financial Statements (Contd.)

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets.

Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case, those are measured at lifetime expected credit loss.

Trade receivables are written off when there is no reasonable expectation of recovery.

2.16.2 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.

(a) 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.

(b) Financial liabilities at amortised cost

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

Notes to the Standalone Financial Statements (Contd.)

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.

Derivative financial instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Profit and Loss.

2.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director of the Company has been identified as being the Chief operating decision maker by the management of the Company.

2.18 Government Grants:

Government Grants and subsidies from the government are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Export Incentives

Export incentives under various schemes notified by the government are recognised when no significant uncertainties as to the amount of consideration that would be derived and that the Company will comply with the conditions associated with the grant and ultimate collection exist.

2.19 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.

2.20 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.

Notes to the Standalone Financial Statements (Contd.)

2.21 Adoption of new accounting principle:

Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 -Income Taxes). The amendments clarified that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognising deferred tax. The Company has adopted this amendment effective 1st April, 2023. The Company previously accounted for deferred tax on leases on a net basis. Following the amendments, the Company has recognised a

separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-to-use assets.

2.22 Recent Indian Accounting Standards (Ind AS) and Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block				Depreciation				Net Block	
	As at 1st April, 2023	Additions during the year	Disposals during the year	As at 31st March, 2024	As at 1st April, 2023	Charge for the year	Disposals during the year	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024
Land	52.20	-	-	52.20	-	-	-	-	52.20	52.20
Buildings	1,402.76	33.97	(24.48)	1,412.25	128.87	41.15	(4.61)	165.41	1,273.89	1,246.84
Plant and equipment	3,973.25	123.90	(2.66)	4,094.49	1,165.59	375.84	(1.66)	1,539.77	2,807.66	2,554.72
Furniture and fixtures	54.64	27.21	-	81.85	17.25	6.36	-	23.61	37.39	58.24
Computer	17.07	1.46	-	18.53	10.37	3.31	-	13.68	6.70	4.85
Vehicles	52.43	1.46	(1.21)	52.68	12.10	6.29	(0.86)	17.53	40.33	35.15
Office equipment	7.36	13.97	-	21.33	4.11	2.32	-	6.43	3.25	14.90
Total	5,559.70	201.97	(28.35)	5,733.33	1,338.29	435.27	(7.13)	1,766.43	4,221.42	3,966.90

Particulars	Gross Block				Depreciation				Net Block	
	As at 1st April, 2022	Additions during the year	Disposals during the year	As at 31st March, 2023	As at 1st April, 2022	Charge for the year	Disposals during the year	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023
Land	42.52	9.68	-	52.20	-	-	-	-	42.52	52.20
Buildings	924.52	478.24	-	1,402.76	94.44	34.43	-	128.87	830.07	1,273.89
Plant and equipment	2,840.12	1,134.40	(1.27)	3,973.25	858.42	307.64	(0.47)	1,165.59	1,981.70	2,807.66
Furniture and fixtures	40.54	14.10	-	54.64	12.78	4.47	-	17.25	27.77	37.39
Computer	13.07	4.00	-	17.07	7.31	3.06	-	10.37	5.76	6.70
Vehicles	41.29	17.20	(6.06)	52.43	9.10	5.78	(2.78)	12.10	32.19	40.33
Office equipment	6.54	0.82	-	7.36	3.20	0.91	-	4.11	3.34	3.25
Total	3,908.60	1,658.44	(7.33)	5,559.70	985.25	356.29	(3.25)	1,338.29	2,923.35	4,221.41

Right-of-use asset

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2023	Additions during the year	Disposals during the year	As at 31st March, 2024	As at 1st April, 2023	Charge for the year	Disposals during the year	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
Leasehold land	41.06	-	-	41.06	2.23	0.83	-	3.06	38.83	38.00
Total Assets	41.06	-	-	41.06	2.23	0.83	-	3.06	38.83	38.00

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2022	Additions during the year	Disposals during the year	As at 31st March, 2023	As at 1st April, 2022	Charge for the year	Disposals during the year	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023
Leasehold land	31.08	9.98	-	41.06	1.67	0.56	-	2.23	29.41	38.83
Total Assets	31.08	9.98	-	41.06	1.67	0.56	-	2.23	29.41	38.83

Notes to the Standalone Financial Statements

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

4. CAPITAL WORK-IN-PROGRESS

Particulars	As at 1st April, 2023	Additions during the year	Capitalised during the year	As at 31st March, 2024
Buildings	2.55	6.92	(9.47)	-
Plant and machinery	38.41	104.29	(125.07)	17.64
Others	-	42.91	(42.91)	-
Total	40.96	154.12	(177.45)	17.64

Particulars	As at 1st April, 2022	Additions during the year	Capitalised during the year	As at 31st March, 2023
Buildings	118.71	107.25	(223.40)	2.55
Plant and machinery	322.56	554.22	(838.37)	38.41
Total	441.27	661.47	(1,061.77)	40.96

4(a) Ageing of Capital work in progress (CWIP)

As at 31st March, 2024	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	17.12	0.52	-	-	17.64
Projects temporarily suspended	-	-	-	-	-
Total CWIP	17.12	0.52	-	-	17.64

As at 31st March, 2023	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	40.96	-	-	-	40.96
Projects temporarily suspended	-	-	-	-	-
Total CWIP	40.96	-	-	-	40.96

4(b) As at 31st March, 2024 no projects under Capital work in Progress are overdue or has exceeded its cost compared to its original plan.

5. OTHER INTANGIBLES ASSETS (OTHER THAN INTERNALLY GENERATED)

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2023	Additions during the year	Disposals during the year	As at 31st March, 2024	As at 1st April, 2023	Charge for the year	Disposals during the year	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024
Computer Software	12.81	1.25	-	14.06	6.86	1.73	-	8.59	5.95	5.47
Total	12.81	1.25	-	14.06	6.86	1.73	-	8.59	5.95	5.47

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2022	Additions during the year	Disposals during the year	As at 31st March, 2023	As at 1st April, 2022	Charge for the year	Disposals during the year	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023
Computer Software	10.16	2.65	-	12.81	5.50	1.36	-	6.86	4.66	5.95
Total	10.16	2.65	-	12.81	5.50	1.36	-	6.86	4.66	5.95

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

6. INVESTMENTS - NON CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
A) Investment in subsidiaries - Unquoted equity shares at cost		
9,81,500 (31st March, 2023: 9,81,500) equity shares of Clean Science Private Limited; a wholly owned subsidiary, of ₹ 10 each fully paid-up	9.82	9.82
1,00,000 (31st March, 2023: 1,00,000) equity shares of Clean Aromatics Private Limited; a wholly owned subsidiary, of ₹ 10 each fully paid-up	1.00	1.00
90,000 (31st March, 2023: 20,000) equity shares of Clean Organics Private Limited; a wholly owned subsidiary, of ₹ 10 each fully paid-up	0.90	0.20
99,92,217 (31st March, 2023: 59,78,472) equity shares of Clean Fino-Chem Limited; a wholly owned subsidiary, of ₹ 10 each fully paid-up	3,353.37	1,201.00
	3,365.09	1,212.02
B) Investments carried at fair value through profit and loss (FVTPL)		
Investment in market linked debentures - Unquoted		
100 (31st March, 2023:100) 7.70% Mahindra & Mahindra FSL - MLD	-	103.17
150 (31st March, 2023: 150) 8.13%Shriram City Union Finance Limited MLD	-	151.79
	-	254.96
C) Investments carried at amortised cost		
Investment in bonds - Unquoted		
50 (31st March, 2023: 50) 8.46% IIFCL Tax Free Bond	58.92	-
40,000 (31st March, 2023: 40,000) 7.35% IRFCLTax Free Bond	47.48	-
100 (31st March, 2023: 100) 9.20% Cholamandalam Investment and Finance Company Limited Bond	53.93	-
1,00,000 (31st March, 2023: 1,00,000) 7.60% Muthoot Finance Bond	107.40	-
10,00,000 (31st March, 2023: Nil) 7.30% GOI 2053	102.11	-
	369.84	-
	3,734.93	1,466.98
Aggregate book value of unquoted investments	3,734.93	1,466.98
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-

7. OTHERS FINANCIAL ASSETS - NON CURRENT

(Unsecured, considered good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Security Deposits	25.43	25.33
<i>Deposits with original maturity of more than 12 months</i>		
Balances held as margin money towards obtaining bank guarantees	6.21	0.50
Total	31.64	25.83

8. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital advances	2.57	16.43
Total	2.57	16.43

Notes to the Standalone Financial Statements

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

9. INVENTORIES*

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>(valued at lower of cost or net realisable value)</i>		
Raw material [including stock in transit of ₹ 93.94 million (31st March, 2023 : ₹ 114.03 million)]	297.55	302.01
Work-in-progress	501.48	508.08
Finished goods [including stock in transit of ₹ 65.35 million (31st March, 2023 : ₹ 81.49 million)]	252.95	224.91
Stores and spares	52.90	53.05
Total	1,104.88	1,088.05

*Inventory balances are presented net of provision for realisable value amounting to ₹ 10.60 million (31st March, 2023: 1.5 million), amount charged to Statement of profit and loss account in relation to provision for inventory is ₹ 9.1 million.

10. INVESTMENTS - CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Investments carried at fair value through profit and loss (FVTPL)		
Investment in mutual funds - Quoted		
16,07,223 (31st March, 2023: 41,85,840) units Kotak Equity Arbitrage Fund	58.48	140.43
23,188 (31st March, 2023 : Nil) units Kotak Money Market Direct Growth	95.60	-
9,37,285 (31st March, 2023: 9,37,285) units IIFL Special Opportunities Fund - Series 2	5.06	7.04
11,14,668 31st March, 2023: 11,14,668) units of Kotak Banking and PSU Debt Fund Direct Growth	68.39	63.39
19,130 (31st March, 2023: 19,130) units of Kotak Corporate Bond Fund Direct Growth	67.63	62.68
47,45,188 (31st March, 2023: 47,45,188) ICICI Corporate Bond Fund Direct Growth	133.56	123.51
18,972 (31st March, 2023: 18,972) Kotak Corporate Bond Fund Direct Growth	67.07	62.16
Nil (31st March, 2023: 2,11,58,008) HDFC Arbitrage Fund Direct Growth	-	359.47
Nil (31st March, 2023: 53,19,224) Kotak Equity Arbitrage Fund Growth	-	178.45
22,37,342 (31st March 2023 : Nil) IDFC Arbitrage Fund Direct Growth	71.43	-
20,36,334 31st March, 2023: 20,36,334) Axis Short Term Fund Direct Growth	61.55	57.07
21,98,209 (31st March, 2023: 21,98,209) Bandhan Bond Fund Short Term Direct Growth	120.74	112.18
63,67,813 (31st March, 2023: 63,67,813) HDFC Banking & PSU Debt Fund Direct Growth	137.43	127.50
9,97,783 (31st March, 2023: 9,97,783) Kotak Banking and PSU Debt Fund Direct Growth (New Folio)	61.22	56.75
3,06,87,296 (31st March, 2023: Nil) Tata Arbitrage Fund Direct Growth	421.41	-
4,716 (31st March, 2023: Nil) Tata Money Market Fund Direct Plan Growth	20.60	-
1,73,04,301 (31st March, 2023: 1,73,04,301) Bandhan CRISIL Gilt 2027 Index Fund Direct Plan-Growth	203.09	188.97
60,99,785 (31st March, 2023: 60,99,785) ICICI Prudential All Seasons Bond Fund Direct Growth	217.57	200.14
46,80,997 (31st March, 2023: 46,80,997) ABSL Short Term Fund Direct Growth	216.27	200.19
1,33,51,537 (31st March, 2023 : 1,33,51,537) Nippon India Nivesh Lakshya Fund Direct Growth	219.82	199.79

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Nil (31st March, 2023: 14,89,020) SBI Arbitrage Opportunities Fund Direct Growth	-	45.00
54,58,988 (31st March, 2023: Nil) Invesco India Arbitrage Fund Direct Growth	171.25	-
98,722 (31st March, 2023: Nil) ABSL Money Manager Fund Direct Growth	33.64	-
64,459 (31st March, 2023: Nil) Axis Money Market Fund Collection A/c	84.57	-
69,959 (31st March, 2023: Nil) ICICI Prudential Money Market Fund	24.43	-
	2,560.81	2,184.72
Investment in units of trust - Quoted		
6,60,040 (31st March, 2023: Nil) Investment in Units of India Grid Trust	87.64	-
Investment in market linked debentures - Unquoted		
100 (31st March, 2023:100) 7.70% Mahindra & Mahindra FSL- Market Linked Debentures	110.11	-
150 (31st March, 2023: 150) 8.13%Shriram City Union Finance Limited Market Linked Debentures	167.02	-
	277.13	-
B. Investment at amortised cost		
Investment in bonds - Unquoted		
50 (31st March, 2023: 50) 8.46% IIFCL Tax Free Bond	-	60.37
Nil (31st March, 2023: 50) 9.56% SBI Bond	-	51.90
Nil (31st March, 2023: 100) 9.37% SBI Bond	-	103.52
40,000 (31st March, 2023: 40,000) 7.35% IRFCLTax Free Bond	-	48.37
100 (31st March, 2023: 100) 9.20% Cholamandalam Investment and Finance Company Limited Bond	-	53.92
1,00,000 (31st March, 2023: 1,00,000) 7.60% Muthoot Finance Bond	-	107.40
Nil (31st March, 2023: 100) 7.09% HDB Financial Services 2023 Bond	-	103.10
Nil (31st March, 2023: 100) 7.70% ICICI Bank Limited Bond	-	103.45
	-	632.03
	2,925.58	2,816.75
Aggregate book value of unquoted investments	277.13	632.03
Aggregate book value of quoted investments	2,648.45	2,184.72
Aggregate market value of quoted investments	2,648.45	2,184.72

11. TRADE RECEIVABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>(Unsecured, considered good)</i>		
Receivable from related party		
From firm in which directors are members (refer note 37)	1.62	-
Receivable other than related party		
<i>(Unsecured, considered good)</i>		
Other parties	1,616.47	1,477.22
Total	1,618.09	1,477.22
Breakup of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,618.09	1,477.22

Notes to the Standalone Financial Statements

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total trade receivables	1,618.09	1,477.22
Less: Loss allowance*#	0.00	-
Net total trade receivables	1,618.09	1,477.22

*Amounts seen as 0.00 are below the disclosure threshold of the Company.

#The Company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 38 on financial instruments.

Trade receivables Ageing Schedule**As at 31st March, 2024**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,339.61	275.17	2.93	0.34	0.04	-	1,618.09

As at 31st March, 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,224.64	252.46	0.02	0.10	0.00	-	1,477.22

12. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash on hand	0.71	0.83
Balance with banks:		
In current account*	89.59	122.75
Total	90.30	123.58

*Includes debit balance of cash credit facility amounting to ₹ 63.52 million (March 31, 2023 : ₹ 29.18 million). These balances are not earmarked.

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Earmarked balance with banks		
Unpaid dividend accounts	0.29	0.12
Total	0.29	0.12

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

14. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>(Unsecured, considered good)</i>		
Security deposit	0.06	0.53
Advances to employees	0.31	0.93
Balances held as margin money towards obtaining bank guarantees	3.28	5.56
Gratuity fund balance (Refer note 41)	1.68	2.40
MTM Gain on outstanding forward contracts	8.96	-
Scripts Credit	-	1.05
Interest receivable	1.89	7.62
Other receivables	0.53	1.27
Total	16.71	19.36

15. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>(Unsecured, considered good)</i>		
Other loans and advances		
Balance with government authorities	121.88	196.57
Prepayments	18.58	17.72
CSR pre-spent balance (Refer note 48)	1.10	1.93
Advance for supply of goods	10.15	29.03
Scripts Credit	-	-
Other advances	0.40	0.52
Total	152.11	245.77

16. SHARE CAPITAL

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised:		
15,00,00,000 (31st March, 2023 : 15,00,00,000) equity shares of ₹ 1 each. (31st March, 2023: ₹ 1 each)	150.00	150.00
Total	150.00	150.00
Issued and subscribed and paid up:		
Equity share capital		
10,62,52,004 (31st March, 2023 : 10,62,37,539) equity shares of ₹ 1 each fully paid-up (31st March, 2023: ₹ 1 each fully paid-up)	106.25	106.24
Total	106.25	106.24

Notes to the Standalone Financial Statements

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

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

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Number of Shares	Number of Shares
Outstanding at the beginning of the year	10,62,37,539	10,62,18,960
Add: Equity Shares issued during the year pursuant to exercise of employee stock options	14,465	18,579
Outstanding at the end of the year	10,62,52,004	10,62,37,539

Terms / Rights attached to each classes of shares**Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares having a par value of ₹ 1 per share as on 31st March, 2024. 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 ₹ 1 each fully paid (31st March, 2023: ₹ 1 each fully paid)	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	% of shareholding	Number of Shares	% of shareholding
1. Mr. Ashok Boob	136,05,652	12.81%	1,36,05,652	12.81%
2. Ms. Asha Boob	85,78,902	8.07%	1,04,44,612	9.83%
3. Ashokkumar Ramkishan Sikchi HUF	1,05,81,763	9.96%	1,05,81,763	9.96%
4. Mr. Parth Maheshwari	59,09,745	5.56%	59,09,745	5.56%
5. Ms. Nidhi Mohunta J/w Ashok Boob	59,09,745	5.56%	59,09,745	5.56%
6. Ashok Ramnarayan Boob HUF	58,53,538	5.51%	58,53,538	5.51%

Details of shares held by Promoters

Promoter name	No. of Shares as on 31st March, 2024	% of Total Shares	% Change during the year	No. of Shares as on 31st March, 2023	% of Total Shares	% Change during the year
Mr. Ashok Ramnarayan Boob	1,36,05,652	12.81	-	1,36,05,652	12.81	-
Mr. Krishnakumar Ramnarayan Boob	28,12,000	2.65	-	28,12,000	2.65	-
Mr. Siddhartha Ashok Sikchi	31,50,425	2.97	-	31,50,425	2.97	-
Mr. Parth Ashok Maheshwari	59,09,745	5.56	-	59,09,745	5.56	-

17. OTHER EQUITY

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Reserves and surplus		
A. Retained earnings	11,958.76	10,013.69
B. Securities premium	24.72	12.37
C. General reserve	42.99	42.99
D. Employee Share Option Reserve	23.66	12.63
Total	12,050.13	10,081.68

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Retained earnings		
Opening balance	10,013.69	7,535.04
Profit for the year	2,476.88	3,035.10
Remeasurements of defined benefit liability	(0.57)	1.26
Appropriations		
Dividend paid*	(531.24)	(557.71)
Closing balance	11,958.76	10,013.69
B. Securities Premium		
Opening balance	12.37	-
Issue of shares pursuant to ESOP	8.54	-
Transfer from ESOP reserve	3.81	12.37
Closing balance	24.72	12.37
C. General Reserve		
Opening balance	42.99	42.99
Change during the year	-	-
Closing balance	42.99	42.99
D. Employee Share Option Reserve		
Opening balance	12.63	4.83
Add: Additions during the year	14.84	10.90
Less: Transfer to securities premium on exercise of stock options	(3.81)	(3.10)
Closing balance	23.66	12.63
	12,050.13	10,081.68

Nature and purpose of reserves

- (i) Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of Companies Act, 2013.
- (ii) General Reserve is created by setting aside amount from the retained earnings of the Company for general purposes which is freely available for distribution.
- (iii) Employee Share Option Reserve represents the fair value of services received against employees stock options (ESOP's) outstanding as at balance sheet date. (refer note 43)

*** Dividends**

The following dividends were declared and paid by the Company during the year:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interim dividend for 2023-24 ₹ 2 per share (31st March, 2023 : Interim dividend for 2022-23 ₹ 2 per share)	212.50	212.48
Final dividend for 2022-23 - ₹ 3 per share (31st March, 2023 : Final dividend for 2021-22 at ₹ 3.25 per share)	318.74	345.23
	531.24	557.71

In Board Meeting held on 15th May, 2024 Board of Director have recommended, subject to the approval of shareholders, dividend of ₹ 3/- per equity share of face value of ₹ 1/- each for the year ended 31st March, 2024 on 10,62,52,004 equity shares amounting to ₹ 318.76/- million. The dividend have not been recognised as liability.

Notes to the Standalone Financial Statements

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

18. LEASE LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease liabilities - Non current	9.37	9.29
Lease liabilities - Current	0.78	0.74
Total	10.15	10.03

19. OTHER FINANCIAL LIABILITIES - NON CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other financial liabilities	4.60	4.60
Total	4.60	4.60

20. PROVISIONS - NON CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Compensated absences	6.15	5.76
Total	6.15	5.76

21. TRADE PAYABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 36)*	50.37	4.76
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	886.64	799.05
Total	937.01	803.81

*Refer note 36 for disclosures required under MSMED Act

Trade payable ageing schedule**As at 31st March, 2024**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding for MSME due	38.59	11.64	0.14	-	-	50.37
Total outstanding for other than MSME due	833.65	2.36	0.64	0.22	0.67	837.54
	872.24	14.00	0.78	0.22	0.67	887.91
Accrued Expense	-	-	-	-	-	49.10
Total	872.24	14.00	0.78	0.22	0.67	937.01

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

As at 31st March, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding for MSME due	4.76	-	-	-	-	4.76
Total outstanding for other than MSME due	701.53	26.84	0.98	1.42	0.36	731.13
	706.29	26.84	0.98	1.42	0.36	735.89
Accrued Expense	-	-	-	-	-	67.92
Total	706.29	26.84	0.98	1.42	0.36	803.81

22. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Employee benefits payable		
Salaries and benefits	20.07	18.18
Bonus payable	136.75	97.07
Capital payables	13.54	37.87
MTM loss on outstanding forward contracts	-	22.62
Unpaid dividend	0.29	0.12
Other financial liabilities	13.28	8.41
Total	183.93	184.27

23. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory dues payable		
Statutory dues including provident fund and withholding taxes	8.66	77.90
Advance from customer	7.27	0.91
Total	15.93	78.81

24. PROVISIONS - CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Compensated absences	2.73	2.39
Total	2.73	2.39

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

25. REVENUE FROM OPERATIONS (REFER NOTE 45)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of products	7,778.56	9,264.74
Other operating revenue		
Export incentives	100.44	76.05
Scrap sale	5.70	8.43
Sale of electricity	9.69	8.77
	115.83	93.25
Total	7,894.39	9,357.99

26. OTHER INCOME

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest income	28.70	60.30
Dividend income	0.07	0.07
Net gain on account of foreign exchange fluctuations	104.23	52.46
Profit on sale of instruments designated through fair value through profit and loss (FVTPL)	50.45	56.56
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	151.09	31.29
Reimbursement of expenses from subsidiary (Refer note no 37)	11.88	118.37
Miscellaneous income	37.09	68.92
Total	383.51	387.97

27. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Raw materials (including purchase components & packing material consumed)		
Opening inventories	302.01	220.25
Add : Purchases	2,771.59	3,465.68
Total	3,073.60	3,685.93
Less : Closing inventories	297.55	302.01
Total	2,776.05	3,383.92

28. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening Inventories		
Finished Goods	224.91	144.67
Work-in-progress	508.08	463.95
Total (A)	732.99	608.62

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Closing Inventories		
Finished Goods	252.95	224.91
Work-in-progress	501.48	508.08
Total (B)	754.43	732.99
Total (A-B)	(21.44)	(124.37)

29. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, wages and bonus	423.17	412.69
Contribution to provident and other funds (Refer note 41)	16.02	15.27
Staff welfare expenses	13.41	11.25
Employee Stock Option Scheme expense (Refer note 43)	12.47	10.90
Total	465.07	450.11

30. FINANCE COSTS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest expense on financial liabilities		
- Working capital loan	0.05	0.01
- Interest on lease liability (Refer Note no. 42)	0.85	0.38
- Others	7.44	1.14
Total	8.34	1.53

31. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation of property, plant and equipment (refer note 3)	435.27	356.29
Depreciation of right-of-use asset (refer note 3)	0.83	0.56
Amortisation of intangible assets (refer note 5)	1.73	1.36
Total	437.83	358.21

32. OTHER EXPENSES

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumption of stores and spares	30.04	16.34
Water charges	12.16	10.65
Repairs and maintenance		
Buildings	6.66	10.23
Machinery	62.63	71.65
Others	7.84	18.37
Insurance	26.96	25.95

Notes to the Standalone Financial Statements

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

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent	0.66	2.26
Rates and taxes	11.13	11.68
Telephone and other communication expenses	3.08	2.91
Travelling expenses	11.34	10.06
Freight, clearing and forwarding	63.64	60.58
Sales commission	49.69	144.11
Advertising and sales promotion	1.46	0.38
Manpower supply	162.45	154.18
Legal and professional fees	24.95	24.96
Payments to auditors (Refer note (a) below)	2.88	2.55
CSR expenses (Refer note 48)	64.28	49.54
Bank charges	3.32	3.63
Effluent treatment plant expenses	47.28	39.20
Printing and stationary	5.03	5.27
Loss on sale of property, plant and equipments	-	0.82
Miscellaneous expenses	62.03	58.60
	659.51	723.92
(a) Payment to auditors		
As auditor		
Fees for Statutory Audit	1.90	1.65
Fees for Limited Review	0.75	0.75
Reimbursement of expenses	0.23	0.15
	2.88	2.55

33. TAXES**(a) Statement of profit and loss**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax:		
- Current income tax charge	758.39	981.12
- Impact of prior period tax	2.94	(3.35)
Deferred tax	71.61	41.62
Income tax expense reported in the statement of profit and loss	832.94	1,019.39

(b) Other comprehensive income (OCI)

Taxes related to items recognised in OCI during in the period

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax:		
Remeasurements gains and losses on post employment benefits	0.23	(0.43)
Income tax recognised in OCI	0.23	(0.43)

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

(c) Balance sheet

Current tax liabilities

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Income tax (net of advance tax)	65.91	58.95
Total current tax liabilities	65.91	58.95

(d) Deferred tax

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Deferred tax liabilities (DTL)		
Excess of depreciation/amortisation on property plant and equipment under income tax act	281.04	235.81
MTM gain on outstanding forward contracts	2.25	-
Lease liability	2.33	-
Mutual funds designated at fair value through profit and loss	42.36	20.96
Bonds	-	1.08
	327.98	257.85
Deferred tax assets (DTA)		
Provision for employee benefits	(1.81)	(1.45)
Bonds	(1.30)	-
Lease asset	(2.55)	-
MTM loss on outstanding forward contracts	-	(5.69)
	(5.66)	(7.14)
Net deferred tax liability	322.32	250.71

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

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Accounting profit before tax	3,309.81	4,054.49
Tax rate	25.17%	25.17%
Tax as per IT Act on above (A)	833.01	1,020.43
Tax expenses (B)		
(i) Current tax	758.16	981.55
(ii) Deferred tax	71.61	41.62
	829.77	1,023.17
Difference (C)	3.24	(2.74)
Tax reconciliation		
Adjustments:		
Effect of permanent adjustments	16.75	13.70
Impact as a result of capital gains included in accounting profit taxed at the applicable rates	(21.39)	(2.22)
Others	1.40	(8.74)
Total	-	-

Notes to the Standalone Financial Statements

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

(f) Movement in temporary differences:

Particulars	1st April, 2023	Recognised in profit or loss during the year	Recognised in OCI during the year	31st March, 2024
Deferred tax liabilities (DTL)				
Excess of depreciation/ amortisation on property plant and equipment under income tax act	235.81	45.23	-	281.04
MTM gain on outstanding forward contracts	-	2.25	-	2.25
Mutual funds designated at fair value through profit and loss	20.96	21.40	-	42.36
Bonds	1.08	(1.08)	-	-
Lease asset		2.33	-	2.33
	257.85	70.13	-	327.98
Deferred tax assets (DTA)				
Provision for employee benefits	(1.45)	(0.36)	-	(1.81)
MTM loss on outstanding forward contracts	(5.69)	5.69	-	-
Bonds		(1.30)	-	(1.30)
Lease asset	-	(2.55)	-	(2.55)
	(7.14)	1.48	-	(5.66)
Net deferred tax liability	250.71	71.61	-	322.32

Particulars	1st April, 2022	Recognised in profit or loss during the year	Recognised in OCI during the year	31st March, 2023
Deferred tax liabilities (DTL)				
Excess of depreciation/ amortisation on property plant and equipment under income tax act	178.59	57.22	-	235.81
MTM gain on outstanding forward contracts	7.38	(7.38)	-	-
Mutual funds designated at fair value through profit and loss	20.81	0.15	-	20.96
Bonds	2.84	(1.76)	-	1.08
	209.62	48.23	-	257.85
Deferred tax assets (DTA)				
Provision for employee benefits	(0.53)	(0.92)	-	(1.45)
MTM loss on outstanding forward contracts	-	(5.69)	-	(5.69)
	(0.53)	(6.61)	-	(7.14)
Net deferred tax liability	209.09	41.62	-	250.71

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

34. EARNINGS PER SHARE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profits attributable to equity shareholders		
Profit for basic earning per share of ₹ 1 each		
Profit for the year (in million)	2,476.88	3,035.10
Basic Earnings Per Share		
Weighted average number of equity shares outstanding during the year	10,62,45,818	10,62,31,006
Basic EPS ₹)	23.31	28.57
Diluted Earnings Per Share		
Profit for diluted earning per share of ₹ 1 each		
Profit for the year (in million)	2,476.88	3,035.10
Weighted average number of equity shares outstanding during the year for diluted EPS	10,62,69,171	10,62,60,748
Diluted EPS (₹)	23.31	28.56

Weighted average number of equity shares for Basic Earnings Per Share	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Balance at the beginning and at the end of the year	10,62,45,818	10,62,31,006
Weighted average number of equity shares outstanding during the year	10,62,45,818	10,62,31,006

Weighted average number of equity shares for Diluted Earnings Per Share	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Balance at the beginning and at the end of the year	10,62,69,171	10,62,60,748
Weighted average number of equity shares outstanding during the year	10,62,69,171	10,62,60,748

35. CONTINGENT LIABILITIES AND COMMITMENTS:

(a) Contingent liabilities

- i) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13th November, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- ii) Claims against the Company not acknowledged as debts.

Particulars	As at 31st March, 2024	As at 31st March, 2023
Income tax demand - Delay in TDS payment and expenditure disallowed in assessment.	8.21	-
Custom duty demand - Classification dispute of imported goods.	7.13	-
Total	15.34	-

Notes to the Standalone Financial Statements

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

(b) Commitments:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	12.20	27.92
Total	12.20	27.92

36. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	50.37	4.76
Capital creditors	5.42	-
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	0.04	-
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.	3.73	-
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.	-	-

37. RELATED PARTY DISCLOSURES**(a) List of Related Parties and description of relationship:***Subsidiary Companies:*

- 1 Clean Science Private Limited
- 2 Clean Organics Private Limited
- 3 Clean Aromatics Private Limited
- 4 Clean Fino-Chem 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 |
| 4 | Mr. Pradeep Rathi | Non-executive Director |
| 5 | Ms. Madhu Dubhashi | Independent Director |

Notes to the Standalone Financial Statements

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

6	Mr. Sanjay Kothari	Non-executive Director
7	Mr. Ganapati Yadav	Independent Director
8	Mr. Keval Doshi	Independent Director
9	Mr. Sanjay Parnerkar	Chief Financial Officer
10	Mr. Mahesh Kulkarni	Company Secretary

Relative of Key Management Personnel

1	Ms. Nandita Sikchi
2	Ms. Asha Boob
3	Mr. Parth Maheshwari
4	Mr. Ashok Sikchi
5	Mr. Kunal Sikchi
6	Mr. Prasad Boob
7	Ms. Asha Sikchi
8	Ms. Nilima Boob
9	Ms. Nidhi Mohunta
10	Ms. Pooja Navandar
11	Ms. Shradha Boob

Other related parties:

Entities in which Key Management Personnel and / or their relatives exercise significant influence and with whom transactions were carried out during the year -

1	M/s Shree Pavers and Tiles
2	CSTPL Foundation
3	Anantroop Financial Advisory Services Private Limited
4	Krishnashray Foundation
5	AAB Business Trust
6	ARB Business Trust
7	Shri Ramnarayan Boob Business Trust
8	Smt. Alaknanda Boob Business Trust
9	ARS Business Trust
10	AAS Business Trust
11	Ashok Ramnarayan Boob HUF
12	Ashokkumar Ramkishan Sikchi HUF
13	Krishnakumar Ramnarayan Boob HUF
14	Wild Child Enterprises Private Limited
15	MVS Ventures Private Limited
16	Alkram Ventures Private Limited

Notes to the Standalone Financial Statements

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

(b) Related party transactions:

Key management personnel compensation

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Short-term employee benefits	222.18	239.27
Long-term employee benefits	0.06	-
Director sitting fees	2.27	2.23
Total compensation	224.51	241.50

Sr. no	Nature of Transaction	For the year ended 31st March, 2024				For the year ended 31st March, 2023			
		Key Management Personnel (KMP)/ Relative of Key Management Personnel	Entities where Key Management Personnel/ Relative of Key Management Personnel has significant influence	Subsidiary Company	Total	Key Management Personnel (KMP)/ Relative of Key Management Personnel	Entities where Key Management Personnel/ Relative of Key Management Personnel has significant influence	Subsidiary Company	Total
1	Purchase of raw material, consumables and spares	-	0.18	-	0.18	-	0.18	-	0.18
2	Investment in subsidiary	-	-	2,150.70	2,150.70	-	-	650.00	650.00
3	Remuneration to relative of key management personnel	7.66	-	-	7.66	6.53	-	-	6.53
4	Final dividend paid for previous year	180.56	71.51	-	252.07	242.85	43.07	-	285.92
5	Interim dividend paid	120.37	47.67	-	168.04	128.28	47.67	-	175.95
6	Unsecured deposit received	-	-	-	-	4.60	-	-	4.60
7	Unsecured deposit (paid)	(3.31)	-	-	(3.31)	-	-	-	-
8	Rent income	-	0.03	1.07	1.10	-	-	1.02	1.02
9	Management service fees	-	-	3.99	3.99	-	-	2.26	2.26
10	Research and development advisory fees	-	-	6.79	6.79	-	-	27.37	27.37
11	Other Equity contribution	-	-	2.37	2.37	-	-	-	-
12	Sale of asset	-	55.00	-	55.00	-	-	-	-
13	One time technical know-how fees	-	-	-	-	-	-	87.72	87.72
		305.28	174.39	2,164.92	2,644.59	382.26	90.92	768.37	1,241.55

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

(c) Related party transactions more than 10% of total transactions for the year ended:

Nature of transaction	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Purchase of raw material, consumables and spares		
M/s Shree Pavers and Tiles	0.07	0.11
Wild Child Enterprises Private Limited	0.11	0.07
b. Investment in Subsidiaries		
Clean Fino-Chem Limited	2,152.37	650.00
Clean Organics Private Limited	0.70	-
c. Remuneration to relative of key management personnel		
Mr. Parth Maheshwari	7.66	6.53
d. Unsecured deposits received		
Mr. Siddhartha Sikchi	-	4.60
e. Unsecured Deposits (paid)		
Mr. Ashok Boob	(2.64)	-
Mr. Krishnakumar Boob	(0.67)	-
f. Key management personnel compensation		
Mr. Ashok Boob	86.03	93.62
Mr. Siddhartha Sikchi	77.43	84.26
Mr. Krishnakumar Boob	51.62	56.17
g. Director Sitting Fees		
Mr. Ganapati Yadav	0.38	0.47
Mr. Pradeep Rathi	0.42	0.44
Mr. Sanjay Kothari	0.48	0.44
Mr. Keval Doshi	0.54	0.53
Ms. Madhu Dubhashi	0.45	0.35
h. Rent expense, Management service fees, R&D Advisory and Technical Advisory fees		
Clean Fino-Chem Limited	11.85	118.37
i. Sale of asset		
MVS Ventures Private Limited	27.50	-
Alkram Ventures Private Limited	27.50	-

(d) Balances outstanding at the end of the year:-

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Trade Receivable		
Clean Fino-Chem Limited	1.58	15.25
CSTPL Foundation	0.04	-
b. Unsecured deposit		
Mr. Ashok Boob	-	2.64
Mr. Siddhartha Sikchi	4.60	4.60
Mr. Krishnakumar Boob	-	0.67
Mr. Parth Maheshwari	5.10	5.10
c. Directors remuneration payable		
Mr. Ashok Boob	54.75	38.38
Mr. Siddhartha Sikchi	49.51	34.61
Mr. Krishnakumar Boob	32.91	23.03

Notes to the Standalone Financial Statements

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

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
d. Remuneration payable to KMP & Relatives of KMP		
Mr. Parth Maheshwari	0.31	0.50
Mr. Sanjay Parnerkar	0.39	0.11
Mr. Mahesh Kulkarni	0.14	0.13

38. FINANCIAL RISK MANAGEMENT

The Company's Board of Directors have an overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and Analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

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

- credit risk - see note (a) below
- liquidity risk - see note (b) below
- market risk - see note (c) below

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Company's historical experience for customers.

- (i) The Company has made provision on expected credit loss on trade receivables and other financial assets, 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, 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's treasury department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total current assets (A)	5,907.96	5,770.85
Total current liabilities (B)	1,206.29	1,128.97
Working capital (A-B)	4,701.67	4,641.88

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date.

	As at 31st March, 2024			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Non- derivative financial liabilities				
Lease liabilities	10.15	0.78	22.16	22.94
Trade payables	937.01	937.01	-	937.01
Other liabilities	188.53	183.93	4.60	188.53
Derivative Liabilities	-	-	-	-

	As at 31st March, 2023			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Non- derivative financial liabilities				
Borrowings	-	-	-	-
Lease liabilities	10.03	0.74	22.94	23.68
Trade payables	803.81	803.81	-	803.81
Other liabilities	166.25	161.65	4.60	166.25
Derivative Liabilities	22.62	22.62	-	22.62

(c) **Market risk**

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rates by selecting appropriate type of borrowings and by negotiation with the bankers.

Foreign currency unhedged exposure :

(i) **Financial assets**

Financial assets	As at 31st March, 2024		As at 31st March, 2023	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
Trade receivables				
USD	10.94	911.68	10.66	876.03
EUR	0.72	64.51	0.94	83.83
Balance with banks - in EEFC accounts				
USD	0.20	16.59	0.61	50.10
EUR	0.08	6.82	0.17	15.41
Cash on hand				
USD	0.00	0.14	0.01	0.46

Notes to the Standalone Financial Statements

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

Financial assets	As at 31st March, 2024		As at 31st March, 2023	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
EUR	0.00	0.08	0.00	0.16
CNY	0.01	0.16	0.00	0.01
SGD	0.00	0.02	0.00	0.08
AED	0.00	0.03	0.01	0.12
RUB	0.00	0.00	0.00	0.00
IDR	7.72	0.04	7.72	0.04
CHF	0.00	0.01	0.00	0.01
GBP	0.00	0.12	0.00	0.12
		1,000.20		1,026.37

Note: Amounts seen as 0.00 are below the disclosure threshold of the Company.

(ii) Financial liabilities

Financial liabilities	As at 31st March, 2024		As at 31st March, 2023	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
Trade payables				
USD	1.31	108.78	1.98	162.43
EUR	-	-	0.00	0.27
		108.78		162.70

Note: Amounts seen as 0.00 are below the disclosure threshold of the Company.

(iii) Currency wise net exposure (Financial assets - Financial liabilities)

Currency wise net exposure (assets - liabilities)	As at 31st March, 2024		As at 31st March, 2023	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
USD	9.83	819.63	9.30	764.15
EUR	0.79	71.41	1.11	99.12
CNY	0.01	0.16	0.00	0.01
SGD	0.00	0.02	0.00	0.08
AED	0.00	0.03	0.01	0.12
RUB	0.00	0.00	0.00	0.00
IDR	7.72	0.04	7.72	0.04
CHF	0.00	0.01	0.00	0.01
GBP	0.00	0.12	0.00	0.12
Total		891.42		863.65

Note: Amounts seen as 0.00 are below the disclosure threshold of the Company.

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

(iv) Currency wise net exposure (Financial assets - Financial liabilities) (₹)

Currency	Amount in rupees (in million)		Sensitivity %
	As at 31st March, 2024	As at 31st March, 2023	
USD	819.63	764.15	1.00%
EUR	71.41	99.12	1.00%
CNY	0.16	0.01	1.00%
SGD	0.02	0.08	1.00%
AED	0.03	0.12	1.00%
RUB	0.00	0.00	1.00%
IDR	0.04	0.04	1.00%
CHF	0.01	0.01	1.00%
GBP	0.12	0.12	1.00%
Total	891.42	863.65	

Note: Amounts seen as 0.00 are below the disclosure threshold of the Company.

(v) Sensitivity analysis

Currency	Impact on profit/equity (1% strengthening)		Impact on profit/equity (1% weakening)	
	Amount in rupees (in million)		Amount in rupees (in million)	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
USD	8.20	7.64	(8.20)	(7.64)
EUR	0.71	0.99	(0.71)	(0.99)
CNY	0.00	0.00	(0.00)	(0.00)
SGD	0.00	0.00	(0.00)	(0.00)
AED	0.00	0.00	(0.00)	(0.00)
RUB	0.00	0.00	(0.00)	(0.00)
IDR	0.00	0.00	(0.00)	(0.00)
CHF	0.00	0.00	(0.00)	(0.00)
GBP	0.00	0.00	(0.00)	(0.00)
Total	8.91	8.63	(8.91)	(8.63)

Note: Amounts seen as 0.00 are below the disclosure threshold of the Company.

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

39. CAPITAL MANAGEMENT

The Company's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Notes to the Standalone Financial Statements

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

40. FAIR VALUE MEASUREMENTS**(a) Categories of financial instruments**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	1,618.09	-	1,477.22
Cash and cash equivalents	-	90.30	-	123.58
Other bank balances	-	0.29	-	0.12
Investments (other than investments in subsidiary)	2,925.58	369.84	2,439.68	632.03
Other financial assets	8.96	39.39	-	45.19
Total financial assets	2,934.54	2,117.91	2,439.68	2,278.14
Financial liabilities				
Lease liabilities	-	10.15	-	10.03
Trade payables	-	937.01	-	803.81
Other financial liabilities	-	188.53	22.62	166.25
Total financial liabilities	-	1,135.69	22.62	980.09

(b) Fair value hierarchy:

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Fair values		Fair values	
Category	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)
Financial assets measured at FVTPL				
Investment in Market Linked Debentures	-	277.13	-	254.96
Investment in Mutual Funds	2,560.81	-	2,184.72	-
Investment in Units of Trust	87.64	-	-	-
Other financial assets	-	8.96	-	-
Financial assets measured at amortised cost*				
Investment in bonds	-	378.50	-	633.62
Total financial assets	2,648.45	664.59	2,184.72	888.58
Financial liabilities				
Other financial liabilities	-	-	-	22.62
Total financial liabilities	-	-	-	22.62

* The Company has not disclosed the fair value of financial instruments such as trade receivables, cash and cash equivalent, bank balance other than cash and cash equivalent, trade payables because their carrying amounts are a reasonable approximation of fair value.

41. POST-EMPLOYMENT BENEFIT PLANS

As per Indian Accounting Standard 19 "Employee Benefits", the disclosures as defined are given below-

A. 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 and other funds for the period aggregated to ₹ 12.45 million (31st March, 2023 : ₹ 10.25 million).

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

B. Defined Benefit Plans

Gratuity

The Company has defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. These benefits are funded with an insurance company.

Risk exposure and asset liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1) Liability Risks

a. Asset Liability Mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralise valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) Asset Risks

All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, the funded status and amounts recognised in balance sheet for the plan.

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current service cost	4.28	4.92
Net interest (Income)	(0.31)	(0.25)
Net benefit expense	3.97	4.67

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Projected benefit obligation at the beginning of the year	17.71	14.39
Interest cost	1.17	0.94
Current service cost	4.28	4.92

Notes to the Standalone Financial Statements

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
Benefits paid	(3.41)	(0.76)
Transfer (Out)	(0.70)	-
Remeasurements on obligation - Loss / (Gain)	0.64	(1.78)
Present value of obligation at the end of the year	19.69	17.71

Changes in the fair value of plan assets are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Fair value of plan assets at the beginning of the year	20.11	16.30
Interest income	1.46	1.16
Contributions	3.50	3.66
Mortality charges and taxes	(0.13)	(0.16)
Benefits paid	(3.41)	(0.76)
Return on plan assets, excluding amount recognised in Interest Income - (Loss)	(0.16)	(0.09)
Fair value of Plan assets at end of the year	21.37	20.11
Actual return on plan assets	0.54	1.08

Re-measurements for the year (Actuarial (gain) / loss)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Experience loss / (gain) on plan liabilities	0.56	(0.44)
Demographic gain on plan liabilities	-	(0.83)
Financial loss / (gain) on plan liabilities	0.08	(0.50)
Experience loss on plan assets	0.30	0.25
Financial gain on plan assets	(0.14)	(0.16)

Amount recognised in the statement of other comprehensive income

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Re-measurement for the year - obligation loss	0.64	(1.78)
Re-measurement for the year - plan assets loss	0.16	0.09
Total re-measurements loss / (gain) for the year recognised in other comprehensive income	0.80	(1.69)

Net Defined Benefit (Asset) for the year

Particulars	As at 31st March, 2024	As at 31st March, 2023
Defined Benefit Obligation	19.69	17.71
Fair value of plan assets	21.37	20.11
Closing net defined benefit (asset)	(1.68)	(2.40)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current	(1.68)	(2.40)
Non-Current	-	-

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Nature of plan assets	As at 31st March, 2024	As at 31st March, 2023
Funds managed by insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	As at 31st March, 2024	As at 31st March, 2023
	%	%
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	7.20%	7.30%
Rate of increase in compensation levels	10.00%	10.00%
Expected rate of return on plan assets	7.30%	6.60%
Withdrawal rate	23.00%	23.00%
Expected average remaining working lives of employees (in years)	4.25 *	4.26 *

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

A quantitative sensitivity analysis for significant assumption as at 31st March, 2024 and 31st March, 2023 is as shown below:

Assumptions	Defined benefit obligation			
	As at 31st March, 2024		As at 31st March, 2023	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Discount Rate				
Discount Rate	8.20%	6.20%	8.30%	6.30%
Amount	18.93	20.47	17.03	18.43
Salary increment rate				
Salary increment rate	11.00%	9.00%	11.00%	9.00%
Amount	20.23	19.15	18.23	17.21
Withdrawal rate				
Withdrawal rate	24.00%	22.00%	24.00%	22.00%
Amount	19.56	19.79	17.59	17.83

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Expected future benefit payments

The following benefit payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

Duration of defined benefit payments	As at 31st March, 2024	As at 31st March, 2023
Less than 1 year	4.53	4.13
1 to 2 years	3.15	2.88
3 to 5 years	11.36	9.82
More than 5 years	18.42	18.86

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

42. 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 1st April, 2022		31.08
Additions		9.98
Disposals		-
Balance as at 31st March, 2023		41.06
Balance as at 1st April, 2023		41.06
Additions		-
Disposals		-
Balance as at 31st March, 2024		41.06
Accumulated depreciation		
Balance as at 1st April, 2022		1.67
Depreciation for the year		0.56
Depreciation on disposals		-
Balance as at 31st March, 2023		2.23
Balance as at 1st April, 2023		2.23
Depreciation for the period		0.83
Depreciation on disposals		-
Balance as at 31st March, 2024		3.06
Net block		
As at 31st March, 2023		38.83
As at 31st March, 2024		38.00

A2. Lease liabilities

Particulars	As at	
	31st March, 2024	31st March, 2023
Current	0.78	0.74
Non Current	9.37	9.29
Total	10.15	10.03

A3. Interest expenses on lease liabilities

Particulars	As at	
	31st March, 2024	31st March, 2023
Interest on lease liabilities	0.85	0.38

A4. Expenses on short term leases / low value assets

Particulars	As at	
	31st March, 2024	31st March, 2023
Short-term lease	-	-
Low value assets	-	-

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

A5. Amounts recognised in the statement of cash flow

Particulars	As at	
	31st March, 2024	31st March, 2023
Total cash outflow for leases	0.74	0.33

A6. Maturity analysis – contractual undiscounted cash flows

Particulars	As at	
	31st March, 2024	31st March, 2023
Less than one year	0.78	0.74
One to five years	3.53	3.36
More than five years	18.63	19.58
Total undiscounted lease liabilities	22.94	23.68

43. EMPLOYEE SHARE BASED-PAYMENTS

The Company has formulated employee share-based payment schemes with objective to attract and retain talent and align the interest of employees with the Company as well as to motivate them to contribute to its growth and profitability. The Company views employee stock options as instruments that would enable the employees to share the value they create for the Company in the years to come.

At present, following employee share-based payment scheme is in operation, details of which are given below:

a Clean Science and Technology Limited Employee Stock Option Scheme - 2021 (CSTL ESOS - 2021):

The Company has instituted equity-settled Clean Science and Technology Employee Stock Option Scheme - 2021 (CSTL ESOS-2021) of 1,00,000 options, duly approved by the shareholders in the extra-ordinary general meeting of the Company held on 27th March, 2021, the said CSTL ESOS-2021 was subsequently amended and ratified by shareholders on 17th March, 2022. During the year under review, Company obtained approval of shareholders at the Annual General Meeting held on 10th August, 2023 to amend CSTL ESOS-2021. The key amendments were:

- A) Increase the aggregate number of Employee Stock Options as originally approved from 1,00,000 options to 3,50,000 options;
- B) Grant of Options to the Eligible Employees of Subsidiary Company(ies) of the Company under CSTL ESOS 2021.

As per CSTL ESOS-2021, Nomination and Remuneration Committee evaluates the performance and other criteria of employees and approves the grant of options. These options vest with eligible employees over a specified period subject to fulfilment of certain conditions. Under the said plan, the Nomination and Remuneration Committee has granted 55,852 and 33,879 and 16,971 equity-settled stock options on 12th June, 2021 and 5th September, 2022 and 2nd November, 2023 to eligible employees of the Company. The vesting period is minimum one year from the date of grant and maximum 4 years.

Particulars	31st March, 2024		31st March, 2023	
	Weighted average exercise price per share per option (₹)	Number of options	Weighted average exercise price per share per option (₹)	Number of options
Opening Balance	751	70,008	500	55,852
Granted during the year	500	16,971	751	33,879
Forfeited during the year	-	-	-	-
Exercised during the year	702	14,465	751	18,579
Expired during the year	-	-	-	-
Lapsed during the year	702	2,739	751	1,144
Closing Balance	702	69,775	751	70,008
No of options exercisable at the end of the year	702	4,805	751	1,033

Notes to the Standalone Financial Statements

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

Share options outstanding at the end of the period have the following expiry date and exercise prices as on 31st March, 2024 and 31st March, 2023:

Grant date	Expiry date	Exercise price	Options outstanding as at 31st March, 2024	Options outstanding as at 31st March, 2023
		(₹)		
12th June, 2021	12th June, 2022	500.00	-	1,033
12th June, 2021	12th June, 2023	500.00	-	12,282
12th June, 2021	12th June, 2024	500.00	11,164	12,282
12th June, 2021	12th June, 2025	500.00	9,732	10,532
5th September, 2022	5th September, 2023	1,166.00	4,805	6,776
5th September, 2022	5th September, 2024	1,166.00	6,776	6,776
5th September, 2022	5th September, 2025	1,166.00	6,776	6,776
5th September, 2022	5th September, 2026	1,166.00	13,551	13,551
2nd November, 2023	2nd November, 2024	500.00	3,394	-
2nd November, 2023	2nd November, 2025	500.00	3,394	-
2nd November, 2023	2nd November, 2026	500.00	3,394	-
2nd November, 2023	2nd November, 2027	500.00	6,789	-
Total			69,775	70,008
Weighted average remaining contractual life of the options outstanding at the end of the year			1.40	1.66

Weighted average share price for the period over which stock options were exercised was ₹ 1430 (previous year ₹ 1542)

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

A Grant Date:- 21st June, 2021

Particulars	1-year vesting	2-year vesting	3-year vesting	4-year vesting
Stock Price per share (₹)	509.33	509.33	509.33	509.33
Standard Deviation (Volatility)	35.54%	34.07%	34.41%	35.35%
Risk-free Rate	5.03%	5.45%	5.76%	6.02%
Exercise Price (₹)	500.00	500.00	500.00	500.00
Time to Maturity (in years)	3.50	4.50	5.50	6.50
Dividend yield	0.31%	0.31%	0.31%	0.31%
Fair value of option (₹)	166.92	188.73	213.60	238.53

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

B Grant Date:- 5th September, 2022

Particulars	1-year vesting	2-year vesting	3-year vesting	4-year vesting
Market Price per share (₹)	1756.3	1756.3	1756.3	1756.3
Standard Deviation (Volatility)	40.76%	40.76%	40.76%	40.76%
Risk-free Rate	6.60%	6.85%	6.96%	7.02%
Exercise Price (₹)	1166	1166	1166	1166
Time to Maturity (in years)	1.5	2.5	3.5	4.5
Dividend yield	0.16%	0.16%	0.16%	0.16%
Fair value of option (₹)	750.04	849.76	934.3	1006.97

C Grant Date:- 2nd November, 2023

Particulars	1-year vesting	2-year vesting	3-year vesting	4-year vesting
Market Price per share (₹)	1345.3	1345.3	1345.3	1345.3
Standard Deviation (Volatility)	24.99%	31.98%	31.98%	31.98%
Risk-free Rate	7.33%	7.35%	7.36%	7.38%
Exercise Price (₹)	500	500	500	500
Time to Maturity (in years)	1.5	2.5	3.5	4.5
Dividend yield	0.23%	0.23%	0.23%	0.23%
Fair value of option (₹)	892.63	922.73	950.73	977.05

Employee benefit expenses to be recognised in the financial statements

The Company has recognised employee stock-based compensation expense of ₹ 12.47 million for the year ended 31st March, 2024 (31st March, 2023: ₹ 10.90 million) in the Statement of Profit and Loss. The corresponding impact is recognised as 'Employee share based payment reserve' in Other Equity.

44. RATIO ANALYSIS AND ITS ELEMENT

Ratio	Numerator	Demoninator	As at 31st March, 2024	As at 31st March, 2023	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	4.90	5.11	(4)%	
Debt-Equity Ratio	Total Debt	Shareholders Equity	-	-	0.00	Not applicable as there are nil borrowing
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	-	-	Not applicable as there are nil borrowing
Return on Equity Ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	22.17%	33.96%	(35)%	Majorly decrease is due to decrease in revenue.
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.51	3.31	(24)%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.03	6.15	(18)%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.18	3.80	(16)%	

Notes to the Standalone Financial Statements

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

Ratio	Numerator	Demoninator	As at 31st March, 2024	As at 31st March, 2023	% Change	Remarks
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.68	2.02	(17)%	
Net Profit Ratio (%)	Net Profit After Tax	Net sales = Total sales - sales return	31.38%	32.43%	(3)%	
Return on Capital Employed (%)	Earnings before interest, taxes and dividend income	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	26.60%	38.88%	(32)%	Majorly decrease is due to decrease in revenue and increase in capital employed (working capital)
Return on Investment (%)	Finance Income	Average Investment	7.22%	5.85%	23%	

45. REVENUE FROM CONTRACTS WITH CUSTOMERS**A. Revenue streams**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue from operations		
Sale of products	7,778.56	9,264.74
Other operating revenue		
Export incentives	100.44	76.05
Scrap sale	5.70	8.43
Sale of electricity	9.69	8.77
	115.83	93.25
	7,894.39	9,357.99

B. Disaggregation of revenue streams

The Company is engaged in manufacturing of various types of speciality chemical.

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sector wise disaggregation of revenue		
Speciality Chemicals		
- Performance	5,156.57	6,507.19
- Pharma	1,470.53	1,608.87
- FMCG	1,020.86	1,011.94
- Other	130.60	136.74
Total revenue	7,778.56	9,264.74
Primary geographical market		
India	2,806.97	2551.57
Rest of the world	4,971.59	6713.17
Total	7,778.56	9,264.74

C. Disclosure for transaction price allocated to the remaining performance obligations

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, in accordance with paragraph 121 of Ind AS 115, the Company is not required to disclose information about its remaining performance obligation since the Company does not have any performance obligation that has an original expected duration of more than one year.

Notes to the Standalone Financial Statements

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

D. Determining the timing of satisfaction of performance obligations

There is no significant judgement involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

E. Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the single performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price.

F. Details of contract assets:

There are no contract assets as at 31st March, 2024 and 31st March, 2023. Refer note 11 for information on trade receivables.

G. Information about major customer (external customers):

The following is the transactions by the Group with external customers individually contributing 10 per cent or more of revenue from operations:

- (i) For the year ended 31st March, 2024, revenue from operations of one customer of the Company represented approximately 11.45% of revenue from operations.
- (ii) For the year ended 31st March, 2023, revenue from operations of one customer of the Company represented approximately 11.33% of revenue from operations.

46. OPERATING SEGMENT

As per Ind AS 108 Operating Segments, when a financial report contains both consolidated financial statements and separate financial statements for the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

47. 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.

Notes to the Standalone Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

48. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Gross amount required to be spent by the Company during the year	64.28	49.51
B. Amount spent during the year		
a) Construction / acquisition of any asset	40.89	26.87
b) on purpose other than (i) on above	22.56	21.83
Total (B)	63.45	48.70
C. Details related to CSR expenditure spent during the year		
a) Environment sustainability and protection of flora and fauna	2.16	4.00
b) Promoting health care, facilities for woman, orphans, old day homes and day care centres	30.63	27.27
c) Promoting Education	14.96	13.60
d) Protection of culture and Art	5.70	-
e) Vocational skill development & livelihood enhancement	4.05	3.83
f) Ensuring animal welfare	1.50	-
g) Conservation of Water	2.00	-
h) Administrative expenditure	2.45	-
Total (C)	63.45	48.70
D. Amount of excess CSR expenditure available for set off in current financial year	1.93	2.74
E. Excess CSR expenditure to be carried forward under section 135(5) of the Companies Act (Refer note 15) (B-A)	1.10	1.93

49. EVENTS OCCURRING AFTER BALANCE SHEET DATE

In Board Meeting held on 15th May, 2024 Board of Director have recommended, subject to the approval of shareholders, dividend of ₹ 3/- per equity share of face value of ₹ 1/- each for the year ended 31st March, 2024 on 10,62,52,004 equity shares amounting to ₹ 318.76 million.

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

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

Rahim Merchant
Partner
Membership No: 132907

Ashok Boob
Managing Director
DIN : 0410740

Krishnakumar Boob
Director
DIN : 0410672

Place: Pune
Date: 15th May, 2024

Sanjay Parnerkar
Chief Financial Officer

Mahesh Kulkarni
Company Secretary
M. No: 19364

Place : Pune
Date: 15th May, 2024

Place : Pune
Date: 15th May, 2024

Independent Auditor's Report

To the Members of Clean Science and Technology Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Clean Science and Technology Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2024, of its consolidated

Revenue from contracts with customers

See Note 2.4 to consolidated financial statements

profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p>Revenue is recognized when the control over the underlying products has been transferred to the customer.</p> <p>Due to the Holding Company's sales being under various contractual terms across the country and globally, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider a risk of misstatement in the Consolidated Financial Statements related to transactions occurring close to the year end, as these transactions could be recorded in the incorrect financial period (cut-off).</p> <p>There is also a risk of revenue being fraudulently overstated due to pressure on the Holding Company to achieve performance targets throughout the period and towards the period end. Accordingly, fraud and cut-off risks in revenue recognition is considered as a key audit matter.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others, others, to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Focusing on the Holding Company's revenue recognition for compliance with Ind AS; • Testing the design, implementation and operating effectiveness of the Holding Company's controls on recording revenue. We focused on controls around the timely and accurate recording of sales transactions; • Performing testing on selected statistical samples of revenue transactions recorded during the year. We verified terms of invoices, acknowledged delivery receipts and tested the transit time to deliver the goods. Our tests of detail focused on cut-off samples to verify only revenue pertaining to current year is recognized based on terms set out in sales invoices and delivery documents; • Assessing high risk manual journals posted to revenue to identify any unusual items.

Independent Auditor's Report (Contd.)

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/audit reports of other auditors, 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.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/(loss) and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the 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 the Management and Board of Directors.

Independent Auditor's Report (Contd.)

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entity or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's

report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

- a. We did not audit the financial statements of four subsidiaries, whose financial statement reflects total assets (before consolidation adjustments) of Rs. 3,647.86 Millions as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 20.46 Millions and net cash inflows (before consolidation adjustments) amounting to Rs. 13.07 Millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

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 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, based on our audit and on the consideration of reports of the other auditor on separate financial statements of such subsidiaries, as were audited by other auditor, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

Independent Auditor's Report (Contd.)

- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis in holding company during 09 September 2023 till 20 October 2023 and for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3) (b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 36(a) to the consolidated financial statements.
- b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.
- d. (i) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 49(e) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Independent Auditor's Report (Contd.)

- (ii) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 49(f) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("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 and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. With reference to the dividend declared or paid during the year by the Company incorporated in India:
- The interim dividend declared or paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013;
 - The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act, 2013 to the extent it applies to payment for dividend; and
 - As noted in Note 51 to the consolidated financial statements, the Board of Directors of the Company have proposed final dividend for the year subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- f. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and its subsidiary companies have used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level to log any direct changes for the accounting softwares used for maintaining the books of account. For accounting softwares for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the softwares and we did not come across any instance of audit trail feature being tampered with during the course of our audit.
- B. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid/payable during the current period/year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Rahim Merchant
Partner

Place: Pune
Date: 15 May 2024

Membership No.: 132907
ICAI UDIN:24132907BKFVKR2064

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Clean Science and Technology Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

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

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Membership No.: 132907

ICAI UDIN:24132907BKFVKR2064

Place: Pune

Date: 15 May 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Clean Science and Technology Limited for the year ended 31 March 2024

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

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

OPINION

In conjunction with our audit of the consolidated financial statements of Clean Science and Technology Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, 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 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls 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 respective 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 respective 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 the respective 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 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 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

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Clean Science and Technology Limited for the year ended 31 March 2024 (Contd.)

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 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.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

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

Rahim Merchant

Partner

Place: Pune

Membership No.: 132907

Date: 15 May 2024

ICAI UDIN:24132907BKFVKR2064

Consolidated Balance Sheet as at 31st March, 2024

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

Particulars	Notes	As at	
		31st March, 2024	31st March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,987.33	4,222.45
Capital work-in-progress	4	573.46	204.92
Right-of-use asset	3	366.41	372.51
Other Intangible assets	5	7.39	5.96
Financial assets			
(i) Investments	6	369.84	254.96
(ii) Other financial assets	7	35.53	29.17
Other non-current assets	8	26.44	124.86
Total non-current assets		7,366.40	5,214.83
Current assets			
Inventories	9	1,236.53	1,088.05
Financial assets			
(i) Investments	10	3,023.78	3,276.33
(ii) Trade receivables	11	1,637.32	1,461.97
(iii) Cash and cash equivalents	12	104.45	124.69
(iv) Bank balances other than (iii) above	13	1.85	0.12
(v) Other financial assets	14	16.79	19.36
Other current assets	15	573.53	332.96
Current tax assets (net)	34(c)	2.18	-
Total current assets		6,596.43	6,303.48
Total assets		13,962.83	11,518.31
EQUITY & LIABILITIES			
Equity			
Equity share capital	16	106.25	106.24
Other equity	17	11,925.40	9,993.75
Total equity		12,031.65	10,099.99
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	18	18.74	18.58
(ii) Other financial liabilities	19	4.60	4.60
Provisions	20	8.28	5.76
Deferred tax liabilities (net)	34(d)	299.45	234.24
Total non-current liabilities		331.07	263.18
Current liabilities			
Financial liabilities			
(i) Borrowings	21	-	0.52
(ii) Lease liabilities	18	1.56	1.48
(iii) Trade payables	22		
a) Total outstanding dues of micro enterprises and small enterprises		50.41	4.76
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,034.18	800.37
(iv) Other financial liabilities	23	422.08	205.85
Other current liabilities	24	22.72	80.70
Provisions	25	3.24	2.39
Current tax liabilities (net)	34(c)	65.92	59.07
Total current liabilities		1,600.11	1,155.14
Total liabilities		1,931.18	1,418.32
Total equity and liabilities		13,962.83	11,518.31

See accompanying notes forming integral part of the Consolidated Financial Statements 1 - 51

As per our report of even date attached

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

Rahim Merchant
Partner
Membership No: 132907

Place: Pune
Date: 15th May, 2024

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

Ashok Boob
Managing Director
DIN : 0410740

Sanjay Parnerkar
Chief Financial Officer

Place : Pune
Date: 15th May, 2024

Krishnakumar Boob
Director
DIN : 0410672

Mahesh Kulkarni
Company Secretary
M. No: 19364

Place : Pune
Date: 15th May, 2024

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2024

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

Particulars	Notes	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Income			
Revenue from operations	26	7,914.85	9,357.99
Other Income	27	412.86	298.25
Total income		8,327.71	9,656.24
Expenses			
Cost of materials consumed	28	2,827.15	3,383.92
Changes in inventories of finished goods and work-in-progress	29	(56.32)	(124.37)
Employee benefits expense	30	486.83	452.01
Finance costs	31	9.26	1.95
Depreciation and amortisation expense	32	459.25	360.90
Power and fuel		655.79	898.15
Other expenses	33	680.75	727.33
Total expenses		5,062.71	5,699.89
Profit before tax		3,265.00	3,956.35
Tax expense:	34		
Current tax		759.54	979.59
Deferred tax		65.20	25.00
Total tax expense		824.74	1,004.59
Profit for the year (A)		2,440.26	2,951.76
Other comprehensive (loss)/ income			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability (loss) / gain		(1.01)	1.69
(ii) Income tax relating to remeasurements of defined benefit liability		0.26	(0.43)
Total Other comprehensive (loss) / income (B)		(0.75)	1.26
Total comprehensive income for the year (A+B)		2,439.51	2,953.02
Earnings per equity share (in ₹) [Face value ₹ 1/- per share]			
Basic	35	22.97	27.79
Diluted		22.96	27.78

See accompanying notes forming integral part of the Consolidated Financial Statements 1- 51

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

Rahim Merchant

Partner

Membership No: 132907

Place: Pune

Date: 15th May, 2024

For and on behalf of the Board of Directors of

Clean Science and Technology Limited

Ashok Boob

Managing Director

DIN : 0410740

Sanjay Parnerkar

Chief Financial Officer

Place : Pune

Date: 15th May, 2024

Krishnakumar Boob

Director

DIN : 0410672

Mahesh Kulkarni

Company Secretary

M. No: 19364

Place : Pune

Date: 15th May, 2024

Consolidated Statement of Cash Flows

for the year ended 31st March, 2024

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

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
A. Cash flow from operating activities		
Profit before tax	3,265.00	3,956.35
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	459.25	360.90
(Gain) / Loss on sale of property, plant and equipments	(34.55)	0.82
Dividend income	(0.07)	(0.07)
Finance costs	9.26	1.95
Profit on instruments designated through fair value through profit and loss (FVTPL)	(109.25)	(63.98)
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	(131.93)	(52.49)
Interest income	(28.84)	(60.34)
Mark to Market (gain) / loss on forward contracts	(8.96)	22.62
Unrealised foreign exchange differences	(14.43)	(10.04)
Employee Stock Option Scheme expense	14.84	10.90
Operating profit before working capital changes	3,420.32	4,166.62
Movement in working capital:		
(Increase) in other non-current financial assets	(0.65)	(5.06)
(Increase) in inventories	(148.48)	(206.75)
(Increase) / Decrease in trade receivables	(161.53)	82.29
Decrease in other current financial assets	3.57	68.61
(Increase) in other current assets	(240.57)	(205.53)
Increase in non-current provisions	2.52	4.46
Increase / (Decrease) in trade payables	280.08	(208.32)
Increase in other current financial liabilities	28.16	26.99
Increase in other non current financial liabilities	-	4.60
(Decrease) / Increase in other current liabilities	(57.97)	10.89
Increase / (Decrease) in current provisions	0.27	(0.34)
Cash generated from operations	3,125.72	3,738.46
Net income tax (paid)	(754.87)	(944.84)
Net cash from operating activities (A)	2,370.85	2,793.62
B. Cash flows from investing activities		
Purchase of property, plant and equipment, right-of-use asset, intangible assets and capital work-in-progress, net of capital creditors and advances	(2,322.89)	(1,834.05)
Sale proceeds of property, plant and equipment	55.77	3.26
Proceeds from sale of asset held for sale	-	104.11
Bank deposits (placed) / matured during the year	(4.99)	377.61
Purchase of Mutual Funds, Bonds, Market-linked debentures, etc.	(7,049.28)	(6,321.52)
Proceeds from sale of Mutual Funds, Bonds, Market-linked debentures, etc.	7,433.78	4,911.25
Dividend received	0.07	0.07
Interest received	28.87	61.03
Net cash used in investing activities (B)	(1,858.67)	(2,698.24)

Consolidated Statement of Cash Flows (Contd.)
for the year ended 31st March, 2024
(All amounts are in rupees million, unless otherwise stated)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
C. Cash flows from financing activities		
Interest paid	(7.55)	(1.19)
Proceeds from issue of shares against employee stock options	8.55	9.29
Repayment of lease liabilities	(1.67)	(0.65)
Dividends paid	(531.24)	(557.71)
Net cash used in financing activities (C)	(531.91)	(550.26)
Net (decrease) in Cash and cash equivalents (A+B+C)	(19.73)	(454.88)
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	0.01	0.06
Cash and cash equivalents at the beginning of the period	124.17	578.99
Cash and cash equivalents at the end of the period	104.45	124.17
Notes:-		
1. Cash and cash equivalents include		
Cash on hand	0.79	0.85
Balances with bank		
- Current accounts	103.66	123.84
Cash credit and overdraft facilities from banks	-	(0.52)
	104.45	124.17
2. Change in liabilities arising from financing activities		
Balance at the beginning of the period	20.06	-
Additions during the year	-	19.95
Interest on lease liabilities	1.71	0.76
Repayment of lease liabilities	(1.67)	(0.65)
Balance at the end of the period	20.10	20.06

See accompanying notes forming integral part of the Consolidated Financial Statements 1- 51

As per our report of even date attached

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

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

Rahim Merchant
Partner
Membership No: 132907

Ashok Boob
Managing Director
DIN : 0410740

Krishnakumar Boob
Director
DIN : 0410672

Place: Pune
Date: 15th May, 2024

Sanjay Parnerkar
Chief Financial Officer

Mahesh Kulkarni
Company Secretary
M. No: 19364

Place : Pune
Date: 15th May, 2024

Place : Pune
Date: 15th May, 2024

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2024

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

(A) EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Equity share of ₹ 1 each issues, subscribed and fully paid				
Balance at the beginning of the reporting year	10,62,37,539	106.24	10,62,18,960	106.22
Add: Shares issued on exercise of employee stock options	14,465	0.01	18,579	0.02
Balance at the end of the reporting year	10,62,52,004	106.25	10,62,37,539	106.24

(B) OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and surplus				Total other equity
		Securities premium	General reserve	Employee Share Option Reserve	Retained earnings	
Balance at 1st April, 2022	-	-	42.99	4.83	7,530.45	7,578.27
Profit for the year		-	-	-	2,951.76	2,951.76
Other comprehensive income (net of tax)					1.26	1.26
Total comprehensive income	-	-	-	-	2,953.02	2,953.02
Application money received during the year	9.29	-	-	-	-	-
Issue of shares under employee share option plan	(9.29)	9.27	-	-	-	9.27
Transfer on account of exercise of stock options (refer note 45)		3.10		(3.10)		-
Dividends paid					(557.71)	(557.71)
Employee share based payment reserve			-	10.90	-	10.90
Balance at 31st March, 2023	-	12.37	42.99	12.63	9,925.76	9,993.75
Balance at 1st April, 2023	-	12.37	42.99	12.63	9,925.76	9,993.75
Profit for the year		-	-	-	2,440.26	2,440.26
Other comprehensive income (net of tax)		-	-	-	(0.75)	(0.75)
Total comprehensive income		-	-	-	2,439.51	2,439.51
Application money received during the year	8.55					-
Issue of shares under employee share option plan	(8.55)	8.54				8.54
Transfer on account of exercise of stock options (refer note 45)		3.81	-	(3.81)	-	-
Dividends paid		-	-	-	(531.24)	(531.24)
Employee share based payment reserve		-	-	14.84	-	14.84
Balance at 31st March, 2024	-	24.72	42.99	23.66	11,834.03	11,925.40

See accompanying notes forming integral part of the Consolidated Financial Statements 1 - 51

As per our report of even date attached

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

Rahim Merchant
Partner
Membership No: 132907

Place: Pune
Date: 15th May, 2024

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

Ashok Boob
Managing Director
DIN : 0410740

Sanjay Parnerkar
Chief Financial Officer

Place : Pune
Date: 15th May, 2024

Krishnakumar Boob
Director
DIN : 0410672

Mahesh Kulkarni
Company Secretary
M. No: 19364

Place : Pune
Date: 15th May, 2024

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

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

1. CORPORATE INFORMATION

Clean Science and Technology Limited (erstwhile known as Clean Science and Technology Private Limited) ('the Holding Company') is a public limited company domiciled in India and is incorporated under Companies Act, 1956 applicable in India. The shares of the Company got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The registered office of the Company is located at Cybercity Towers 15, Magarpatta City, Hadapsar, Pune. The CIN of the Holding Company is L24114PN2003PLC018532.

The Group is engaged in manufacturing and sale of various types of speciality chemicals at its manufacturing plant situated at Kurkumbh MIDC, Daund, Dist: Pune. The Group caters to both domestic and international markets.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and presentation

a) Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under section 133 of the Companies Act, 2013 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Group.

The Group's Consolidated financial statements for the year ended 31st March, 2024 were approved for issue by the Board of Directors on 15th May, 2024.

b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- ii) Asset held for sale measured at lower of carrying amount or fair value less cost to sell;

- iii) Net defined benefit (asset) / liability that are measured at fair value of plan assets less present value of defined benefit obligations.

The accounting policies adopted for preparation and presentation of financial statements have been consistent with the previous year.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest million, upto two places of decimal, 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 Group'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 Group has determined its operating cycle as 12 months.

2.3 Use of judgements estimates and assumptions

The preparation of the Consolidated 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.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 41 – classification of financial assets: assessment of business model within which the assets are held and assessment

Notes to Consolidated Financial Statements (Contd.)

of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 9 – Valuation of inventories: Allocation of overheads.
- Note 36 – Recognition of contingencies, key assumptions about the likelihood and magnitude of outflow of resources.
- Note 39 – Impairment of trade receivables: Computation of weighted average loss rate
- Note 42 – Defined benefit obligation: key actuarial assumptions.

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. Revenue is measured at the transaction price of the consideration received or receivable, net of returns, trade discounts, and volume rebates. Revenue also excludes taxes collected from customer.

The sales made by the Group may include transport arrangements from third parties. In such cases, revenue for the supply of such third-party transport arrangements are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognises revenue for the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

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 as per agreed terms and conditions with the buyers.

Revenue from sale of solar electricity power is recognised on a point in time basis when solar electrical power is transmitted to Alternating Current Distribution Board (ACDB).

2.5 Principles of consolidation

The Consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at 31st March, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies.

The Consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same period end date as that of the Holding Company, i.e., year ended on 31st March, 2024. The subsidiaries considered in the Consolidated financial statements are summarised below.

Notes to Consolidated Financial Statements (Contd.)

Sr. No.	Name of the Company	Country of Incorporation	Proportion of Ownership Interest
I	Subsidiaries		
1	Clean Science Private Limited	India	100%
2	Clean Aromatics Private Limited	India	100%
3	Clean Organics Private Limited	India	100%
4	Clean Fino-Chem Limited	India	100%

In preparing the Consolidated financial statements, the Group has used the following key consolidation procedures:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognised in the Consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the Consolidated financial statements. Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit and loss and each component of other comprehensive income ('OCI') are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it deconsolidates the subsidiary from the date it ceases control.

- Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.
- Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Holding Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Holding Company's share of other comprehensive income of the investee in other comprehensive income.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

2.6 Inventories

Inventories are valued at cost or net realisable value whichever is lower after providing for cost of obsolescence. Cost is determined on a First-in-first-out 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. WIP includes certain inventories used in the production process which has life of more than one year. These inventories are amortised over its useful life and included as part of cost of production.

Finished goods are valued at lower of cost and net realisable value. The net realisable value of the finished goods is determined with reference to the selling prices of related finished goods.

Notes to Consolidated Financial Statements (Contd.)

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.

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

Net realisable 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.

2.7 Property, plant and equipment

- **Recognition and measurement**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

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 Group 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 Group 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 Consolidated 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 Consolidated Statement of Profit and Loss.

- **Depreciation method and estimated useful lives**

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 which is as follows:

Type of asset	Useful life (No. of years)
Factory Building	30 years
Non-Factory Buildings	60 years
Plant and Machinery	15-20 years
Office Equipment	5 years
Vehicles	8-10 years
Furniture and fixtures	10 years

Notes to Consolidated Financial Statements (Contd.)

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairments of non-financial assets:

The Group assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Group 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 Consolidated 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.

2.8 Other Intangible assets

• Recognition and measurement

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

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with

indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Expenditure on research activities is recognised in the Consolidated Statement of Profit and Loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to complete development and to use or sell the asset.

Intangible 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.

• Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

• Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets i.e., computer software is amortised on a straight-line basis over the period of expected future benefits commencing from the date the asset is available for its use.

The management has estimated the useful life for software & licenses as following,

Asset Class	Years
Software & licenses	5

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

• Disposal

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Notes to Consolidated Financial Statements (Contd.)

2.9 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 recognised during the year. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group 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 Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group 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 period 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 Consolidated 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 Group 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 recognised 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 recognised 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 period end date, 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

Notes to Consolidated Financial Statements (Contd.)

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 Consolidated Statement of Profit and Loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group 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 Consolidated Statement of Profit and Loss. The obligations are presented as current liabilities in the Consolidated 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 Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the period end date, then they are discounted.

2.10 Employee Share-based Payments

Employees of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Option (ESOP) Reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Expense relating to options granted to employees of the subsidiaries under the Holding Company's Employee Stock Option plan, is charged for their share of the ESOP cost by equity settlement.

2.11 Income taxes

Income tax expense comprises current and deferred tax. It is recognised in the Consolidated 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 period end date in the country where the Group operates and generates taxable

Notes to Consolidated Financial Statements (Contd.)

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 period end date.

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group 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 period end date 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 period end date 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 period end date.

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.

2.12 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements and stock split 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 and stock split, 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.

2.13 Provision and contingent liabilities / assets

A provision is recognised when the Group 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

Notes to Consolidated Financial Statements (Contd.)

be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

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.

2.14 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group 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 Group's incremental borrowing rate. Generally, the Group 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 Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group 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 Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group 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 Group has elected not to recognise right-

Notes to Consolidated Financial Statements (Contd.)

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 Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.15 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 Group. 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 Group 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 prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety

in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the Consolidated financial statements on a recurring basis, the Group 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 Group 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.

2.16 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the period end date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Consolidated Statement of Profit and Loss.

2.17 Financial instruments

2.17.1 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.

Notes to Consolidated Financial Statements (Contd.)

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 is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- 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 Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss. This category generally applies to trade receivables, security and other deposits receivable by the Group.

Interest income or expense is recognised using the effective interest rate method. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts or

payments through the expected life of the financial instrument to:

the gross carrying amount of the financial asset; or

the amortised cost of the financial liability.

(b) Financial assets classified as measured at FVTOCI

A financial asset is 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, the Group makes such election on an instrument-by-instrument basis, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(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 Consolidated

Notes to Consolidated Financial Statements (Contd.)

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 Group changes its business model for managing financial assets.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Group and that the amount of the dividend can be measured reliably.

De-recognition of financial asset

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group 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

The Group applies the expected credit loss model for recognising impairment loss on financial assets.

Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case, those are measured at lifetime expected credit loss.

Trade receivables are written off when there is no reasonable expectation of recovery.

2.17.2 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 Group'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 Consolidated Statement of Profit and Loss.

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

a) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading

Notes to Consolidated Financial Statements (Contd.)

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 Group 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 Consolidated 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 Consolidated Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated Statement of Profit and Loss.

b) Financial liabilities at amortised cost

The Group 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 Consolidated 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 Consolidated Statement of Profit and Loss.

De-recognition of financial liability

A financial liability (or a part of a financial liability) is derecognised from the Consolidated 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 Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated 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.

Derivative financial instruments

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Consolidated Statement of Profit and Loss.

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Notes to Consolidated Financial Statements (Contd.)

The Managing Director of the Group has been identified as being the Chief operating decision maker by the management of the Group.

2.19 Government grants

Government Grants and subsidies from the government are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Export incentives under various schemes notified by the government are recognised when no significant uncertainties as to the amount of consideration that would be derived and that the Group will comply with the conditions associated with the grant and ultimate collection exist.

2.20 Cash and cash equivalents

Cash and cash equivalents in the Consolidated 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.

2.21 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 Group's cash management.

2.22 Adoption of new accounting principle:

Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 -Income Taxes). The amendments clarified that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognising deferred tax. The Group has adopted this amendment effective 1st April, 2023. The Group previously accounted for deferred tax on leases on a net basis. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-to-use assets.

2.23 Recent Indian Accounting Standards (Ind AS) and Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block				Depreciation				Net Block	
	As at 1st April, 2023	Additions during the year	Disposals during the year	As at 31st March, 2024	As at 1st April, 2023	Charge for the year	Disposals during the year	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024
Land	52.19	-	-	52.19	-	-	-	-	52.19	52.19
Buildings	1,402.77	800.07	(24.48)	2,178.36	128.86	43.55	(4.61)	167.80	1,273.91	2,010.56
Plant and equipment	3,973.25	1,375.65	(2.66)	5,346.24	1,165.59	388.19	(1.66)	1,552.12	2,807.67	3,794.12
Furniture and fixtures	54.80	34.07	-	88.87	17.26	6.54	-	23.80	37.54	65.07
Computer	17.79	5.46	-	23.25	10.49	3.79	-	14.28	7.30	8.97
Vehicles	52.57	4.49	(1.21)	55.85	12.11	6.36	(0.86)	17.61	40.46	38.24
Office equipment	7.52	17.38	-	24.90	4.13	2.59	-	6.72	3.39	18.18
Total	5,560.89	2,237.12	(28.35)	7,769.66	1,338.44	451.02	(7.13)	1,782.33	4,222.45	5,987.33

Particulars	Gross Block				Depreciation				Net Block	
	As at 1st April, 2022	Additions during the year	Disposals during the year	As at 31st March, 2023	As at 1st April, 2022	Charge for the year	Disposals during the year	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023
Land	42.52	9.67	-	52.19	-	-	-	-	42.52	52.19
Buildings	924.52	478.25	-	1,402.77	94.43	34.43	-	128.86	830.09	1,273.91
Plant and equipment	2,840.12	1,134.40	(1.27)	3,973.25	858.42	307.64	(0.47)	1,165.59	1,981.70	2,807.67
Furniture and fixtures	40.54	14.26	-	54.80	12.78	4.48	-	17.26	27.76	37.54
Computer	13.07	4.72	-	17.79	7.30	3.19	-	10.49	5.77	7.30
Vehicles	41.29	17.34	(6.06)	52.57	9.10	5.79	(2.78)	12.11	32.19	40.46
Office equipment	6.55	0.97	-	7.52	3.21	0.92	-	4.13	3.34	3.39
Total	3,908.61	1,659.61	(7.33)	5,560.89	985.24	356.45	(3.25)	1,338.44	2,923.37	4,222.45

Right-of-use asset

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2023	Additions during the year	Disposals during the year	As at 31st March, 2024	As at 1st April, 2023	Charge for the year	Disposals during the year	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
Leasehold land	377.28	-	-	377.28	4.77	6.10	-	10.87	372.51	366.41
Total Assets	377.28	-	-	377.28	4.77	6.10	-	10.87	372.51	366.41

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2022	Additions during the year	Disposals during the year	As at 31st March, 2023	As at 1st April, 2022	Charge for the year	Disposals during the year	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023
Leasehold land	31.08	346.20	-	377.28	1.68	3.09	-	4.77	29.40	372.51
Total Assets	31.08	346.20	-	377.28	1.68	3.09	-	4.77	29.40	372.51

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

4. CAPITAL WORK-IN-PROGRESS

Particulars	As at 1st April, 2023	Additions during the year	Capitalised during the year	As at 31st March, 2024
Buildings	129.43	711.82	(795.60)	45.65
Plant and machinery	75.49	1,821.95	(1,369.62)	527.81
Others	-	42.91	(42.91)	-
Total	204.92	2,576.67	(2,208.13)	573.46

Particulars	As at 1st April, 2022	Additions during the year	Capitalised during the year	As at 31st March, 2023
Buildings	118.71	234.12	(223.40)	129.43
Plant and machinery	322.56	591.30	(838.37)	75.49
Total	441.27	825.42	(1,061.77)	204.92

4(a) Ageing of Capital work in progress (CWIP)

As at 31st March, 2024	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	573.46	-	-	-	573.46
Projects temporarily suspended	-	-	-	-	-
Total CWIP	573.46	-	-	-	573.46

As at 31st March, 2023	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	204.92	-	-	-	204.92
Projects temporarily suspended	-	-	-	-	-
Total CWIP	204.92	-	-	-	204.92

4(b) As at 31st March, 2024 no projects under Capital Work in Progress are overdue or has exceeded its cost compared to its original plan.

5. OTHER INTANGIBLES ASSETS (OTHER THAN INTERNALLY GENERATED)

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2023	Additions during the year	Disposals during the year	As at 31st March, 2024	As at 1st April, 2023	Charge for the year	Disposals during the year	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024
Computer Software	12.82	3.55	-	16.37	6.86	2.13	-	8.99	5.96	7.39
Total	12.82	3.55	-	16.37	6.86	2.13	-	8.99	5.96	7.39

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2022	Additions during the year	Disposals during the year	As at 31st March, 2023	As at 1st April, 2022	Charge for the year	Disposals during the year	As at 31st March, 2023	As at 31st March, 2021	As at 31st March, 2023
Computer Software	10.16	2.66	-	12.82	5.50	1.36	-	6.86	4.66	5.96
Total	10.16	2.66	-	12.82	5.50	1.36	-	6.86	4.66	5.96

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

6. INVESTMENTS - NON CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
A) Investments carried at fair value through profit and loss (FVTPL)		
Investment in market linked debentures - Unquoted		
100 (31st March, 2023:100) 7.70% Mahindra & Mahindra FSL - MLD	-	103.17
150 (31st March, 2023: 150) 8.13% Shriram City Union Finance Limited MLD	-	151.79
	-	254.96
B) Investments carried at amortised cost		
Investment in bonds - Unquoted		
50 (31st March, 2023: 50) 8.46% IIFCL Tax Free Bond	58.92	-
40,000 (31st March, 2023: 40,000) 7.35% IRFCLTax Free Bond	47.48	-
100 (31st March, 2023: 100) 9.20% Cholamandalam Investment and Finance Company Limited Bond	53.93	-
1,00,000 (31st March, 2023: 1,00,000) 7.60 % Muthoot Finance Bond	107.40	-
10,00,000 (31st March, 2023: Nil) 7.30% GOI 2053	102.11	-
	369.84	-
	369.84	254.96
Aggregate book value of unquoted investments	369.84	254.96
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-

7. OTHERS FINANCIAL ASSETS - NON CURRENT

(Unsecured, considered good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Security Deposits	29.32	28.67
<i>Deposits with original maturity of more than 12 months</i>		
Balances held as margin money towards obtaining bank guarantees	6.21	0.50
Total	35.53	29.17

8. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital advances	26.44	124.86
Total	26.44	124.86

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

9. INVENTORIES*

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>(valued at lower of cost or net realisable value)</i>		
Raw material [including stock in transit of ₹ 123.42 million (31st March, 2023 : ₹ 114.03 million)]	385.84	302.01
Work-in-progress	518.89	508.08
Finished goods [including stock in transit of ₹ 68.53 million (31st March, 2023 : ₹ 81.49 million)]*	270.42	224.91
Stores and spares	61.38	53.05
Total	1,236.53	1,088.05

*Inventory balances are presented net of provision for realisable value amounting to ₹ 22.59 million (31st March, 2023: 1.50 million), amount charged to statement of profit and loss account in relation to provision for inventory is ₹ 21.09 million.

10. INVESTMENTS - CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Investments carried at fair value through profit and loss (FVTPL)		
Investment in mutual funds - Quoted		
16,07,223 (31st March, 2023: 41,85,840) units Kotak Equity Arbitrage Fund	58.48	140.43
37,105 (31st March, 2023 : Nil) units Kotak Money Market Direct Growth	152.97	-
9,37,285 (31st March, 2023: 9,37,285) units IIFL Special Opportunities Fund - Series 2	5.06	7.04
11,14,668 (31st March, 2023: 11,14,668) units of Kotak Banking and PSU Debt Fund Direct Growth	68.39	63.39
19,130 (31st March, 2023: 19,130) units of Kotak Corporate Bond Fund Direct Growth	67.63	62.68
47,45,188 (31st March, 2023: 47,45,188) ICICI Corporate Bond Fund Direct Growth	133.56	123.51
18,972 (31st March, 2023: 18,972) Kotak Corporate Bond Fund Direct Growth	67.07	62.16
Nil (31st March, 2023: 2,11,58,008) HDFC Arbitrage Fund Direct Growth	-	359.47
Nil (31st March, 2023: 63,60,598) Kotak Equity Arbitrage Fund Growth	-	213.39
22,37,342 (31st March, 2023 : Nil) IDFC Arbitrage Fund Direct Growth	71.43	-
20,36,334 (31st March, 2023: 20,36,334) Axis Short Term Fund Direct Growth	61.55	57.07
21,98,209 (31st March, 2023: 21,98,209) Bandhan Bond Fund Short Term Direct Growth	120.74	112.18
63,67,813 (31st March, 2023: 63,67,813) HDFC Banking & PSU Debt Fund Direct Growth	137.43	127.50
11,22,339 (31st March, 2023: 11,22,339) Kotak Banking and PSU Debt Fund Direct Growth (New Folio)	68.86	63.83
3,06,87,296 (31st March, 2023: Nil) Tata Arbitrage Fund Direct Growth	421.41	-
12,317 (31st March, 2023: 44,996) Tata Money Market Fund Direct Plan Growth	53.78	182.15
1,73,04,301 (31st March, 2023: 1,73,04,301) Bandhan CRISIL Gilt 2027 Index Fund Direct Plan-Growth	203.09	188.97
60,99,785 (31st March, 2023: 60,99,785) ICICI Prudential All Seasons Bond Fund Direct Growth	217.57	200.14
46,80,997 (31st March, 2023: 46,80,997) ABSL Short Term Fund Direct Growth	216.27	200.19
1,33,51,537 (31st March, 2023 : 1,33,51,537) Nippon India Nivesh Lakshya Fund Direct Growth	219.82	199.79

Notes to Consolidated Financial Statements

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
Nil (31st March, 2023:14,89,020) SBI Arbitrage Opportunities Fund Direct Growth	-	45.00
Nil (31st March, 2023: 25,94,489) Edelweiss Arbitrage Fund	-	45.27
Nil (31st March, 2023: 26,819) Nippon India Money Market Fund	-	95.15
54,58,988 (31st March, 2023: Nil) Invesco India Arbitrage Fund Direct Growth	171.25	-
98,722 (31st March, 2023: Nil) ABSL Money Manager Fund Direct Growth	33.64	-
64,459 (31st March, 2023: 78,017) Axis Money Market Fund Direct Growth	84.57	94.99
69,959 (31st March, 2023: Nil) ICICI Prudential Mutul Fund	24.43	-
	2,659.01	2,644.30
Investment in units of trust - Quoted		
6,60,040 (31st March, 2023: Nil) Investment in Units of India Grid Trust	87.64	-
Investment in market linked debentures - Unquoted		
100 (31st March, 2023:100) 7.70% Mahindra & Mahindra FSL- Market Linked Debentures	110.11	-
150 (31st March, 2023: 150) 8.13% Shriram City Union Finance Limited Market Linked Debentures	167.02	-
	277.13	-
B. Investment at amortised cost		
Investment in bonds - Unquoted		
50 (31st March, 2023: 50) 8.46% IIFCL Tax Free Bond	-	60.37
Nil (31st March, 2023: 50) 9.56% SBI Bond	-	51.90
Nil (31st March, 2023: 100) 9.37% SBI Bond	-	103.52
40,000 (31st March, 2023: 40,000) 7.35% IRFCLTax Free Bond	-	48.37
100 (31st March, 2023: 100) 9.20% Cholamandalam Investment and Finance Company Limited Bond	-	53.92
1,00,000 (31st March, 2023: 1,00,000) 7.60% Muthoot Finance Bond	-	107.40
Nil (31st March, 2023: 100) 7.09% HDB Financial Services 2023 Bond	-	103.10
Nil (31st March, 2023: 100) 7.70% ICICI Bank Limited Bond	-	103.45
	-	632.03
	3,023.78	3,276.33
Aggregate book value of unquoted investments	277.13	632.03
Aggregate book value of quoted investments	2,746.65	2,644.30
Aggregate market value of quoted investments	2,746.65	2,644.30

11. TRADE RECEIVABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>(Unsecured, considered good)</i>		
Receivable from related party		
From entity in which directors are members (refer note 38)	0.04	-
Receivable other than related party		
<i>(Unsecured, considered good)</i>		
Other parties	1,637.28	1,461.97
	1,637.32	1,461.97
Breakup of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,637.32	1,461.97

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total	1,637.32	1,461.97
Less: Loss allowance*#	0.00	-
Total trade receivables	1,637.32	1,461.97

*Amounts seen as 0.00 are below the disclosure threshold of the Company.

#The Group's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 39 on financial instruments.

Trade receivables Ageing Schedule

As at 31st March, 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,338.03	295.98	2.93	0.34	0.04	-	1,637.32

As at 31st March, 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,209.39	252.46	0.02	0.10	0.00	-	1,461.97

Note: Amounts seen as 0.00 are below the disclosure threshold of the Company.

12. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash on hand	0.79	0.85
Balance with banks:		
In current account*	103.66	123.84
Total	104.45	124.69

*Includes debit balance of cash credit facility amounting to ₹ 77.52 million (31st March, 2023 : ₹ 29.18 million). These balances are not earmarked.

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with bank		
Deposits with remaining maturity of less than 12 months	1.56	-
In earmarked accounts		
Unpaid dividend accounts	0.29	0.12
Total	1.85	0.12

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

14. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>(Unsecured, considered good)</i>		
Security deposit	0.06	0.53
Advances to employees	0.34	0.93
Balances held as margin money towards obtaining bank guarantees	3.28	5.56
Gratuity fund balance (Refer note 42)	1.68	2.40
MTM Gain on outstanding forward contracts	8.96	-
Scrips Credit	-	1.05
Interest receivable	1.94	7.62
Other receivables	0.53	1.27
Total	16.79	19.36

15. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>(Unsecured, considered good)</i>		
Other loans and advances		
Balance with government authorities	526.43	283.65
Prepayments	24.99	17.79
CSR pre-spent balance (Refer note 50)	1.10	1.93
Advance for supply of goods	20.60	29.07
Other advances	0.41	0.52
Total	573.53	332.96

16. SHARE CAPITAL

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised:		
15,00,00,000 (31st March, 2023 : 15,00,00,000) equity shares of ₹ 1 each. (31st March, 2023: ₹ 1 each)	150.00	150.00
Total	150.00	150.00
Issued and subscribed and paid up:		
Equity share capital		
10,62,52,004 (31st March, 2023 : 10,62,37,539) equity shares of ₹ 1 each fully paid-up (31st March, 2023: ₹ 1 each fully paid-up)	106.25	106.24
Total	106.25	106.24

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

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

Equity share:

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Number of Shares	Number of Shares
Outstanding at the beginning of the year	10,62,37,539	10,62,18,960
Add: Equity Shares issued during the year pursuant to exercise of employee stock options	14,465	18,579
Outstanding at the end of the year	10,62,52,004	10,62,37,539

Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares having a par value of ₹ 1 per share as on 31st March, 2024. 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 Holding Company.

On winding up of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding 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 ₹ 1 each fully paid (31st March, 2023: ₹ 1 each fully paid)	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	% of shareholding	Number of Shares	% of shareholding
1. Mr. Ashok Boob	1,36,05,652	12.81%	1,36,05,652	12.81%
2. Ms. Asha Boob	85,78,902	8.07%	1,04,44,612	9.83%
3. Ashokkumar Ramkishan Sikchi HUF	1,05,81,763	9.96%	1,05,81,763	9.96%
4. Mr. Parth Maheshwari	59,09,745	5.56%	59,09,745	5.56%
5. Ms. Nidhi Mohunta J/w Ashok Boob	59,09,745	5.56%	59,09,745	5.56%
6. Ashok Ramnarayan Boob HUF	58,53,538	5.51%	58,53,538	5.51%

Details of shares held by Promoters

Promoter name	No. of Shares as on 31st March, 2024	% of Total Shares	% Change during the year	No. of Shares as on 31st March, 2023	% of Total Shares	% Change during the year
Mr. Ashok Ramnarayan Boob	1,36,05,652	12.81	-	1,36,05,652	12.81	-
Mr. Krishnakumar Ramnarayan Boob	28,12,000	2.65	-	28,12,000	2.65	-
Mr. Siddhartha Ashok Sikchi	31,50,425	2.97	-	31,50,425	2.97	-
Mr. Parth Ashok Maheshwari	59,09,745	5.56	-	59,09,745	5.56	-

17. OTHER EQUITY

Particulars	As at 31st March, 2024	As at 31st March, 2023
Reserves and surplus		
A. Retained earnings	11,834.03	9,925.76
B. Securities premium	24.72	12.37
C. General reserve	42.99	42.99
D. Employee Share Option Reserve	23.66	12.63
Total	11,925.40	9,993.75

Notes to Consolidated Financial Statements

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Retained earnings		
Opening balance	9,925.76	7,530.45
Profit for the year	2,440.26	2,951.76
Remeasurements of defined benefit liability	(0.75)	1.26
Appropriations		
Dividend paid*	(531.24)	(557.71)
Closing balance	11,834.03	9,925.76
B. Securities Premium		
Opening balance	12.37	-
Issue of shares pursuant to ESOP	8.54	
Transfer from ESOP reserve	3.81	12.37
Closing balance	24.72	12.37
C. General Reserve		
Opening balance	42.99	42.99
Change during the year	-	-
Closing balance	42.99	42.99
D. Employee Share Option Reserve (ESOP)		
Opening balance	12.63	4.83
Add: Additions during the year	14.84	10.90
Less: Transfer to securities premium on exercise of stock options	(3.81)	(3.10)
Closing balance	23.66	12.63
Total	11,925.40	9,993.75

Nature and purpose of reserves

- (i) Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of Companies Act, 2013.
- (ii) General Reserve is created by setting aside amount from the retained earnings of the Company for general purposes which is freely available for distribution
- (iii) Employee Share Option Reserve represents the fair value of services received against employees stock options (ESOP's) outstanding as at balance sheet date. (refer note 45)

***Dividends**

The following dividends were declared and paid by the Group during the year:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interim dividend for 2023-24 ₹ 2 per share (31st March, 2023 : Interim dividend for 2022-23 ₹ 2 per share)	212.50	212.48
Final dividend for 2022-23 - ₹ 3 per share (31st March, 2023 : Final dividend for 2021-22 at ₹ 3.25 per share)	318.74	345.23
Total	531.24	557.71

In Board Meeting held on 15th May, 2024 Board of Director have recommended, subject to the approval of shareholders, dividend of ₹ 3/- per equity share of face value of ₹ 1/- each for the year ended 31st March, 2024 on 10,62,52,004 equity shares amounting to ₹ 318.76/- million. The dividend have not been recognised as liability.

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

18. LEASE LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease liabilities - Non current	18.74	18.58
Lease liabilities - Current	1.56	1.48
Total	20.30	20.06

19. OTHER FINANCIAL LIABILITIES - NON CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other financial liabilities	4.60	4.60
Total	4.60	4.60

20. PROVISIONS - NON CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Gratuity	0.98	-
Compensated absences	7.30	5.76
Total	8.28	5.76

21. BORROWINGS - CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured		
Cash credit and overdraft facilities from banks (secured)	-	0.52
Total	-	0.52

22. TRADE PAYABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 37)*	50.41	4.76
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,034.18	800.37
Total	1,084.59	805.13

*Refer note 37 for disclosures required under MSMED Act

Notes to Consolidated Financial Statements

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

Trade payable ageing schedule

As at 31st March, 2024

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding for MSME due	31.37	18.90	0.14	-	-	50.41
Total outstanding for other than MSME due	924.58	15.28	0.84	0.22	0.67	941.59
	955.95	34.18	0.98	0.22	0.67	992.00
Accrued Expense	-	-	-	-	-	92.59
Total	955.95	34.18	0.98	0.22	0.67	1,084.59

As at 31st March, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding for MSME due	4.76	-	-	-	-	4.76
Total outstanding for other than MSME due	702.92	26.84	0.98	1.42	0.36	732.52
	707.68	26.84	0.98	1.42	0.36	737.28
Accrued Expense	-	-	-	-	-	67.85
Total	707.68	26.84	0.98	1.42	0.36	805.13

23. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Employee benefits payable		
Salaries and benefits	24.35	18.64
Bonus payable	137.27	97.07
Capital Payables	246.89	58.99
MTM loss on outstanding forward contracts	-	22.62
Unpaid dividend	0.29	0.12
Other financial liabilities	13.28	8.41
Total	422.08	205.85

24. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory dues payable		
Statutory dues including provident fund and withholding taxes	15.45	79.79
Advance from customer	7.27	0.91
Total	22.72	80.70

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

25. PROVISIONS - CURRENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Compensated absences	3.12	2.39
Gratuity (Refer note 42)	0.12	-
Total	3.24	2.39

26. REVENUE FROM OPERATIONS (REFER NOTE 43)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of products	7,797.62	9,264.74
Other operating revenue		
Export incentives	100.44	76.05
Scrap sale	7.11	8.43
Sale of electricity	9.68	8.77
	117.23	93.25
Total	7,914.85	9,357.99

27. OTHER INCOME

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest income	28.84	60.34
Dividend income from current investments	0.07	0.07
Net gain on account of foreign exchange fluctuations	105.65	52.46
Profit on sale of instruments designated through fair value through profit and loss (FVTPL)	109.25	63.98
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	131.93	52.49
Miscellaneous income	37.12	68.91
Total	412.86	298.25

28. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Raw materials (including purchase components & packing material consumed)		
Opening inventories	302.01	220.25
Add : Purchases	2,910.98	3,465.68
	3,212.99	3,685.93
Less : Closing inventories	385.84	302.01
Total	2,827.15	3,383.92

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

29. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening Inventories		
Finished Goods	224.91	144.67
Work-in-progress	508.08	463.95
Total (A)	732.99	608.62
Closing Inventories		
Finished Goods	270.42	224.91
Work-in-progress	518.89	508.08
Total (B)	789.31	732.99
Total (A-B)	(56.32)	(124.37)

30. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, wages and bonus	438.97	414.59
Contribution to provident and other funds (Refer note 42)	18.08	15.27
Staff welfare expenses	14.94	11.25
Employee Stock Option Scheme expense (Refer note 45)	14.84	10.90
Total	486.83	452.01

31. FINANCE COSTS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest expense on financial liabilities		
- Working capital loan	0.05	0.05
- Interest on lease liability (Refer Note no. 44)	1.71	0.76
- Others	7.50	1.14
Total	9.26	1.95

32. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation of property, plant and equipment (refer note 3)	451.02	356.45
Depreciation of right-of-use asset (refer note 3)	6.10	3.09
Amortisation of intangible assets (refer note 5)	2.13	1.36
Total	459.25	360.90

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

33. OTHER EXPENSES

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumption of stores and spares	30.54	16.34
Water charges	12.71	10.65
Repairs and maintenance		
Buildings	6.66	10.23
Machinery	62.83	71.65
Others	8.13	18.37
Insurance	26.98	25.95
Rent	0.67	2.26
Rates and taxes	12.38	12.46
Telephone and other communication expenses	3.31	2.91
Travelling expenses	11.52	10.06
Freight, clearing and forwarding	64.03	60.58
Sales commission	49.95	144.11
Advertising and sales promotion	1.46	0.38
Manpower supply	167.30	154.19
Legal and professional fees	27.93	27.97
Payments to auditors (Refer note (a) below)	2.88	2.55
CSR expenses (Refer note 50)	64.28	49.51
Bank charges	3.48	3.63
Effluent treatment plant expenses	47.32	39.20
Printing and stationary	5.51	5.27
Loss on sale of property, plant and equipments	-	0.82
Miscellaneous expenses	70.88	58.25
	680.75	727.33
(a) Payment to auditors		
As auditor		
Fees for Statutory Audit	1.90	1.65
Fees for Limited Review	0.75	0.75
Reimbursement of expenses	0.23	0.15
Total	2.88	2.55

34. TAXES

(a) Statement of profit and loss

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax:		
- Current income tax charge	758.38	982.94
- Impact of prior period tax	1.16	(3.35)
Deferred Tax	65.20	25.00
Income tax expense reported in the statement of profit and loss	824.74	1,004.59

Notes to Consolidated Financial Statements

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

(b) Other comprehensive income (OCI)

Taxes related to items recognised in OCI during in the period

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax:		
Remeasurements gains and losses on post employment benefits	0.26	(0.43)
Income tax recognised in OCI	0.26	(0.43)

(c) Balance sheet**Tax assets**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current tax assets	2.18	-
Total tax assets	2.18	-

Current tax liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Income tax (net of advance tax)	65.92	59.07
Total current tax liabilities	65.92	59.07

(d) Deferred tax

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Deferred tax liabilities (DTL)		
Excess of depreciation/amortisation on property plant and equipment under income tax act	287.83	235.82
MTM gain on outstanding forward contracts	2.25	-
Lease Liability	4.07	-
Mutual funds designated at fair value through profit and loss	43.00	26.44
Bonds	-	1.08
	337.15	263.34
Deferred tax assets (DTA)		
Provision for employee benefits	(1.81)	(1.45)
Preliminary Expenses	(0.08)	(0.12)
Carry forward of losses	(30.33)	(21.84)
Bonds	(1.30)	-
Lease Asset	(4.18)	-
MTM loss on outstanding forward contracts	-	(5.69)
	(37.70)	(29.10)
Net deferred tax liability	299.45	234.24

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

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

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Accounting profit before tax	3,265.00	3,956.35
Tax rate	25.17%	25.17%
Tax as per IT Act on above (A)	821.74	995.73
Tax expenses (B)		
(i) Current tax	758.38	982.94
(ii) Deferred tax	65.20	25.00
	823.58	1,007.94
Difference (C)	(1.84)	(12.21)
Adjustments:		
Tax reconciliation		
Adjustments:		
Effect of permanent adjustments	17.25	13.70
Impact as a result of capital gains included in accounting profit taxed at the applicable rates	(21.40)	(1.67)
Effect of tax rate differential in group entities	4.59	7.88
Others	1.40	(7.69)
	-	-

(f) Movement in temporary differences:

	1st April, 2023	Recognised in profit or loss during the year	Recognised in OCI during the year	31st March, 2024
Deferred tax liabilities (DTL)				
Excess of depreciation/ amortisation on property plant and equipment under income tax act	235.82	52.01	-	287.83
MTM gain on outstanding forward contracts	-	2.25	-	2.25
Lease liability	-	4.07	-	4.07
Mutual funds designated at fair value through profit and loss	26.44	16.56	-	43.00
Bonds	1.08	(1.08)	-	-
	263.34	73.81	-	337.15
Deferred tax assets (DTA)				
Provision for employee benefits	(1.45)	(0.36)	-	(1.81)
Preliminary Expenses	(0.12)	0.04	-	(0.08)
Carry forward of losses	(21.84)	(8.49)	-	(30.33)
Bonds	-	(1.30)	-	(1.30)
Lease asset	-	(4.18)	-	(4.18)
MTM loss on outstanding forward contracts	(5.69)	5.69	-	-
	(29.10)	(8.61)	-	(37.70)
Net deferred tax liability	234.24	65.20	-	299.45

Notes to Consolidated Financial Statements

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

	1st April, 2022	Recognised in profit or loss during the year	Recognised in OCI during the year	31st March, 2023
Deferred tax liabilities (DTL)				
Excess of depreciation/ amortisation on property plant and equipment under income tax act	178.59	57.23	-	235.82
MTM gain on outstanding forward contracts	7.38	(7.38)	-	-
Mutual funds designated at fair value through profit and loss	20.95	5.49	-	26.44
Bonds	2.84	(1.76)	-	1.08
	209.76	53.58	-	263.34
Deferred tax assets (DTA)				
Provision for employee benefits	(0.52)	(0.93)	-	(1.45)
Preliminary Expenses	-	(0.12)	-	(0.12)
Carry forward of losses	-	(21.84)	-	(21.84)
MTM Loss on outstanding forward contract	-	(5.69)	-	(5.69)
	(0.52)	(28.58)	-	(29.10)
Net deferred tax liability	209.24	25.00	-	234.24

35. EARNINGS PER SHARE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profits attributable to equity shareholders		
Profit for basic earning per share of ₹ 1 each		
Profit for the year (in millions)	2,440.26	2,951.76
Basic Earnings Per Share		
Weighted average number of equity shares outstanding during the year	10,62,45,818	10,62,31,006
Basic EPS (₹)	22.97	27.79
Diluted Earnings Per Share		
Profit for diluted earning per share of ₹ 1 each		
Profit for the year (in million)	2,440.26	2,951.76
Weighted average number of equity shares outstanding during the year for diluted EPS	10,62,69,171	10,62,60,748
Diluted EPS (₹)	22.96	27.78

Weighted average number of equity shares for Basic Earnings Per Share	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Balance at the beginning and at the end of the year	10,62,45,818	10,62,31,006
Weighted average number of equity shares outstanding during the year	10,62,45,818	10,62,31,006

Weighted average number of equity shares for Diluted Earnings Per Share	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Balance at the beginning and at the end of the year	10,62,69,171	10,62,60,748
Weighted average number of equity shares outstanding during the year	10,62,69,171	10,62,60,748

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

36. CONTINGENT LIABILITIES AND COMMITMENTS:

(a) Contingent liabilities

- i) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13th November, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- ii) Claims against the Group not acknowledged as debts.

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Income tax demand - Delay in TDS payment and expenditure disallowed in assessment	8.21	-
Custom duty demand - Classification dispute of imported goods	7.13	-
Total	15.34	-

(b) Commitments:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	118.93	27.92
Total	118.93	27.92

37. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	50.41	4.76
Capital creditors	7.40	-
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	0.05	-
Capital creditors	0.06	-
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.	16.12	-
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.	-	-

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

38. RELATED PARTY DISCLOSURES

(a) List of Related Parties and description of relationship:

Key Management Personnel (KMP)

1	Mr. Ashok Boob	Managing Director
2	Mr. Siddhartha Sikchi	Whole Time Director
3	Mr. Krishnakumar Boob	Whole Time Director
4	Mr. Pradeep Rathi	Non-executive Director
5	Ms. Madhu Dubhashi	Independent Director
6	Mr. Sanjay Kothari	Non-executive Director
7	Mr. Ganapati Yadav	Independent Director
8	Mr. Keval Doshi	Independent Director
9	Mr. Sanjay Parnerkar	Chief Financial Officer
10	Mr. Mahesh Kulkarni	Company Secretary

Relative of Key Management Personnel

1	Ms. Nandita Sikchi
2	Ms. Asha Boob
3	Mr. Parth Maheshwari
4	Mr. Ashok Sikchi
5	Mr. Kunal Sikchi
6	Mr. Prasad Boob
7	Ms. Asha Sikchi
8	Ms. Nilima Boob
9	Ms. Nidhi Mohunta
10	Ms. Pooja Navandar
11	Ms. Shradha Boob

Other related parties:

Entities in which Key Management Personnel and / or their relatives exercise significant influence and with whom transactions were carried out during the year

1	M/s. Shree Pavers and Tiles
2	CSTPL Foundation
3	Anantroop Financial Advisory Services Private Limited
4	AAB Business Trust
5	ARB Business Trust
6	Shri Ramnarayan Boob Business Trust
7	Smt. Alaknanda Boob Business Trust
8	ARS Business Trust

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

- 9 AAS Business Trust
- 10 Ashok Ramnarayan Boob HUF
- 11 Ashokkumar Ramkishan Sikchi HUF
- 12 Krishnakumar Ramnarayan Boob HUF
- 13 Wild Child Enterprises Private Limited
- 14 MVS Ventures Private Limited
- 15 Alkram Ventures Private Limited

(b) Related party transactions:

Key management personnel compensation

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Short-term employee benefits	222.18	239.27
Long-term employee benefits	0.06	-
Director sitting fees	2.32	2.23
Total compensation	224.56	241.50

Sr. no	Nature of Transaction	For the year ended 31st March, 2024			For the year ended 31st March, 2023		
		Key Management Personnel (KMP)/ Relative of Key Management Personnel	Entities where Key Management Personnel/ Relative of Key Management Personnel has significant influence	Total	Key Management Personnel (KMP)/ Relative of Key Management Personnel	Entities where Key Management Personnel/ Relative of Key Management Personnel has significant influence	Total
1	Purchase of raw material, consumables and spares	-	0.18	0.18	-	0.18	0.18
2	Remuneration to relative of key management personnel	7.66	-	7.66	6.53	-	6.53
3	Final dividend paid for previous year	180.56	71.51	252.07	242.85	43.07	285.92
4	Interim dividend paid	120.37	47.67	168.04	128.28	47.67	175.95
5	Unsecured deposit received	-	-	-	4.60	-	4.60
6	Unsecured deposit (paid)	(3.31)	-	(3.31)	-	-	-
7	Rent income	-	0.03	0.03	-	-	-
8	Sale of asset	-	55.00	55.00	-	-	-
		305.28	174.39	479.67	382.26	90.92	473.18

Notes to Consolidated Financial Statements

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

(c) Related party transactions more than 10% of total transactions for the year ended:

Nature of transaction	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Purchase of raw material, consumables and spares		
M/s Shree Pavers and Tiles	0.07	0.11
Wild Child Enterprises Private Limited	0.11	0.07
b. Remuneration to relative of key management personnel		
Mr. Parth Maheshwari	7.66	6.53
c. Unsecured deposits received		
Mr. Siddhartha Sikchi	-	4.60
d. Unsecured Deposits (paid)		
Mr. Ashok Boob	(2.64)	-
Mr. Krishnakumar Boob	(0.67)	-
e. Key management personnel compensation		
Mr. Ashok Boob	86.03	93.62
Mr. Siddhartha Sikchi	77.43	84.26
Mr. Krishnakumar Boob	51.62	56.17
f. Director Sitting Fees		
Mr. Ganapati Yadav	0.38	0.47
Mr. Pradeep Rathi	0.42	0.44
Mr. Sanjay Kothari	0.48	0.44
Mr. Keval Doshi	0.59	0.53
Ms. Madhu Dubhashi	0.45	0.35
g. Sale of asset		
MVS Ventures Private Limited	27.50	-
Alkram Ventures Private Limited	27.50	-

(d) Balances outstanding at the end of the year:-

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Trade Receivable		
CSTPL Foundation	0.04	-
b. Unsecured deposit		
Mr. Ashok Boob	-	2.64
Mr. Siddhartha Sikchi	4.60	4.60
Mr. Krishnakumar Boob	-	0.67
Mr. Parth Maheshwari	5.10	5.10
c. Directors remuneration payable		
Mr. Ashok Boob	54.75	38.38
Mr. Siddhartha Sikchi	49.51	34.61
Mr. Krishnakumar Boob	32.91	23.03
d. Remuneration payable to KMP & Relatives of KMP		
Mr. Parth Maheshwari	0.31	0.50
Mr. Sanjay Parnerkar	0.39	0.11
Mr. Mahesh Kulkarni	0.14	0.13

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

39. FINANCIAL RISK MANAGEMENT

The Group's Board of Directors have an overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

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

- credit risk - see note (a) below
- liquidity risk - see note (b) below
- market risk - see note (c) below

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess impairment loss or gain. The Group uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Group's historical experience for customers.

- (i) The Group has made provision on expected credit loss on trade receivables and other financial assets, based on the management estimates.
- (ii) Credit risk on cash and cash equivalents is limited as the Group 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 Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, 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 Group's reputation.

The Group's treasury department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total current assets (A)	6,596.43	6,303.48
Total current liabilities (B)	1,600.11	1,155.14
Working capital (A-B)	4,996.32	5,148.34

Notes to Consolidated Financial Statements

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

Following is the Group's exposure to financial liabilities based on the contractual maturity as at reporting date.

	As at 31st March, 2024			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Non- derivative financial liabilities				
Lease liabilities	20.30	1.56	44.32	45.88
Trade payables	1,084.59	1,084.59	-	1,084.59
Other liabilities	426.68	422.08	4.60	426.68
Derivative Liabilities	-	-	-	-

	As at 31st March, 2023			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Non- derivative financial liabilities				
Borrowings	0.52	0.52	-	0.52
Lease liabilities	20.06	1.48	45.88	47.36
Trade payables	805.13	805.13	-	805.13
Other liabilities	187.83	183.23	4.60	187.83
Derivative Liabilities	22.62	22.62	-	22.62

(c) Market risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group manages its interest rates by selecting appropriate type of borrowings and by negotiation with the bankers.

(e) Foreign currency unhedged exposure:**(i) Financial assets**

Financial assets	As at 31st March, 2024		As at 31st March, 2023	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
Trade receivables				
USD	10.94	911.68	10.66	876.03
EUR	0.72	64.51	0.94	83.83
Balance with banks - in EEFC accounts				
USD	0.20	16.59	0.61	50.10
EUR	0.08	6.82	0.17	15.41
Cash on hand				
USD	0.00	0.14	0.01	0.46
EUR	0.00	0.08	0.00	0.16
CNY	0.01	0.16	0.00	0.01
SGD	0.00	0.02	0.00	0.08

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

Financial assets	As at 31st March, 2024		As at 31st March, 2023	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
AED	0.00	0.03	0.01	0.12
RUB	0.00	0.00	0.00	0.00
IDR	7.72	0.04	7.72	0.04
CHF	0.00	0.01	0.00	0.01
GBP	0.00	0.12	0.00	0.12
		1,000.20		1,026.37

Note: Amounts seen as 0.00 are below the disclosure threshold of the Group.

(ii) Financial liabilities

Financial liabilities	As at 31st March, 2024		As at 31st March, 2023	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
Trade payables				
USD	1.36	113.78	1.98	162.43
EUR	0.09	7.31	0.00	0.27
		121.09		162.70

Note: Amounts seen as 0.00 are below the disclosure threshold of the Company.

(iii) Currency wise net exposure (Financial assets - Financial liabilities)

Currency wise net exposure (assets - liabilities)	As at 31st March, 2024		As at 31st March, 2023	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
USD	9.78	814.63	9.30	764.15
EUR	0.71	64.10	1.11	99.12
CNY	0.01	0.16	0.00	0.01
SGD	0.00	0.02	0.00	0.08
AED	0.00	0.03	0.01	0.12
RUB	0.00	0.00	0.00	0.00
IDR	7.72	0.04	7.72	0.04
CHF	0.00	0.01	0.00	0.01
GBP	0.00	0.12	0.00	0.12
Total		879.11		863.65

Note: Amounts seen as 0.00 are below the disclosure threshold of the Group.

Notes to Consolidated Financial Statements

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

(iv) Currency wise net exposure (Financial assets - Financial liabilities) (₹)

Currency	Amount in rupees (in million)		Sensitivity %
	As at 31st March, 2024	As at 31st March, 2023	
USD	814.63	764.15	1.00%
EUR	64.10	99.12	1.00%
CNY	0.16	0.01	1.00%
SGD	0.02	0.08	1.00%
AED	0.03	0.12	1.00%
RUB	0.00	0.00	1.00%
IDR	0.04	0.04	1.00%
CHF	0.01	0.01	1.00%
GBP	0.12	0.12	1.00%
	879.11	863.65	

Note: Amounts seen as 0.00 are below the disclosure threshold of the Group.

(v) Sensitivity analysis

Currency	Impact on profit/equity (1% strengthening)		Impact on profit/equity (1% weakening)	
	Amount in rupees (in million)		Amount in rupees (in million)	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
USD	8.15	7.64	(8.15)	(7.64)
EUR	0.64	0.99	(0.64)	(0.99)
CNY	0.00	0.00	(0.00)	(0.00)
SGD	0.00	0.00	(0.00)	(0.00)
AED	0.00	0.00	(0.00)	(0.00)
RUB	0.00	0.00	(0.00)	(0.00)
IDR	0.00	0.00	(0.00)	(0.00)
CHF	0.00	0.00	(0.00)	(0.00)
GBP	0.00	0.00	(0.00)	(0.00)
Total	8.79	8.63	(8.79)	(8.63)

Note: Amounts seen as 0.00 are below the disclosure threshold of the Group.

The exchange rate used by the Group is that rate which is notified by the Reserve Bank of India.

40. CAPITAL MANAGEMENT

The Group's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.

The Group's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

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

41. FAIR VALUE MEASUREMENTS

(a) Categories of financial instruments -

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	1,637.32	-	1,461.97
Cash and cash equivalents	-	104.45	-	124.69
Other bank balances	-	1.85	-	0.12
Investments	3,023.78	369.84	2,899.26	632.03
Other financial assets	8.96	43.37	-	48.53
Total financial assets	3,032.74	2,156.83	2,899.26	2,267.34
Financial liabilities				
Lease liabilities	-	20.30	-	20.06
Borrowings	-	-	-	0.52
Trade payables	-	1,084.59	-	805.13
Other financial liabilities	-	426.68	22.62	187.83
Total financial liabilities	-	1,531.57	22.62	1,013.54

(b) Fair value hierarchy:

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Fair values		Fair values	
	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)
Category				
Financial assets measured at FVTPL				
Investment in Market Linked Debentures	-	277.13	-	254.96
Investment in Mutual Funds	2,659.01	-	2,644.30	-
Investment in Units of Trusts	87.64	-	-	-
Other financial assets	-	8.96	-	-
Financial assets measured at amortised cost*				
Investment in bonds	-	378.50	-	633.62
Total financial assets	2,746.65	664.59	2,644.30	888.58
Financial liabilities				
Other financial liabilities	-	-	-	22.62
Total financial liabilities	-	-	-	22.62

* The Group has not disclosed the fair value of financial instruments such as trade receivables, cash and cash equivalent, bank balance other than cash and cash equivalent, trade payables because their carrying amounts are a reasonable approximation of fair value.

42. POST-EMPLOYMENT BENEFIT PLANS

As per Indian Accounting Standard 19" Employee Benefits", the disclosures as defined are given below-

A. Defined Contribution Plans

The Group 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 Group has no obligation other than to make the specified contributions. The contributions are charged to the Consolidated Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund and other funds for the period aggregated to ₹ 13.62 million (31st March, 2023 : ₹ 10.25 million).

Notes to Consolidated Financial Statements

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

B. Defined Benefit Plans**Gratuity**

The Group has defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. These benefits are funded with an insurance Group.

Risk exposure and asset liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1) Liability Risks**a. Asset Liability Mismatch risk**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Group is successfully able to neutralise valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) Asset Risks

All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Group has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Group has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit and loss, the funded status and amounts recognised in consolidated balance sheet for the plan.

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current service cost	4.43	4.92
Net interest (Income)	(0.30)	(0.25)
Net benefit expense	4.13	4.67

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Projected benefit obligation at the beginning of the year	17.71	14.39
Interest cost	1.20	0.94
Current service cost	4.45	4.92

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Benefits paid	(3.41)	(0.76)
Remeasurements on obligation - Loss / (Gain)	0.85	(1.78)
Present value of obligation at the end of the year	20.80	17.71

Changes in the fair value of plan assets are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Fair value of plan assets at the beginning of the year	20.11	16.30
Interest income	1.46	1.16
Contributions	3.50	3.66
Mortality charges and taxes	(0.13)	(0.16)
Benefits paid	(3.41)	(0.76)
Return on plan assets, excluding amount recognised in Interest Income - (Loss)	(0.16)	(0.09)
Fair value of Plan assets at end of the year	21.37	20.11
Actual return on plan assets	0.54	1.08

Re-measurements for the year (Actuarial (gain) / loss)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Experience gain on plan liabilities	0.77	(0.44)
Demographic gain on plan liabilities	-	(0.83)
Financial (loss) / gain on plan liabilities	0.08	(0.50)
Experience gain / (loss) on plan assets	0.30	0.25
Financial loss on plan assets	(0.14)	(0.16)

Amount recognised in the statement of other comprehensive income

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Re-measurement for the year - obligation loss	0.85	(1.78)
Re-measurement for the year - plan assets loss / (gain)	0.16	0.09
Total re-measurements cost for the year recognised in other comprehensive income	1.01	(1.69)

Net Defined Benefit (Asset) for the year

Particulars	As at 31st March, 2024	As at 31st March, 2023
Defined Benefit Obligation	20.80	17.71
Fair value of plan assets	21.37	20.11
Closing net defined benefit (asset)	(0.57)	(2.40)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current asset	(1.68)	(2.40)
Current liability	0.12	-
Non-Current Liability	0.98	-

Notes to Consolidated Financial Statements

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

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Nature of plan assets	As at 31st March, 2024	As at 31st March, 2023
Funds managed by insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	As at 31st March, 2024	As at 31st March, 2023
	%	%
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	7.20%	7.30%
Rate of increase in compensation levels	10.00%	10.00%
Expected rate of return on plan assets	7.30%	6.60%
Withdrawal rate	23.00%	23.00%
Expected average remaining working lives of employees (in years)	4.26 *	4.26 *

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

A quantitative sensitivity analysis for significant assumption as at 31st March, 2024 and 31st March, 2023 is as shown below:

Assumptions	Defined benefit obligation			
	As at 31st March, 2024		As at 31st March, 2023	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Discount Rate				
Discount Rate	8.20%	6.20%	8.30%	6.30%
Amount	19.98	21.63	17.03	18.43
Salary increment rate				
Salary increment rate	11.00%	9.00%	11.00%	9.00%
Amount	21.37	20.21	18.23	17.21
Withdrawal rate				
Withdrawal rate	24.00%	22.00%	24.00%	22.00%
Amount	20.64	20.91	17.59	17.83

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Expected future benefit payments

The following benefit payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

Duration of defined benefit payments	As at 31st March, 2024	As at 31st March, 2023
Less than 1 year	4.65	4.13
1 to 2 years	3.26	2.88
3 to 5 years	11.89	9.82
More than 5 years	23.24	18.86

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

43. REVENUE FROM CONTRACTS WITH CUSTOMERS

A. Revenue streams

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue from operations		
Sale of products	7,797.62	9,264.74
Other operating revenue		
Export incentives	100.44	76.05
Scrap sale	7.11	8.43
Sale of electricity	9.68	8.77
	117.23	93.25
Total	7,914.85	9,357.99

B. Disaggregation of revenue streams

The Company is engaged in manufacturing of various types of speciality chemical.

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sector wise disaggregation of revenue		
Speciality Chemicals		
- Performance	5,174.43	6,507.19
- Pharma	1,470.53	1,608.87
- FMCG	1,020.85	1,011.94
- Others	131.81	136.74
Total revenue	7,797.62	9,264.74

Revenue disaggregation by reportable segments and by geography has been included in segment information. Refer note 48.

C. Disclosure for transaction price allocated to the remaining performance obligations

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, in accordance with paragraph 121 of Ind AS 115, the Group is not required to disclose information about its remaining performance obligation since the Group does not have any performance obligation that has an original expected duration of more than one year.

D. Determining the timing of satisfaction of performance obligations

There is no significant judgement involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

E. Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the single performance obligation of the Group (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price.

F. Details of contract assets:

There are no contract assets as at 31st March, 2024 and 31st March, 2023. Refer note 11 for information on trade receivables.

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

44. 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 1st April, 2022		31.08
Additions		346.20
Disposals		-
Balance as at 31st March, 2023		377.28
Balance as at 1st April, 2023		377.28
Additions		-
		-
Balance as at 31st March, 2024		377.28
Accumulated depreciation		
Balance as at 1st April, 2022		1.68
Depreciation for the year		3.09
Depreciation on disposals		-
Balance as at 31st March, 2023		4.77
Balance as at 1st April, 2023		4.77
Depreciation for the period		6.10
Depreciation on disposals		-
Balance as at 31st March, 2024		10.87
Net block		
As at 31st March, 2023		372.51
As at 31st March, 2024		366.41

A2. Lease liabilities

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Current	1.56	1.48
Non Current	18.74	18.58
Total	20.30	20.06

A3. Interest expenses on lease liabilities

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Interest on lease liabilities	1.71	0.76

A4. Expenses on short term leases / low value assets

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Short-term lease	-	-
Low value assets	-	-

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

A5. Amounts recognised in the statement of cash flow

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Total cash outflow for leases	1.67	0.65

A6. Maturity analysis – contractual undiscounted cash flows

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Less than one year	1.56	1.48
One to five years	7.05	6.72
More than five years	37.26	39.16
Total undiscounted lease liabilities	45.87	47.36

45. EMPLOYEE SHARE BASED-PAYMENTS

The Group has formulated employee share-based payment schemes with objective to attract and retain talent and align the interest of employees with the Group as well as to motivate them to contribute to its growth and profitability. The Group views employee stock options as instruments that would enable the employees to share the value they create for the Group in the years to come.

At present, following employee share-based payment scheme is in operation, details of which are given below:

a Clean Science and Technology Limited Employee Stock Option Scheme - 2021 (CSTL ESOS - 2021):

The Group has instituted equity-settled Clean Science and Technology Employee Stock Option Scheme - 2021 (CSTL ESOS-2021) of 1,00,000 options, duly approved by the shareholders in the extra-ordinary general meeting of the holding company held on 27th March, 2021, the said CSTL ESOS-2021 was subsequently amended and ratified by shareholders on 17th March, 2022. During the year under review, holding company obtained approval of shareholders at the Annual General Meeting held on 10th August 2023 to amend CSTL ESOS-2021. The key amendments were:

- A) Increase the aggregate number of Employee Stock Options as originally approved from 1,00,000 options to 3,50,000 options;
- B) Grant of Options to the Eligible Employees of Subsidiary Company(ies) of the holding company under CSTL ESOS 2021.

As per CSTL ESOS-2021, Nomination and Remuneration Committee evaluates the performance and other criteria of employees and approves the grant of options. These options vest with eligible employees over a specified period subject to fulfilment of certain conditions. Under the said plan, the Nomination and Remuneration Committee has granted 55,852 and 33,879 and 16,971 equity-settled stock options on 12th June, 2021 and 5th September, 2022 and 2nd November, 2023 to eligible employees of the Group. The vesting period is minimum one year from the date of grant and maximum 4 years.

Particulars	31st March, 2024		31st March, 2023	
	Weighted average exercise price per share per option (₹)	Number of options	Weighted average exercise price per share per option (₹)	Number of options
Opening Balance	751	70,008	500	55,852
Granted during the year	500	16,971	751	33,879
Forfeited during the year	-	-	-	-
Exercised during the year	702	14,465	751	18,579
Expired during the year	-	-	-	-
Lapsed during the year	702	2,739	751	1,144
Closing Balance	702	69,775	751	70,008
No of options exercisable at the end of the year	702	4,805	751	1,033

Notes to Consolidated Financial Statements

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

Share options outstanding at the end of the period have the following expiry date and exercise prices as on 31st March, 2024 and 31st March, 2023:

Grant date	Expiry date	Exercise price	Options outstanding as at 31st March, 2024	Options outstanding as at 31st March, 2023
		(₹)		
12th June, 2021	12th June, 2022	500.00	-	1,033
12th June, 2021	12th June, 2023	500.00	-	12,282
12th June, 2021	12th June, 2024	500.00	11,164	12,282
12th June, 2021	12th June, 2025	500.00	9,732	10,532
5th September, 2022	5th September, 2023	1,166.00	4,805	6,776
5th September, 2022	5th September, 2024	1,166.00	6,776	6,776
5th September, 2022	5th September, 2025	1,166.00	6,776	6,776
5th September, 2022	5th September, 2026	1,166.00	13,551	13,551
2nd November, 2023	2nd November, 2024	500.00	3,394	-
2nd November, 2023	2nd November, 2025	500.00	3,394	-
2nd November, 2023	2nd November, 2026	500.00	3,394	-
2nd November, 2023	2nd November, 2027	500.00	6,789	-
Total			69,775	70,008
Weighted average remaining contractual life of the options outstanding at the end of the year			1.40	1.66

Weighted average share price for the period over which stock options were exercised was ₹ 1430 (previous year ₹ 1542/-)

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

A Grant Date:- 21st June, 2021

Particulars	1-year vesting	2-year vesting	3-year vesting	4-year vesting
Stock Price per share (₹)	509.33	509.33	509.33	509.33
Standard Deviation (Volatility)	35.54%	34.07%	34.41%	35.35%
Risk-free Rate	5.03%	5.45%	5.76%	6.02%
Exercise Price (₹)	500.00	500.00	500.00	500.00
Time to Maturity (in years)	3.50	4.50	5.50	6.50
Dividend yield	0.31%	0.31%	0.31%	0.31%
Fair value of option (₹)	166.92	188.73	213.60	238.53

B Grant Date:- 5th September, 2022

Particulars	1-year vesting	2-year vesting	3-year vesting	4-year vesting
Market Price per share (₹)	1756.3	1756.3	1756.3	1756.3
Standard Deviation (Volatility)	40.76%	40.76%	40.76%	40.76%
Risk-free Rate	6.60%	6.85%	6.96%	7.02%
Exercise Price (₹)	1166	1166	1166	1166
Time to Maturity (in years)	1.5	2.5	3.5	4.5
Dividend yield	0.16%	0.16%	0.16%	0.16%
Fair value of option (₹)	750.04	849.76	934.3	1006.97

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

C Grant Date:- 2nd November, 2023

Particulars	1-year vesting	2-year vesting	3-year vesting	4-year vesting
Market Price per share (₹)	1345.3	1345.3	1345.3	1345.3
Standard Deviation (Volatility)	24.99%	31.98%	31.98%	31.98%
Risk-free Rate	7.33%	7.35%	7.36%	7.38%
Exercise Price (₹)	500	500	500	500
Time to Maturity (in years)	1.5	2.5	3.5	4.5
Dividend yield	0.23%	0.23%	0.23%	0.23%
Fair value of option (₹)	892.63	922.73	950.73	977.05

Employee benefit expenses to be recognised in the financial statements

The Group has recognised employee stock-based compensation expense of ₹ 14.84 million for the year ended 31st March, 2024 (31st March, 2023: ₹ 10.90 million) in the Consolidated Statement of Profit and Loss. The corresponding impact is recognised as 'Employee share based payment reserve' in Other Equity.

46. DETAILS OF SUBSIDIARIES

The following subsidiary companies are considered in the consolidated financial statements

Sr. No.	Name of Subsidiary	Country of incorporation	% holding	
			As at 31st March, 2024	As at 31st March, 2023
	Direct Subsidiary			
1	Clean Science Private Limited	India	100%	100%
2	Clean Aro matics Private Limited	India	100%	100%
3	Clean Organics Private Limited	India	100%	100%
4	Clean Fino-Chem Limited	India	100%	100%

47. ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

As at 31st March, 2024

Sr. No.	Name of Subsidiary	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ million	As % of consolidated profit or (loss)	₹ million	As % of consolidated other comprehensive income	₹ million	As % of consolidated total comprehensive income	₹ million
	Parent Company								
1	Clean Science and Technology Limited	101.03%	12,156.16	101.49%	2,476.66	76%	(0.57)	101.50%	2,476.09
	Domestic Company								
1	Clean Science Private Limited	-0.02%	(2.51)	0.02%	0.40	0.00%	-	0.02%	0.40
2	Clean Aromatics Private Limited	0.00%	(0.21)	0.00%	0.01	0.00%	-	0.00%	0.01
3	Clean Organics Private Limited	0.00%	(0.11)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
4	Clean Fino-Chem Limited	(1.01)%	(121.68)	(1.51)%	(36.77)	24.00%	(0.18)	(1.51)%	(36.95)
	Total	100.00%	12,031.65	100.00%	2,440.26	100.00%	(0.75)	100.00%	2,439.51

Notes to Consolidated Financial Statements

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

As at 31st March, 2023

Sr. No.	Name of Subsidiary	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ million	As % of consolidated profit or (loss)	₹ million	As % of consolidated other comprehensive income	₹ million	As % of consolidated total comprehensive income	₹ million
	Parent Company								
1	Clean Science and Technology Limited	100.87%	10,187.92	102.82%	3,035.10	100%	1.26	102.82%	3,036.36
	Domestic Company								
1	Clean Science Private Limited	(0.03)%	(2.91)	0.01%	0.19	0%	-	0.01%	0.19
2	Clean Aromatics Private Limited	0.00%	(0.12)	0.00%	(0.00)	0%	-	0.00%	(0.00)
3	Clean Organics Private Limited	0.00%	(0.19)	0.00%	(0.04)	0%	-	0.00%	(0.04)
4	Clean Fino-Chem Limited	(0.84)%	(84.71)	-2.83%	(83.49)	0%	-	-2.83%	(83.49)
	Total	100.00%	10,099.99	100.00%	2,951.76	100.00%	1.26	100.00%	2,953.02

48. OPERATING SEGMENT

- (a) The Group is exclusively engaged in the business of manufacturing of organic chemicals. These in the context of the Ind AS 108 Operating Segments, are considered to constitute one single primary segment. Geographically, primary segment in India and secondary segment is rest of the world, details of which are given below:-

Sales revenue	For the year ended 31st March, 2024	For the year ended 31st March, 2023
India	2,943.26	2,644.82
Rest of the World	4,971.59	6,713.17
	7,914.85	9,357.99
Carrying amount of assets*		
India	661.12	502.11
Rest of the World	976.20	959.86
	1,637.32	1,461.97
*Segment assets represent trade receivables		
Additions to property, plant and equipment, and other intangible assets		
India	2,240.67	1,662.27
	2,240.67	1,662.27

(b) Information about major customers (external customers):

The following is the transactions by the Group with external customers individually contributing 10 per cent or more of revenue from operations:

- For the year ended 31st March, 2024, revenue from operations of one customer of the Group represented approximately 11.45% of revenue from operations.
- For the year ended 31st March, 2023, revenue from operations of one customer of the Group represented approximately 11.33% of revenue from operations.

As per Ind AS 108 Operating Segments, when a financial report contains both consolidated financial statements and separate financial statements for the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

Notes to Consolidated Financial Statements
(All amounts are in rupees million, unless otherwise stated) (Contd.)

49. OTHER STATUTORY INFORMATION

- a) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b) The Group do not have any transactions with companies struck off.
- c) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) The Group 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 Group 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 Group 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 Group 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.

50. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Gross amount required to be spent by the Company during the year	64.28	49.51
B. Amount spent during the year		
a) Construction / acquisition of any asset	40.89	26.87
b) on purpose other than (a) on above	22.56	21.83
Total (B)	63.45	48.70
C. Details related to CSR expenditure spent during the year		
a) Environment sustainability and protection of flora and fauna	2.16	4.00
b) Promoting health care, facilities for woman, orphans, old day homes and day care centres	30.63	27.27
c) Promoting Education	14.96	13.60
d) Protection of culture and Art	5.70	-
e) Vocational skill development & livelihood enhancement	4.05	3.83
f) Ensuring animal welfare	1.50	-
g) Conservation of Water	2.00	-
h) Administrative expenditure	2.45	-
Total (C)	63.45	48.70
D. Amount of excess CSR expenditure available for set off in current financial year	1.93	2.74
E. Excess CSR expenditure to be carried forward under section 135(5) of the Companies Act (Refer note 15) (B-A)	1.10	1.93

Notes to Consolidated Financial Statements

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

51. EVENTS OCCURRING AFTER BALANCE SHEET DATE

In Board Meeting held on 15th May, 2024 Board of Director have recommended, subject to the approval of shareholders, dividend of ₹ 3/- per equity share of face value of ₹ 1/- each for the year ended 31st March, 2024 on 10,62,52,004 equity shares amounting to ₹ 318.76 million.

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

Rahim Merchant

Partner

Membership No: 132907

Place: Pune

Date: 15th May, 2024

For and on behalf of the Board of Directors of

Clean Science and Technology Limited

Ashok Boob

Managing Director

DIN : 0410740

Sanjay Parnerkar

Chief Financial Officer

Place : Pune

Date: 15th May, 2024

Krishnakumar Boob

Director

DIN : 0410672

Mahesh Kulkarni

Company Secretary

M. No: 19364

Place : Pune

Date: 15th May, 2024

Abbreviation

Sr No.	Abbreviations	Full Form
1.	4-MAP	4-Methoxy Acetophenone
2.	ACM	Audit Committee
3.	ADRS	American Depository Receipts
4.	AGM	Annual General Meeting
5.	AP	Ascorbyl Palmitate
6.	B2B	Business-to-Business
7.	BBS	Behavioural Based Safety Training
8.	BCP	Business Continuity Plan
9.	BIS	Bureau of Indian Standards
10.	BOD	Board of Directors
11.	BSE	BSE Limited
12.	CAGR	Compound Annual Growth Rate
13.	CAPA	Corrective-and-preventive-actions
14.	Capex	Capital Expenditure
15.	CEO	Chief Executive Officer
16.	CFCL	Clean Fino-Chem Limited
17.	CFO	Chief Financial Officer
18.	CII	Confederation of Indian Industry
19.	CIN	Corporate Identity Number
20.	CO ₂	Carbon Dioxide
21.	CP	Certificate of Practice
22.	CPCB	The Centre Pollution Control Board
23.	CS	Company Secretary
24.	CSR	Corporate Social Responsibility
25.	CSTL	Clean Science and Technology Limited
26.	CSTL ESOS 2021	Clean Science and Technology Limited Employee Stock Option Scheme, 2021
27.	DC	Designated consumer
28.	DCC	Dicyclohexyl Carbodiimide
29.	DIN	Director Identification Number
30.	EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
31.	EHS	Environment, Health and Safety
32.	ESG	Environment, Social and Governance
33.	ESOS / ESOP	Employee Stock Option Plan
34.	ETP	Effluent Treatment Plant
35.	FCS	Fellow Company Secretary
36.	FMCG	Fast Moving Consumer Goods
37.	Forex	Foreign Exchange
38.	FSSC 22000	Food Safety System Certification 22000
39.	FY	Financial Year
40.	GDRS	Global Depository Receipts
41.	GHG	Greenhouse Gas
42.	GJ	Gigajoule
43.	Govt	Government
44.	HALS	Hindered Amine Light Stabilizers
45.	HAP	Hazardous air pollutants
46.	HazOP	Hazards & Operability Study

Abbreviation (Contd.)

Sr No.	Abbreviations	Full Form
47.	HFCs	Hydrofluorocarbon
48.	HUF	Hindu Undivided Family
49.	ICC	Indian Chemical Council
50.	ID	Independent Director
51.	IEPF	Investor Education and Protection Fund
52.	IICA	The Indian Institute of Corporate Affairs
53.	Ind AS	Indian Accounting Standards
54.	IPO	Initial Public Offer
55.	ISIN	International Securities Identification Number
56.	ISO	International Organisation for Standardisation
57.	IST	Indian Standard Time
58.	KMP	Key Managerial Personnel
59.	kWh	Kilowatt-hour
60.	LCA	Life Cycle Assessments
61.	LLP	Limited Liability Partnership
62.	LTIFR	Lost Time Injury Frequency Rate
63.	MCA	Ministry of Corporate Affairs
64.	MCCIA	The Maratha Chamber of Commerce Industries and Agriculture
65.	MD	Managing Director
66.	MEE	Multiple Effect Evaporator
67.	MEHQ	Monomethyl Ether of Hydroquinone
68.	MIDC	Maharashtra Industrial Development Corporation
69.	MPS	Minimum Public Shareholding
70.	MSDS	Material Safety Data Sheet
71.	MSME	Micro, Small and Medium Enterprises
72.	MVR	Mechanical Vapour Recompressor
73.	MW	Megawatt
74.	N.A	Not Applicable
75.	N ₂ O	Nitrous oxide
76.	NBFC	Non-Banking Financial Company
77.	NDPS Act	The Narcotic Drugs and Psychotropic Substances Act, 1985
78.	NED	Non-Executive Director
79.	NF ₃	Nitrogen Trifluoride
80.	NO _x	Nitrogen Oxides
81.	NRC	Nomination and Remuneration Committee
82.	NSE	National Stock Exchange of India Limited
83.	OAVM	Other Audio-Visual Means
84.	OHC	Occupational Health Committees
85.	OHS	Occupational Health and Safety
86.	OHSAS	Occupational Health and Safety Assessment Series
87.	PAF	Projected Affected Families
88.	PAN	Permanent Account Number
89.	PAT	Profit After Tax
90.	PBT	Profit Before Tax
91.	PESO	The Petroleum and Explosives Safety Organization
92.	PLI	Production Linked Incentive

Abbreviation (Contd.)

Sr No.	Abbreviations	Full Form
93.	PM	Particulate Matter
94.	POP	Persistent Organic Pollutants
95.	POSH	The Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013.
96.	PPE	Personal Protective Equipment
97.	PPP	Purchasing Power Parity
98.	PR	Peer Reviewed
99.	R&D	Research and Development
100.	RBI	Reserve Bank of India
101.	RC	Responsible Care
102.	RCA	Root-Cause-Analysis
103.	RDRO	Round Disc Reverse Osmosis
104.	RM	Raw Material
105.	ROI	Return on Investments
106.	RPC	Rotary Particulate Collector
107.	RTA	Registrar and Transfer Agent
108.	SCABA	Self-contained Breathing Apparatus
109.	SEBI	Securities and Exchange Board of India
110.	SEBI LODR	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
111.	SEBI PIT Regulations, 2015	SEBI (Prohibition of Insider Trading Regulations), 2015
112.	SEBI SBEB	SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
113.	SF6	Sulphur Hexafluoride
114.	SMP	Senior Management Personnel
115.	SOP	Standard Operating Process
116.	Sox	Sulphur Oxides
117.	SPCB	State Pollution Control Board
118.	SPM	Suspended Particulate Matter
119.	SRC	Stakeholders Relationship Committee
120.	TBHQ	Tertiary Butyl Hydroquinone
121.	UAE	United Arab Emirates
122.	UDIN	Unique Document Identification Number
123.	US	United States
124.	US FDA	United States Food and Drug Administration
125.	USA	United States of America
126.	UV	Ultraviolet
127.	VC	Video Conferencing
128.	VFD	Variable Frequency Devices
129.	VOC	Volatile Organic Compounds
130.	w.e.f.	With Effect From
131.	WOS	Wholly Owned Subsidiary
132.	WTD	Whole-time Director
133.	ZLD	Zero Liquid Discharge



Clean Science and Technology Limited

Office No. 603 & 604, 6th Floor,
Tower No. 15, Cybercity,
Magarpatta City, Hadapsar
Pune - 411 013, Maharashtra, India
Tel: + 91 20 41264761