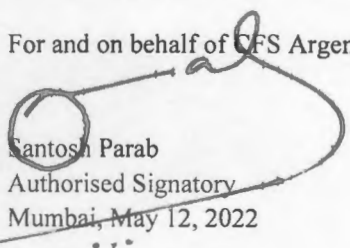


CFS ARGENTINA S.A.
Balance Sheet as at March 31, 2022

Particulars	Note	ARS Actuals	
		As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	15,21,312	73,736
Total Non-current Assets		15,21,312	73,736
Current Assets			
Inventories	3	2,36,75,172	1,66,89,308
Financial assets			
Trade receivables	4	3,01,74,934	1,29,09,056
Cash and cash equivalents	5	1,81,39,835	93,07,865
Other current assets	6	6,81,01,408	1,66,83,717
Total Current Assets		14,00,91,349	5,55,89,946
TOTAL ASSETS		14,16,12,661	5,56,63,682
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7	58,81,883	45,47,517
Other Equity	8	(2,82,76,196)	(1,54,58,969)
Total Equity		(2,23,94,313)	(1,09,11,452)
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Trade Payables	9	16,33,96,782	6,61,12,841
Other current liabilities	10	6,10,192	4,62,293
Total Current Liabilities		16,40,06,974	6,65,75,134
TOTAL EQUITY AND LIABILITIES		14,16,12,661	5,56,63,682
Significant Accounting Policies	1		

The accompanying notes 1 to 16 form an integral part of the Financial Statements.

For and on behalf of CFS Argentina S.A.


Santosh Parab
Authorised Signatory
Mumbai, May 12, 2022

CFS ARGENTINA S.A.

Statement of Profit and Loss for the year ended March 31, 2022

ARS Actuals

Particulars	Note	ARS Actuals	
		For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue from operations	11	10,47,79,941	4,11,97,746
Other income	12	87,71,698	5,88,742
Total income		11,35,51,639	4,17,86,488
EXPENSES			
Cost of material consumed	13	28,30,021	2,02,87,830
Purchases of stock-in-trade		8,55,33,067	2,41,12,202
Changes in inventories of finished goods, stock-in-trade and work in progress	14	(77,57,180)	(1,24,93,268)
Employee benefits expense	15	1,04,48,599	54,97,999
Depreciation and amortization expense		1,09,864	5,329
Other expenses	16	3,06,68,413	1,68,37,055
Total Expenses		12,18,32,783	5,42,47,147
Loss Before Tax		(82,81,145)	(1,24,60,659)
Tax expense			
Current tax		-	-
Deferred tax		-	-
		-	-
Loss for the Year		(82,81,145)	(1,24,60,659)

Significant Accounting Policies

1

The accompanying notes 1 to 16 form an integral part of the Financial Statements.

For and on behalf of CFS Argentina S.A.

Santosh Parab
 Authorised Signatory
 Mumbai, May 12, 2022

CFS ARGENTINA S.A.

Statement of Cash Flows for the year ended March 31, 2022

ARS Actuals

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash Flow from Operating Activities		
Loss before Tax	(82,81,145)	(1,24,60,659)
Adjustment for:		
Depreciation and Amortization Expense	1,09,864	5,329
Impact of hyperinflation	(43,08,905)	17,30,485
Operating Profit before working capital changes	(1,24,80,186)	(1,07,24,845)
Adjustment for:		
Increase/(Decrease) in Non Financial Liabilities	1,47,899	82,655
Increase/(Decrease) in Financial Liabilities	9,86,74,652	4,57,70,696
(Increase)/Decrease in Non Financial Assets	(5,84,03,556)	(2,33,15,452)
(Increase)/Decrease in Financial Assets	(1,72,65,878)	(92,10,516)
Cash generated from operations	2,31,53,117	26,02,538
Taxes Paid (Net)	-	-
Net Cash Flow from/(used in) Operating activities	1,06,72,931	26,02,538
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Intangible Assets	(18,40,960)	-
Net Cash Flow from/(used in) Investing Activities	(18,40,960)	-
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital	-	19,36,750
Net Cash Flow from Financing Activities	-	19,36,750
Net Increase / (Decrease) in Cash & Cash Equivalents	88,31,971	45,39,288
Cash & Cash Equivalents -Opening Balance	93,07,865	47,68,578
Cash & Cash Equivalents -Closing Balance	1,81,39,835	93,07,866

Note :


(a) The above Statement of Cash Flows have been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows

(b) Cash & cash equivalents comprise of:

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in current accounts	1,81,39,835	93,07,865
Cash & cash equivalents in the Statement of Cash Flows	1,81,39,835	93,07,865

(c) The accompanying notes 1 to 16 form an integral part of the Financial Statements.

For and on behalf of CFS Argentina S.A.


Santosh Parab
Authorised Signatory
Mumbai, May 12, 2022

CFS ARGENTINA S.A.

Statement of Changes in Equity for the year ended March 31, 2022

a) Equity Share Capital

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the reporting year	45,47,517	13,99,963
Changes in equity share capital during the year	-	19,36,750
Impact of inflation on capital	13,34,365	12,10,804
Balance at the end of the reporting year	58,81,883	45,47,517

b) Other Equity

Particulars	ARS Actuals
	Retained Earnings
Balance as at March 31, 2020	(46,82,802)
Impact of Restatement of opening balance on account of hyperinflation	16,84,492
Loss for the year	(1,24,60,659)
Balance as at March 31, 2021	(1,54,58,968)
Impact of Restatement of opening balance on account of hyperinflation	(45,36,082)
Loss for the year	(82,81,145)
Balance as at March 31, 2022	(2,82,76,195)

The accompanying notes 1 to 16 form an integral part of the Financial Statements.

For and on behalf of CFS Argentina S.A.

Santosh Parab
Authorised Signatory
Mumbai, May 12, 2022

1 Significant Accounting Policies

A. Company Overview:

CFS Argentina S.A ("the Company") is engaged in manufacturing and marketing of antioxidant formulations for biodiesel producers. The Company is domiciled in Argentina having its registered office at Avenue Gaona No. 2612 in the town of Ramos Mejia, La Matanza, Province of Buenos Aires, Argentina. The Company is a step down subsidiary of CFS Do Brasil Industria, Comercio, Importacao, E Exportacao De Aditivos Alimenticios, Ltda which in turn is a wholly owned subsidiary of Camlin Fine Sciences Limited ("Parent"), a listed company in India.

B. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's Financial Statements for the period ended December 31, 2022 comprises of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows, Statement of Changes in Equity and Notes to Financial Statements. These financial statements are prepared for the purpose of consolidation in the Parent Company's Consolidated Financial Statements.

Current versus non-current classification:

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 to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

Functional and Presentation Currency

The financial statements are presented in Argentinian Peso, which is the functional currency of the Company.

a. Basis of Measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for:

- certain financial assets and liabilities, including financial instruments which have been measured at fair value
- since the economy of Argentina is under hyperinflation, the financial statements are stated in terms of the measuring unit at the end of the reporting period.

b. Key Accounting Estimates and Judgements:

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities, are included in the following notes:

- (i) Determination of the estimated useful lives of property, plant and equipment
- (ii) Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources
- (iii) Fair value of financial instruments and applicable discount rate.
- (iv) Recognition of deferred tax assets.

c. Measurement of fair values

The Company's accounting policies and disclosures require the financial instruments to be measured at fair values.

The Company has an established control framework with respect to measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusions that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and 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)

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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

C. Recent Accounting Developments

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. On March 23, 2022, MCA vide Companies (Indian Accounting Standards) Amendment Rules, 2022 amended Companies (Indian Accounting Standards) Rules as below:

1 Ind AS 16 - Property, Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact of the amendment on the financial statements.

2 Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact of the amendment is not expected to be material.

D. Significant Accounting Policies

a. Property, Plant & Equipment

(i) Recognition and Measurement

Property, plant and equipment is initially measured at cost net of tax credit availed less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

When significant parts of Property, Plant and Equipment are required to be replaced, the Company derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly.

(ii) Depreciation

Depreciable amount for property, plant and equipment is the cost of property, plant and equipment less its estimated residual value.

Depreciation is provided on Straight Line Method over the estimated useful lives of the property, plant and equipment on pro rata basis.

The estimated useful lives, residual values and depreciation methods are reviewed by the management at each reporting date and adjusted if appropriate.

(iii) Disposal or Retirement

Property, plant and equipment are derecognised either on disposal or when no economic benefits are expected from its use. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised in the Statement of Profit and Loss in the year of occurrence.

b. Capital Work In Progress

Capital work in progress includes the acquisition/commissioning cost of assets under expansion/acquisition and pending commissioning. Expenditure of revenue nature related to such acquisition/expansion is also treated as capital work in progress and capitalized along with the asset.

c. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any).

If the recoverable amount of asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of an asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

d. Financial Instruments

A financial instrument is any contract that gives rise to financial asset of one entity and financial liability or equity instrument of another entity.

I. Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

(i) Initial recognition and measurement

All financial assets are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

(ii) Subsequent measurement and classification

For the purpose of subsequent measurement, the financial assets are classified into three categories:

- Financial assets at amortised cost
- Financial assets at fair value through Other Comprehensive Income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

on the basis of its business model for managing the financial assets

(iii) Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold assets for collecting contractual cash flows and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) 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, if any. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

(iv) Financial asset at Fair Value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income (FVTOCI) 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(v) Financial Asset at Fair Value through profit or loss (FVTPL)

A financial asset which are not classified in any of the above categories are measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

(vi) Financial Assets as Equity Investments

All equity instruments other than investment in subsidiaries and associate are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

(vii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(viii) Impairment of Financial Assets

The Company applies 'Simplified Approach' for measurement and recognition of impairment loss on the following financial assets and credit exposure:

- Financial assets that are debt instruments and are measured at amortised cost e.g. loans, deposits and bank balance
- Trade receivables

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

II. Financial Liabilities

(i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

(ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

(iii) **Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

(iv) **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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.

III. **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 or to realize the assets and settle the liabilities simultaneously.

IV. Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

e. **Inventories**

Inventories are valued at lower of cost and net realizable value. Costs are computed on weighted average basis and are net of GST credits.

Raw materials, packing materials and stores: Cost includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition.

Finished Goods and Work in Progress: In case of manufactured inventories and work in progress, cost includes all costs of purchase, an appropriate share of production overheads based on the normal operating capacity and other costs incurred in bringing the inventories to the present location and condition.

Net Realizable Value: Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

f. **Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flow, cash and cash equivalents consists of cash and short term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

g. **Provisions, Contingent Liabilities and Contingent Assets**

(i) **Provisions**

Provisions are 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 will be required to settle the obligation and a reliable estimate can be made. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(ii) **Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(iii) **Contingent Assets**

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

h. **Revenue Recognition**

Revenue is recognised upon transfer of control of promised products to customers in an amount that reflects consideration the Company expects to receive in exchange for these products.

The specific recognition criteria described below must also be met before revenue is recognised.

(i) **Sale of Goods**

- Revenue from the domestic sales are recognised net of returns and allowances, trade discounts and volume rebates upon delivery which is when the control of the goods passes to the Customer and performance obligation is met at a point in time
- Revenue from the export sales are recognised net of returns and allowances, trade discounts and volume rebates upon delivery, usually on the basis of dates of bill of lading which is when the control of the goods passes to the Customer and performance obligation is met at a point in time.

(ii) **Sale of services**

Revenue is recognised from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts.

i. **Employee Benefits**

Liabilities for wages, salaries, bonus and medical benefits including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

j. **Foreign Currency Transactions / Translations**

Transactions in foreign currencies are initially recorded at the functional currency spot rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies and remaining unsettled at the reporting date are translated into the functional currency at the exchange rate prevailing on the reporting date.

Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Exchange differences arising on settlement of transactions or translation of monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in the previous financial statements are recognised in the Statement of Profit and Loss in the year.

k. **Income Tax**

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 items recognised directly in equity or in other comprehensive income, in which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

(i) **Current Tax**

Current tax is determined as the amount of tax payable or recoverable in respect of taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates that are enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company

- a) has a legally enforceable right to set off the recognised amounts, and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) **Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are amounts of income taxes in future periods in respect of deductible temporary differences, unused tax losses, and unused tax credits to the extent it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

l. **Recognition of effects of inflation**

The Company recognises the effect of inflation on the financial statements which consists of:

- using inflation factors to restate non-monetary assets such as inventories, property, plant and equipment including related costs and expenses when such assets are consumed or depreciated
- applying inflation factors to restate capital stock, net income, retained earnings by the necessary amount to maintain the purchasing power equivalent in the currency of the country on the dates when such capital was contributed or income was generated upto the reporting date
- include the gain or loss in statement of profit and loss

The Company restates the financial information using the general price index of the country.

CFS ARGENTINA S.A.

Notes To The Financial Statements For The Period Ended March 31, 2020

2 PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block					Accumulated Depreciation					ARS Actuals	
	As at April 1, 2019	Additions during the year	Deletions / Disposals during the period / year	Other Adjustments#	As at March 31, 2020	Upto April 1, 2019	Depreciation charge for the period	Adjustments on deletions / disposals during the period / year	Other Adjustments#	Upto December 31, 2019	As at December 31, 2019	As at March 31, 2019
Freehold Land	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Land	-	-	-	-	-	-	-	-	-	-	-	-
Lease Hold Improvement	-	-	-	-	-	-	-	-	-	-	-	-
Factory & Other Building	-	-	-	-	-	-	-	-	-	-	-	-
Site Development	-	-	-	-	-	-	-	-	-	-	-	-
Plant, Equipment & Machinery	73,685	18,40,960	-	1,14,126	20,28,771	(51)	1,09,864	-	3,97,646	5,07,459	15,21,312	73,736
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
ERP Hardware Cost	-	-	-	-	-	-	-	-	-	-	-	-
R&D Assets	-	-	-	-	-	-	-	-	-	-	-	-
Equipment & Furniture	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-
Total Property, Plant and Equipment	73,685	18,40,960	-	1,14,126	20,28,771	(51)	1,09,864	-	3,97,646	5,07,459	15,21,312	73,736

Other adjustments relate to adjustments on account of hyperinflation

Particulars	Gross Block					Accumulated Depreciation					ARS Actuals	
	As at April 1, 2020	Additions	Deletions / Disposals	Other Adjustments#	As at March 31, 2021	Upto April 1, 2018	Depreciation for the year	Deletions / Disposals	Other Adjustments#	Upto March 31, 2021	As at March 31, 2021	As at March 31, 2020
Freehold Land	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Land	-	-	-	-	-	-	-	-	-	-	-	-
Lease Hold Improvement	-	-	-	-	-	-	-	-	-	-	-	-
Factory & Other Building	-	-	-	-	-	-	-	-	-	-	-	-
Site Development	-	-	-	-	-	-	-	-	-	-	-	-
Plant, Equipment & Machinery	81,123	-	-	(7,438)	73,685	2,057	5,329	-	(7,438)	(51)	73,736	79,065
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
ERP Hardware Cost	-	-	-	-	-	-	-	-	-	-	-	-
R&D Assets	-	-	-	-	-	-	-	-	-	-	-	-
Equipment & Furniture	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-
Total Property, Plant and Equipment	81,123	-	-	(7,438)	73,685	2,057	5,329	-	(7,438)	(51)	73,736	79,065

Other adjustments relate to adjustments on account of hyperinflation.

CFS ARGENTINA S.A.

Notes To The Financial Statements For The Period Ended March 31, 2020

3 Inventories

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Raw material and components		
(i) in stock	8,97,227	16,68,542
(i) in transit	-	-
Work-in-progress	2,45,677	2,67,780
Finished goods	-	3,13,738
Stock in trade	2,25,32,268	1,44,39,247
Stores and spares	-	-
	2,36,75,172	1,66,89,308

4 Trade receivables

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	3,01,74,934	1,29,09,056
Less: Allowance for bad and doubtful debts	-	-
	3,01,74,934	1,29,09,056

5 Cash and cash equivalents

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Balances with banks		
in current accounts	1,81,39,835	93,07,865
	1,81,39,835	93,07,865

6 Other current assets

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Balance with statutory / government authorities	6,81,01,408	1,66,83,717
Others	-	-
	6,81,01,408	1,66,83,717

7 Equity share capital

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	45,47,517	13,99,963
Issued during the year	-	19,36,750
Impact of Restatement of capital on account of hyperinflation	13,34,365	12,10,804
	58,81,883	45,47,517

8 Other Equity

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Balance in Statement of Profit and Loss		
Opening Balance	(1,54,58,969)	(46,82,802)
Impact of Restatement of opening balance on account of hyperinflation	(45,36,082)	16,84,492
Loss for the year	(82,81,145)	(1,24,60,659)
	(2,82,76,196)	(1,54,58,969)

9 Trade payables

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Trade payables	16,33,96,782	6,61,12,841
	16,33,96,782	6,61,12,841

10 Other current liabilities

Particulars	ARS Actuals	
	As at March 31, 2022	As at March 31, 2021
Tax payable	6,10,192	4,62,293
	6,10,192	4,62,293

11 Revenue from operations

ARS Actuals

Particulars	ARS Actuals	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		
Finished goods	-	-
Traded goods	10,47,79,941	4,11,97,746
	10,47,79,941	4,11,97,746

12 Other income

ARS Actuals

Particulars	ARS Actuals	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Miscellaneous receipts	87,71,698	5,88,742
	87,71,698	5,88,742

13 Cost of materials consumed

ARS Actuals

Particulars	ARS Actuals	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock of Raw Material	16,68,542	25,00,981
Add: Purchases of Raw Material	20,58,706	1,94,55,391
Less: Closing Stock of Raw Material	8,97,227	16,68,542
	28,30,021	2,02,87,830

14 Changes in inventories of finished goods, stock-in-trade and work in progress

ARS Actuals

Particulars	ARS Actuals	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Inventory		
Finished goods	3,13,738	7,24,828
Stock-in-trade	1,44,39,247	15,48,672
Work in progress	2,67,780	2,53,997
	1,50,20,765	25,27,497
Closing Inventory		
Finished goods	-	3,13,738
Stock-in-trade	2,25,32,268	1,44,39,247
Work in progress	2,45,677	2,67,780
	2,27,77,945	1,50,20,765
	(77,57,180)	(1,24,93,268)

15 Employee benefit expense

Particulars	ARS Actuals	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Wages	1,04,48,599	54,97,999
	1,04,48,599	54,97,999

16 Other expenses

Particulars	ARS Actuals	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Rates and Taxes	15,03,894	-
Insurance	43,676	-
Labour charges	-	5,60,253
Advertisement and sales promotion	90,808	32,590
Transport and forwarding charges	13,59,523	5,06,526
Commission / discount / service charges on sales	10,75,269	4,88,019
Travelling and conveyance	7,63,371	1,05,810
Legal & professional fees	27,42,311	1,05,873
Loss on foreign currency transactions and translation (net)	1,93,06,697	1,47,03,207
Miscellaneous expenses	37,82,864	3,34,778
	3,06,68,413	1,68,37,055