Independent Auditors' Report

To the Members of PI Life Science Research Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of PI Life Science Research Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, the statement of profit and loss (including other comprehensive income), cash flow statement and the statement of changes in equity for the year then ended, and a summary of select explanatory notes. (hereinafter referred to as "the standalone financial statements")

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 (the 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 March 31, 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 the paragraph 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

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

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

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder;

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) Clause (i) of section 143(3), with respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in "**Annexure B**"; and

   g) In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remunerations during the year ended March 31, 2021. Hence, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and not commented upon; and

   h) 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:

      i. The Company does not have any pending litigations which would impact its financial position;

      ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

Sd/-
AMIT GOEL
Partner
Membership No. 500607
UDIN: 21500607AAAAFA2333

Place: New Delhi
Date: May 06, 2021

Annexure A to the Independent Auditor's Report

to the Members of PI Life Science Research Limited dated May 06, 2021 on its standalone financial statements.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Govement of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year, the frequency of which, in our opinion, 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 informations and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.

ii. The Company doesn't have any inventory. Accordingly, the provisions of Clause 3(ii) of the order are not applicable.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of the clause 3(iii) (a) to (c) of the Order are not applicable to the Company.

iv. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees, and securities, the Company has complied with the provisions of section 185 and 186 of the Act.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act, and the Rules framed thereunder.

vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.

vii.

a. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable as at March 31, 2021 for a period of more than six months from the date they become payable.

b. We are informed that there are no dues in respect of, Income Tax, Customs Duty, Excise Duty, Goods and service tax and Service Tax, as applicable, which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and records of the Company examined by us, the Company has not taken loans from financial institutions or banks or the Government. The Company has not issued any debentures. Accordingly, provisions of the clause 3(viii) of the Order are not applicable to the Company.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer and term loans hence, reporting under clause (ix) of the Order is not applicable to the Company.

x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi. In our opinion, and according to the information and explanations given to, the Company has not paid any managerial remuneration. Hence, reporting under clause 3(xi) of the Order are not applicable and hence not commented upon.

xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian accounting standards. The provisions of section 177 of the Act are not applicable to the company and hence not commented upon.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence not commented upon.

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 directors or persons connected with him as referred in section 192 of the Act.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

Sd/-
AMIT GOEL
Partner
Membership No. 500607
UDIN: 21500607AAAAFA2333

Place: New Delhi
Date: May 06, 2021

Annexure B to the Independent Auditor's Report

to the Members of PI Life Science Research Limited dated May 06, 2021 on its standalone financial statements.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of PI Life Science Research Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls Based on "the internal control over financial reporting 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". 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial Reporting based on our audit

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we has obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting .

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes those policies and procedures that:

a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) 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 authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become Inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting 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.

For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm's Registration No. 000756N

Sd/-
AMIT GOEL
Partner
Membership No. 500607
UDIN: 21500607AAAAFA2333

Place: New Delhi
Date: May 06, 2021

Balance Sheet

as at March 31, 2021

(All amount in ₹ million, unless otherwise stated)

	Particulars	Notes	March 31, 2021	March 31, 2020
	ASSETS			
1	**Non-current assets**			
	Property, plant and equipment	4	6.50	9.18
	Financial assets			
	(i)Investments	5	147.67	165.29
	(ii) Loans	6	0.01	0.01
	(iii) Other financial assets	7	34.23	51.91
	Deferred tax assets	8	8.30	11.42
	Total non-current assets		**196.71**	**237.81**
2	Current assets			
	Financial assets			
	(i) Trade receivables	9	-	7.40
	(ii) Cash and cash equivalents	10	12.79	1.84
	(iii) Bank balances other than (iii) above	11	91.51	44.38
	Current tax assets	12	4.54	1.19
	Other current assets	13	1.87	4.09
	Total current assets		**110.71**	**58.90**
	Total assets		**307.42**	**296.71**
	EQUITY & LIABILITIES			
1	**Equity**			
	Equity share capital	14	14.97	14.97
	Other equity	15	290.57	279.55
	Total equity		**305.54**	**294.52**
2	**Liabilities**			
	Non current liabilities			
	Provisions	16	0.85	0.97
	Total non current liabilities		**0.85**	**0.97**
	Current Liabilities			
	(i) Other financial liabilities	17	0.96	1.11
	Provisions	16	0.02	0.02
	Other current liabilities	18	0.05	0.09
	Total current liabilities		**1.03**	**1.22**
	Total liabilities		**1.88**	**2.19**
	Total equity and liabilities		**307.42**	**2.19**
	Overview & Significant accounting policies	**2 & 3**		
	Accompanying notes referred to above form an integral part of these financial statements			

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: 06.05.2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Statement of Profit & Loss

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations	19	48.40	37.65
Other income	20	7.36	6.41
Total income		**55.76**	**44.06**
Expenses:			
Employee benefit expense	21	4.90	5.47
Finance cost	22	-	0.04
Depreciation	23	2.68	3.54
Other expense	24	31.22	10.99
Total expenses		**38.80**	**20.04**
Profit before tax		**16.96**	**24.02**
Income tax expense			
Current tax	25	11.49	7.34
Deferred tax		(5.53)	(0.64)
Income tax of earlier years		(0.01)	0.03
Total tax expense		**5.95**	**6.73**
Profit for the year		**11.01**	**17.29**
Other comprehensive income		0.02	(0.07)
(i) Items that will not be reclassified to profit or loss		(0.01)	0.02
Remeasurements gains/(losses) on defined benefit plans		**11.02**	**17.24**
Income tax relating to the above item			
Total comprehensive income for the year			
Earnings per equity share	26		
1) Basic (in ₹)		7.35	11.55
2) Diluted (in ₹)		7.35	11.55
Face value per share (in ₹)			
Overview & Significant accounting policies		10	10
Accompanying notes referred to above form an integral part of these financial statements			
Overview & Significant accounting policies	**2 & 3**		
Accompanying notes referred to above form an integral part of these financial statements			

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: 06.05.2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Statement of Cash Flows

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before Income Tax	**16.96**	**24.02**
	Adjustments for :-		
	Depreciation and amortisation expense	2.68	3.54
	Finance costs	-	0.04
	Impairment in Value of Investment	22.69	
	Interest Income on Financial Assets at amortised cost	(7.36)	(6.41)
	Operating Profit before Working Capital changes	**34.97**	**21.19**
	(Increase) / Decrease in Trade Receivables	7.40	(7.40)
	(Increase) / Decrease in Non-current financial assets - Loans	-	(0.01)
	(Increase) / Decrease in Other non-current financial assets	17.68	(20.71)
	(Increase) / Decrease in Other current assets	2.22	(1.10)
	(Increase) / Decrease in bank balances other than Cash and cash equivalents	(47.13)	(9.50)
	Increase / (Decrease) in Trade Payables	-	(0.01)
	Increase / (Decrease) in Non-current Provisions	(0.10)	0.25
	Increase / (Decrease) in Other current financial liabilities	(0.15)	0.28
	Increase / (Decrease) in Other current liabilities	(0.04)	0.05
	Increase/ (Decrease) in current provisions	(0.00)	-
	Cash generated from Operations before tax	**14.85**	**(16.96)**
	Income Taxes paid, net	(6.18)	(4.34)
	Net cash inflow (outflow) from Operating Activities	**8.67**	**(21.30)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of investments	(5.08)	-
	Interest received	7.36	6.41
	Net cash used / generated from Investing Activities	**2.28**	**6.41**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	-	(0.04)
	Net Cash inflow (outflow) from Financing Activities	**-**	**(0.04)**
	Net increase (decrease) in Cash & Cash equivalents	**10.95**	**(14.93)**
	Opening balance of Cash & Cash equivalents	**1.84**	**16.77**
	Closing balance of Cash & Cash equivalents	**12.79**	**1.84**

Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following:-

PARTICULARS	As at March 31, 2021	As at March 31, 2020
i) Cash on Hand	-	-
ii) Balance with Banks :		
-In Current Accounts	12.79	1.84
-In Fixed Deposits	-	-
Total	**12.79**	**1.84**

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: 06.05.2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Statement of Changes in Equity

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

a. Equity share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	14,97,325	14.97	14,97,325	14.97
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	**14,97,325**	**14.97**	**14,97,325**	**14.97**

b. Other equity

Particulars	Reserves & Surplus			Total other equity
	Capital reserve	Securities premium reserve	Statement of profit and loss	
Balance at April 1, 2019	-	89.48	172.83	262.31
Profit for the year	-	-	17.29	17.29
Additional in current year	-	-	-	-
Other comprehensive income for the year	-	-	(0.05)	(0.05)
Total comprehensive income for the year	**-**	**-**	**17.24**	**17.24**
Balance at March 31, 2020	**-**	**89.48**	**190.07**	**279.55**
Profit for the year	-	-	11.01	11.01
Other comprehensive income for the year	-	-	0.01	0.01
Total comprehensive income for the year	**-**	**-**	**11.02**	**11.02**
Balance at March 31, 2021	**-**	**89.48**	**201.09**	**290.57**

This is the statement of changes in equity referred to our report of even date

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: 06.05.2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Notes to Financial Statements

for the year ended March 31, 2021

1 Corporate Information

PI Life Science Research Ltd. (the Company) is a company limited by shares, domiciled in India and has its registered office at New Delhi. The principal activities of the Company are Research and Development. PI Industries Limited owns 100% of the Company's Equity Share Capital.

2 Basis of preparation

a) Statement of compliance

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act to the extent applicable.

These financial statements were authorised for issue by the Board of Directors on May 06, 2021.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, unless otherwise indicated.

c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest lacs, unless otherwise indicated.

d) Current or 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 services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognised in the financial statements are:

- Measurement of defined benefit obligations:
- Recognition of deferred tax assets & MAT credit entitlement;
- Useful life and residual value of Property, plant and equipment and intangible assets
- Impairment test of financial and non-financial assets;
- Recognition and measurement of provisions and contingencies

3 Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a) Property, plant and equipment

a) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. 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 directly attributable cost of bringing the item 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.

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

Borrowing costs relating to acquisition of qualifying fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

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. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized 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 costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development

Notes to Financial Statements

for the year ended March 31, 2021

as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

b) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, and is recognised in the statement of profit and loss. Depreciation on property, plant and equipment is provided on the Straight Line Method based on the useful life of assets estimated by the Management which coincide with the life specified under Schedule II of the Companies Act, 2013, which are as follows:

Buildings including factory buildings and Roads	3 - 60 years
General Plant and Equipment	15 years
Electrical Installations and Equipments	10 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Vehicles	8 - 10 years
Computer and Data Processing Units	3 - 6 years
Laboratory Equipments	10 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

b) Intangible assets

a) Recognition and measurement

Intangible assets that are acquired by the Company are measured at cost, less accumulated amortization and accumulated impairment losses, if any.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate.

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

b) Amortisation

Amortization is recognized in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. The estimated useful lives are as follows:

Software	6 years

The amortization period and the amortization method for intangible assets are reviewed at each reporting date.

c) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

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

In respect of assets for which impairment loss has been recognised in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made 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. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

d) Financial instruments

a) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual

Notes to Financial Statements

for the year ended March 31, 2021

provisions of the instrument. All financial assets and liabilities are recognized 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 or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Subsequent measurement

(i) Financial assets carried 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 the asset 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. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss.

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Investment in associates and joint venture

Investment in subsidiaries, associates and joint venture is carried at cost less impairment, if any, in the separate financial statements.

c) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. Except Trade receivables, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

With regard to trade receivable, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

d) Derecognition

FinancialAssets

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.

Financial Liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

e) Reclassification of financial assets and Financial Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After

Notes to Financial Statements

for the year ended March 31, 2021

initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

f) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) 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, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 – The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within 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 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

f) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

g) Revenue Recognition

a) Sale of goods / Services

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when the significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably, regardless of when the payment is being made. Amounts disclosed as revenue are inclusive of goods and service tax and net of returns, trade discounts ,volume rebates and Goods in Service tax .

b) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

h) Employee Benefits

a) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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 obligation can be estimated reliably.

Notes to Financial Statements
for the year ended March 31, 2021

b) **Defined contribution plans**

Employees benefits in the form of the Company's contribution to Provident Fund and Employees State Insurance are defined contribution schemes. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognised as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, The Company recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

c) **Defined benefit plans**

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

d) **Other long-term employee benefits**

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

i) **Foreign currency transactions**

Initial recognition:

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

Conversion:

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 assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange difference:

Exchange differences are recognised in profit or loss.

j) **Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

k) **Income tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income

a) **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year

Notes to Financial Statements

for the year ended March 31, 2021

after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

i) has a legally enforceable right to set off the recognised amounts; and

ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the forseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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 used.

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. 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:

i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

l) Segment Reporting

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the Company's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

The Board of Directors of the Company has been identified as the CODM by the Company.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

n) Cash flow statement

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated

The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing

Notes to Financial Statements

for the year ended March 31, 2021

activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact upon on the financial statements of the Company.

o) Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery	Furniture and fixtures	Office equipments	Total
Gross carrying amount				
As at beginning of April 01, 2019	**28.55**	**0.05**	**0.08**	**28.68**
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2020	**28.55**	**0.05**	**0.08**	**28.68**
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2021	**28.55**	**0.05**	**0.08**	**28.68**
Acumulated depreciation				
As at beginning of April 01, 2019	15.86	0.03	0.07	15.96
Depreciation charge during the year	3.54	-	-	3.54
Disposals	-	-	-	-
As at March 31, 2020	**19.40**	**0.03**	**0.07**	**19.50**
Depreciation charge during the year	2.68	0.00	-	2.68
Disposals	-	-	-	-
As at March 31, 2021	22.08	0.03	0.07	22.18
Net carrying amount				
As at March 31, 2020	9.15	0.02	0.01	9.18
As at March 31, 2021	**6.47**	**0.02**	**0.01**	**6.50**

5 NON-CURRENT INVESTMENTS

	As at March 31, 2021		As at March 31, 2020	
Investment in equity instruments (fully paid up)				
Unquoted shares				
Investment in Associates at cost				
Investement in Solinnos Agro Sciences Private Limited.	5.15		5.15	
5,14,500 (31 March, 2020: 5,14,500) Equity Shares of ₹10 each fully paid.				
Investment in Joint Venture at cost				
Investement in PI Kumiai Private Limited	95.50		95.50	
95,50,000 (31 March, 2020: 95,50,000) Equity Shares of ₹10 each fully paid.				
Investement in others at Fair value				
Investement in Colllabo Tech INC	64.64		64.64	
343 (31 March, 2020: 343) equity shares @ JPY 291545 each .				
Less : Provision for diminution in investment in Collabo Tech Inc.	(22.69)		-	-
Investement in others at Fair value				
Investement in Infionic India Pvt Ltd	5.07		-	
45,273 (31 March, 2020: Nil) Equity Shares @ ₹ 112 each fully paid.				
		147.67		**165.29**
TOTAL		**147.67**		**165.29**
Aggregate amount of un-quoted investments		**170.36**		**165.29**
Aggregate amount of impairment in the value of investments		**(22.69)**		**-**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

6 LOANS

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless stated otherwise				
Security deposits	0.01	0.01	-	-
Total	**0.01**	**0.01**	**-**	**-**

7 OTHERS FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
Deposits with original maturity of more than 12 months	34.23	51.91
Derivative financial instruments - foreign exchange forward contracts	-	
Total	**34.23**	**51.91**

8 DEFERRED TAX ASSETS

The balance comprises temporary differences attributable to:

		As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities			
Plant, property and equipment		(0.16)	0.24
Other comprehensive income items			
- Remeasurements on defined benefit plans		-	(0.03)
	A	**(0.16)**	**0.21**
Deferred tax assets			
Provision for employee benefits		(0.35)	(0.24)
Minimmum alternate tax (MAT) credit entitlement		(2.74)	(11.39)
Impairment of Investment		(5.05)	-
	B	**(8.14)**	**(11.63)**
Net deferred tax assets	Total	**(8.30)**	**(11.42)**

Movement in deferred tax:	As at March 31, 2020	Recognized in P&L	Recognized in OCI	Other Adjustments	As at March 31, 2021
Deferred tax liabilities					
Plant, property and equipment	0.24	(0.40)	-	-	(0.16)
- Remeasurements on defined benefit plans	-	-	-	-	-
Sub- Total (a)	**0.24**	**(0.40)**	**-**	**-**	**(0.16)**
Deferred tax assets					
Provision for employee benefits	0.27	0.07	0.01	-	0.35
Minimmum alternate tax (MAT) credit entitlement	11.39	-	-	(8.65)	2.74
Impairment of Investment	-	5.05			5.05
Sub- Total (b)	**11.66**	**5.12**	**0.01**	**(8.65)**	**8.14**
Net deferred tax assets (a)-(b)	**(11.42)**	**(5.52)**	**(0.01)**	**8.65**	**(8.30)**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

Movement in deferred tax:	As at March 31, 2020	Recognized in P&L	Recognized in OCI	Other Adjustments	As at March 31, 2021
Deferred tax liabilities					
Plant, property and equipment	0.81	(0.57)	-	-	(0.16)
Other comprehensive income items		-	-	-	-
- Remeasurements on defined benefit plans	-	(0.57)	-	-	(0.16)
Sub- Total (a)	**0.81**				
Deferred tax assets					
Provision for employee benefits	0.18	0.07	0.02	-	0.27
Minimmum alternate tax (MAT) credit entitlement	14.72	-	-	3.33	11.39
Sub- Total (b)	**14.90**	**0.07**	**0.02**	**3.33**	**11.66**
Net deferred tax assets (a)-(b)	**(14.09)**	**(0.64)**	**(0.02)**	**(3.33)**	**(11.42)**

9 TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good-Unsecured	-	7.40
TOTAL	-	7.40
Of the above, trade receivable from related parties are given below:		
Total trade receivable from related parties	-	7.18
Net trade receivables	-	**7.18**

10 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
i **Cash & Cash Equivalents**		
Balance with banks		
In Current Accounts	12.79	1.84
	12.79	**1.84**

11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Fixed deposits with bank	91.51	44.38
	91.51	**44.38**

12 CURRENT TAX ASSETS

	As at March 31, 2021	As at March 31, 2020
Income Tax Balances (Net of Provision of 4.01 Mn (Previous Year 5.43 Mn)	4.54	1.19
	4.54	**1.19**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

13 OTHER ASSETS

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Considered good unless stated otherwise				
Advances to vendors				
Prepaid Expenses	-	-	0.13	0.18
GST Refund claim	-	-	-	3.02
Other statutory advances	-	-	1.74	0.89
	-	**-**	**1.87**	**4.09**

14 EQUITY SHARE CAPITAL

	As at March 31, 2021	As at March 31, 2020
Authorised Shares		
120,00,000 (March 31, 2020 : 120,00,000) Equity Shares of ₹10 each (March 31, 2020 : ₹ 10 each)	120.00	120.00
TOTAL	**120.00**	**120.00**
Issued Shares		
149,73,25 (March 31, 2020 : 149,73,250) Equity Shares of ₹10 each (March 31, 2020 : ₹ 10 each)	14.97	14.97
	14.97	**14.97**
Subscribed & Fully Paid up Shares		
149,73,25 (March 31, 2020 : 149,73,250) Equity Shares of ₹10 each (March 31, 2020 : ₹ 10 each)		
Total subscribed and fully paid up share capital	**14.97**	**14.97**

a The Company has only one class of Equity Shares having a par value of ₹10 per share (Previous Year ₹ 10 per share). Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend. However, Company has not proposed any dividend in the current and previous year. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b. Reconciliation of shares outstanding at the beginning and at the end of the year

Issued, Subscribed and Paid up share capital

Equity Shares

Particular	Equity Share (No. of Shares)		Value of Equity Shares	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Share outstanding at beginning of Year	14,97,325	14,97,325	14.97	14.97
Share outstanding at end of Year	14,97,325	14,97,325	14.97	14.97

Subscribed & paid up

c. Details of shareholders holding more than 5% shares in the Company

Equity Shares

Name of Shareholders	2020-21		2019-20	
	No of Shares	% of Holding	No of Shares	% of Holding
PI Industries Limited and its nominees	14,97,325	100	14,97,325	100

d. Equity Shares held by holding Company

Name of Shareholders	2020-21		2019-20	
	No of Shares	% of Holding	No of Shares	% of Holding
PI Industries Limited and its nominees	14,97,325	100	14,97,325	100

e. The Company has not bought back any shares issued in consideration other than cash in last 5 years.

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

15 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
Securities Premium		
Balances at the beginning of the year	89.48	89.48
Addition on issuance of equity shares	-	-
TOTAL	**89.48**	**89.48**
Surplus in Statement of Profit & Loss		
Balance at the beginning of the year	190.07	172.83
Addition during the year	11.01	17.29
Other Comprehensive income during the year	0.01	(0.05)
TOTAL	**201.10**	**190.07**
TOTAL OTHER EQUITY	**290.57**	**279.55**

16 PROVISIONS

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits				
Long term compensated absences*	0.39	0.45	0.01	0.02
Gratuity*	0.46	0.52	0.01	-
TOTAL	**0.85**	**0.97**	**0.02**	**0.02**

(*Refer note no 28)

17 OTHER FINANCIAL LIABILITIES

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Employee payables	-	-	0.74	0.89
Other payable	-	-	0.22	0.22
TOTAL	**-**	**-**	**0.96**	**1.11**

18 OTHER CURRENT LIABILITIES

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	-	-	0.05	0.09
TOTAL	**-**	**-**	**0.05**	**0.09**

19 REVENUE FROM OPERATIONS

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations includes		
- Royalty Income	48.40	37.65
TOTAL	**48.40**	**37.65**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

20 OTHER INCOME

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income from financial assets at amortised cost		
- Fixed Deposits	7.36	6.36
Others	-	0.05
TOTAL	**7.36**	**6.41**

21 EMPLOYEE BENEFIT EXPENSE

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	4.53	4.94
Contribution to provident & other funds	0.21	0.25
Gratuity and Long term compensated absences (Refer note 28)	0.15	0.25
Employees Welfare Expenses	0.01	0.03
TOTAL	4.90	5.47

22 FINANCE COST

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on financial liabilities measured at amortised cost	-	0.04
TOTAL	**-**	**0.04**

23 DEPRECIATION

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of Property, Plant and Equipment	2.68	3.54
TOTAL	**2.68**	**3.54**

24 OTHER EXPENSES

	For the year ended March 31, 2021	For the year ended March 31, 2020
Power, fuel & water	3.86	4.51
Repairs to machinery	0.59	0.78
Travelling and conveyance	0.09	0.46
Office Expenses	0.37	0.40
Rental charges	2.39	2.67
Rates and taxes	0.02	0.04
Insurance	0.14	0.16
Auditor remuneration (Refer note 24 a below)	0.08	0.07
Provision for diminution in the value of investment	22.69	-
Net foreign exchange differences	-	0.03
Legal & professional fees	0.08	0.99
Bank charges	0.01	0.02
Business Support servicees	0.88	0.85
Miscellaneous expenses	0.02	0.01
TOTAL	**31.22**	**10.99**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

a. Auditors' Remuneration

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
-Statutory audit fees	0.04	0.04
-Certificates & other matters	0.04	0.03
TOTAL	**0.08**	**0.07**

25 INCOME TAX EXPENSE

a) Income tax expense recognized in Profit and Loss

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax expense		
Current tax on profits for the year	11.49	7.34
Adjustment of current tax for prior year	(0.01)	0.03
Total Current tax expense	**11.48**	**7.37**
Deferred tax expense		
Origination and reversal of temporary differences	(5.53)	(0.64)
Net Deferred tax expense	**(5.53)**	**(0.64)**
MAT credit utilization of current year	**-**	**-**
Total Income tax expense	**5.95**	**6.73**

b) Deferred tax related to items recognised in Other comprehensive income during the year

	For the year ended March 31, 2021	For the year ended March 31, 2020
Remeasurement of defined benefit plans	(0.01)	0.02
Income tax charged to Other comprehensive income	**(0.01)**	**0.02**

c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	For the year ended March 31, 2021	For the year ended March 31, 2020
Accounting profit before tax	16.96	24.02
Tax at India's statutory income tax rate @ 27.82% (March 31, 2020: 27.82%)	**4.72**	**6.69**
Adjustment in respect of current income tax of previous years	(0.01)	0.03
Difference in tax liability entitlement of lower tax rate	1.25	-
Others	(0.01)	0.01
Income Tax Expense	5.95	6.73

26 EARNING PER SHARE

		For the year ended March 31, 2021	For the year ended March 31, 2020
a)	Net Profit for Basic & Diluted EPS	11.01	17.29
b)	Number of Equity Shares at the beginning of the year	14,97,325	14,97,325
	Total Number of Shares outstanding at the end of the year	**14,97,325**	**14,97,325**
	Weighted Average number of Equity Shares outstanding during the period - Basic	**14,97,325**	**14,97,325**
	Weighted Average number of Equity Shares outstanding during the year - Diluted	**14,97,325**	**14,97,325**
	Earning Per Share - Basic (₹)	7.35	11.55
	Earning per share - Diluted (₹)	7.35	11.55
	Face value per share (₹)	10.00	10.00

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

27 RELATED PARTY DISCLOSURES

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

A) List of Related Parties

i)	**Enterprises which control the entity**	PI Industries Ltd.
ii)	**Enterprises under common control**	PILL Finance & Investment Ltd.
		PI Japan Co. Ltd.
		PI Enzachem Private Limited
		PI Fermachem Private Limited
		Isagro Aisa(Agrochemicals) Private Limited
		Jivagro Limited
iii)	**Associate & Joint Venture**	Solinnos Agro Sciences Private Ltd. (Associate)
		PI Kumiai Private Ltd. (w.e.f 04-07-2017) (Joint Venture)
iv)	**Key Managerial Personnel & their relatives (KMP)**	
	Key Managerial Personnel (KMP)	
	Mr. Mayank Singhal	Director
	Mr. Rajnish Sarna	Director
	Mr. Rajender Dev Kapoor	Director
v)	**Relatives of Key Managerial Personnel**	------NA-------
	Relation with Key Managerial Personnel	
iv)	**Enterprises over which KMP and their relatives are able to exercise significant influence**	------NA-------

B) The following transactions were carried out with related parties in the ordinary course of business:

Nature of Transaction	2020-21		Balance outstanding Dr (Cr)	2019-20		Balance outstanding Dr (Cr)
	Transactions during the period			Transactions during the period		
	Recd/Pur.	Paid/Sales		Recd/Pur.	Paid/Sales	
Transactions with :-						
Holding Company- PI Industries Limited						
Sale of Services		48.40	-	-	37.65	-
Rent, electricity and other miscellaneous payment	6.25			7.18		7.18
Associate - Solinnos Agro Sciences Private Limited.						
Business Support Services	0.88			0.85	-	-
Grand Total	**7.13**	**48.40**	**-**	**8.03**	**37.65**	7.18

C) Terms and conditions of transactions with related parties

The services rendered to and from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

28 EMPLOYEE BENEFITS

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

Central provident fund

Gratuity

Long term leave encashment

a) Defined Contribution Plans:-

The Company has recognised an expense of ₹ 0.21 Mns (Previous Year ₹ 0.25 Mns) towards the defined contribution plan.

b) Defined benefits plans - as per actuarial valuation

I Change in present value of obligation during the year

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Non -Funded		Non -Funded	
	Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
Present value of obligation at the beginning of the year	0.53	0.45	0.33	0.29
Total amount included in profit and loss:				
- Current Service Cost	0.07	0.07	0.10	0.09
- Interest Cost	0.03	0.03	0.03	0.02
Remeasurement related to long term employee benefit:				
Actuarial losses/(gains) arising from:				
- Financial assumption		-	-	0.06
- Experience Judgement		(0.05)	-	(0.01)
Total amount included in OCI:				
Remeasurement related to gratuity:				
Actuarial losses/(gains) arising from:				
- Financial assumption	-		0.07	
- Experience Judgement	(0.02)		0.00	
Others				
Benefits Paid	(0.14)	(0.09)		
Present Value of obligation as at year-end	**0.47**	**0.40**	**0.53**	**0.45**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

II Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets

	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
1	Present Value of obligation as at year-end	0.47	0.40	0.53	0.45
2	Fair value of plan assets at year -end	-	-	-	-
3	Funded status {Surplus/(Deficit)}	(0.47)	(0.40)	(0.53)	(0.45)
	Net Asset/(Liability)	**(0.47)**	**(0.40)**	**(0.53)**	**(0.45)**

III Bifurcation of net liability at the end of the year

	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
1	Current Liability	0.01	0.01	0.01	0.02
2	Non-Current Liability	0.46	0.39	0.51	0.43

IV Actuarial Assumptions

	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
1	Discount Rate	6.79%	6.79%	6.79%	6.79%
2	Expected rate of return on plan assets	-	-		-
3	Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
4	Salary Escalation	7.00%	7.00%	7.00%	7.00%

V The expected contribution for Defined Benefit Plan for the next financial year will be ₹ 0.14 Mn

VI Sensitivity Analysis

Gratuity	Year ended March 31, 2021		Year ended March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (.50 % movement)	(0.03)	0.04	(0.04)	0.05
Future salary growth (.50 % movement)	0.04	(0.03)	0.05	(0.04)

(₹ in Lacs)

Long term Compensated Absences	Year ended March 31, 2021		Year ended March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (.50 % movement)	(0.03)	0.03	(0.04)	0.04
Future salary growth (.50 % movement)	0.03	(0.03)	0.04	(0.04)

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

VII Maturity Profile of Defined Benefit Obligation

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Non -Funded		Non -Funded	
	Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
Within the next 12 months	0.01	0.01	0.01	0.02
Between 1-5 years	0.03	0.03	0.06	0.04
Beyond 5 years	0.43	0.36	0.47	0.39

29 FINANCIAL INSTRUMENTS

1 Financial instruments – Fair values and risk management

Financial instruments by category

	As At March 31, 2021			As At March 31, 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Non-current Assets						
Investments - (Refer note 5)	47.02	-	100.65	64.64	-	100.65
Loan - (Refer note 6)			0.01			0.01
Other financial asset - (Refer note 7)	-	-	34.23	-	-	51.91
Current Assets						
Trade Receivable - (Refer note 9)	-		-	-	-	7.40
Cash and cash equivalents - (Refer note 10)	-	-	12.79	-	-	1.84
Other balances with Banks - (Refer note 11)	-	-	91.51	-	-	44.38
	47.02	**-**	**239.19**	**64.64**	**-**	**206.19**

	As At March 31, 2021			As At March 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investment in equity instrument	-	-	47.02	-	-	64.64
Non Current Financial Asset (Refer Note-7)	-	34.23	-	-	51.91	-
Total	**-**	**34.23**	**47.02**	**-**	**51.91**	**64.64**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

The fair value of trade receivables, cash and cash equivalents, other balances with bank, trade payables and current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments. Fair value for all other non-current assets is equivalent to the amortised cost, interest rate on them is equivalent to the market rate of interest.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

- **Credit risk**
- **Liquidity risk**
- **Market risk**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

i. 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 obligation. The carrying amount of financial assets represents the maximum credit exposure and is as follows:

Cash and cash equivalents, deposits with banks:

The Company considers that its cash and cash equivalents and Deposits with banks have low credit risk based on good external credit ratings of counterparties. Impairment on cash and cash equivalents and deposits with banks has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures.

Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses (if any) recognized represent the maximum credit exposure. The maximum exposure to credit risk as at balance sheet date was as follows:

Particulars	As At March 31, 2021	As At March 31, 2020
Trade Receivables - (Refer note 9)	-	7.40
Cash and cash equivalents - (Refer note 10)	12.79	1.84
Bank balances other than above - (Refer note 11)	91.51	44.38
Total	**104.30**	**53.62**

ii. 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. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(a) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As At March 31, 2021	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payable	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

As At March 31, 2020	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payable	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

iii. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - 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.

Foreign Currency risk

The Company is not exposed to any material foreign currency risk as at the reporting date.

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's investments are primarily in fixed deposits which are short term in nature and do not expose it to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	As At March 31, 2021	As At March 31, 2020
Fixed-rate instruments		
Other non current financial assets (Note 7)	34.23	51.91
Bank balances (Note 11)	91.51	44.38
Total	**125.74**	**96.29**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Price Risk

The Company is not exposed to any price risk as at the reporting date.

31 OPERATING SEGMENT

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the Company's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM)

The Company has evaluated the applicability of segment reporting and has concluded that since the Company is operating in research and development activities and is being reviewed by the CODM on the same lines, accordingly the Company has only one reportable business segment.

I Revenue: (Refer note 19)

A. Information about revenues from products and services:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Royalty Income	48.40	37.65
Total	**48.40**	**37.65**

B. Geographical Areas	For the year ended March 31, 2021	For the year ended March 31, 2020
India	48.40	37.65
	48.40	**37.65**

C. Revenues from transactions with customers amounted to more than 10% of the Company's revenue in one case.

II The total of Non-current assets (other than financial instruments, deferred tax assets and investments accounted for using equity method), broken down by location of the assets, is shown in the table below:

	As At March 31, 2021	As At March 31, 2020
India (Refer note 4)	**6.50**	**9.18**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

32 As per information available with the Management as certified by them, there is no contingent liability as at March 31, 2021 (Previous year : Nil)

33 As per the information available with the Management and as certified by them, there is no outstanding Capital and other Commitment as on March 31, 2021 (Previous year : Nil)

34 **CAPITAL MANAGEMENT**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions.

35 **Operating Lease Commitments- As Leasehold**

The Company also has leases with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions as per Ind AS 116 for these leases.

	As At March 31, 2021	As At March 31, 2020
-Lease payments recognised in Statement of Profit and Loss	**2.39**	**2.67**

36 **EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

No adjusting or significant non- adjusting events have occurred between the reporting date and date of authorization of these financial statements.

37 There are no present obligations requiring provision in accordance with the guiding principles as enunciated in IND AS -37, which will result as an outflow of resources embodying economic benefits will be required.

38 The payment of Bonus Act, 1965 , Employees Provident Funds and Miscellaneous Provisions Act, 1952 and Gratuity Act, 1972 is not applicable to the Company as the number of employees in the Company is below the minimum threshold.

39 The Company has made assessment of impact of COVID 19 related lockdown on carrying value of fixed assets, receivable and cash flow as at the balance sheet date and has concluded that there is no material adjustments required in these financial statement. The Company will continue to monitor any material changes to future economic conditions.

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: 06.05.2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Independent Auditors' Report

To the Members of PI Life Science Research Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of PI Life Science Research Limited (herein after referred to as "the Company" or "the Parent") its associate company and Joint controlled entity, which comprise the Consolidated balance sheet as at March 31, 2021, the Consolidated statement of profit and loss (including other comprehensive income), Consolidated cash flow statement and the Consolidated statement of changes in equity for the year then ended, and a summary of select explanatory notes (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 report of the other auditor on separate financial statements of the associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian accounting standards prescribed under section 133 of the Act read with the companies (Indian Accounting standards) rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Company, its associate and joint controlled entity as at March 31, 2021, and its Consolidated profit (including other comprehensive income), its Consolidated cash flows and the Consolidated changes in equity for the year ended on that date

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent to the Company, its associate company and its Joint controlled entity, 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 consolidated 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 and the audit evidence obtained by the other auditor in terms of their report referred to in ''Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. 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.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of the Management and those charged with Governance for the Consolidated Financial Statements

The Parent Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including Consolidated other comprehensive income, Consolidated cash flows and Consolidated changes in equity of the Parent Company, its associate and joint controlled entity in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act read with relevant Rules issued thereunder

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Parent Company and its associate and joint controlled entity 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the Parent Company, its associate and joint controlled entity are responsible for overseeing the Company's financial reporting process of the Parent Company, its associate and joint controlled entity.

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 scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company, its associate and jointly controlled entity which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and in preparation of the 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 ability of the company and its associate and joint controlled entity 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 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 Parent Company and its associate and joint controlled entity 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 information of the entities or business activities within the Parent Company, its associate and joint controlled entity 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 entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statements and other financial information in respect of one associate company which reflect company's share of net gain of ₹ 0.29 Million for the year ended March 31, 2021. These financial Statements and other information have been audited by other auditor whose financial statements, other financial information and auditor's report have been furnished to us by the management.

Our opinion on the consolidated financial statements above and our report on the Other Legal and Regulatory Requirement below, is not modified in respect of above maters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the considerations of the reports of the other auditors on separate financial statements of its associate referred to in the Other Matters paragraph above 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;

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;

c) The consolidated balance sheet, the consolidated statement of profit and loss including (including other comprehensive income), 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 as on March 31, 2021 taken on record by the Board of Directors of the Parent Company, joint controlled entity and report of the statutory auditor of its associate , none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

f) Clause (i) of section 143(3), with respect to the adequacy of internal financial controls over financial reporting of the Parent Company, its associate and joint controlled entity and the operating effectiveness of such controls, refer our separate report in "**Annexure A**"; and

g) In our opinion and according to the information and explanations given to us, the Parent Company has not paid any managerial remunerations during the year ended March 31, 2021. Hence, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and not commented upon; and

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

i. The Parent Company, its associate and joint controlled entity does not have any pending litigations which would impact its financial position;

ii. The Parent Company, its associate and joint controlled entity did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company, its associate and joint controlled entity.

For S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

Sd/-
AMIT GOEL
Partner
Membership No. 500607
UDIN: 21500607AAAAFA2333

Place: New Delhi
Date: May 06, 2021

Annexure A to the Independent Auditor's Report

to the Members of PI Life Science Research Limited dated May 06, 2021 on its standalone financial statements.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section.

In conjunction with our audit of the consolidated financial statement of PI Life Science Research Limited (the Parent Company) as of and for the year ended March 31, 2021, we have audited the Internal Financial Controls over Financial Reporting of the Parent Company, its associate and joint controlled entity, all incorporated in India, for the year ended on that date.

Our reporting on the internal financial control with reference to consolidated financial statement is not applicable in respect of its associate and jointly controlled entity.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting 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" (ICAI). 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial Reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Parent Company has, in all material respects, maintained adequate internal financial controls over financial reporting with reference to these consolidated financial statements as of March 31, 2021, based on the internal control over financial reporting criteria established by the respective 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.

For S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

Sd/-
AMIT GOEL
Partner
Membership No. 500607
UDIN: 21500607AAAAFA2333

Place: New Delhi
Date: May 06, 2021

Consolidated Balance Sheet

as at March 31, 2021

(All amount in ₹ million, unless otherwise stated)

Particulars	Notes	March 31, 2021	March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	6.50	9.18
Financial assets			
(i) Investments in Associates and Joint Ventures	5	154.63	109.48
(ii) Investments - Others	5	47.02	64.64
(iii) Loans	6	0.01	0.01
(iv) Other financial assets	7	34.23	51.91
Deferred tax assets	8	8.30	11.42
Total non-current assets		**250.69**	**246.64**
Current assets			
Financial assets			
(i) Trade receivables	9	-	7.40
(ii) Cash and cash equivalents	10	12.79	1.84
(iii) Bank balances other than (iii) above	11	91.51	44.38
Current tax assets	12	4.54	1.19
Other current assets	13	1.87	4.09
Total current assets		**110.71**	**58.90**
Total assets		**361.40**	**305.54**
EQUITY & LIABILITIES			
Equity			
Equity share capital	14	14.97	14.97
Other equity	15	344.55	288.38
Total equity		**359.52**	**303.35**
Liabilities			
Non current liabilities			
Provisions	16	0.85	0.97
Total non current liabilities		**0.85**	**0.97**
Current Liabilities			
(ii) Other financial liabilities	17	0.96	1.11
Provisions	16	0.02	0.02
Other current liabilities	18	0.05	0.09
Total current liabilities		**1.03**	**1.22**
Total liabilities		**1.88**	**2.19**
Total equity and liabilities		**361.40**	**305.54**
Significant accounting policies	3		

Accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: May 06, 2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Statement of Consolidated Profit & Loss

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations	**19**	48.40	37.65
Other income		7.36	6.41
Total income		**55.76**	**44.06**
Expenses:			
Employee benefit expense	21	4.90	5.47
Finance cost	22	-	0.04
Depreciation	23	2.68	3.54
Other expense	24	31.22	10.99
Total expenses		**38.80**	**20.04**
Share of Profit of Associates & Joint Venture		45.15	7.84
Profit before tax			
Income tax expense	25		
Current tax		11.49	7.34
Deferred tax		(5.52)	(0.64)
MAT credit utilization of current year		-	(3.33)
Income tax of earlier years		(0.01)	0.03
Total tax expense		**5.95**	**6.73**
Profit for the year		**56.16**	**25.13**
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans		0.02	**(0.07)**
Income tax relating to the above item		(0.01)	0.02
Total comprehensive income for the year		**56.17**	**25.08**
Earnings per equity share	26		
1) Basic (in ₹)		37.51	16.79
2) Diluted (in ₹)		37.51	16.79
Face value per share (in ₹)		10	10
Significant accounting policies	3		
Accompanying notes referred to above form an integral part of these financial statements			

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: May 06, 2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Statement of Consolidated Cash Flows

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before Income Tax	**62.11**	**31.87**
	Adjustments for :-		
	Depreciation and amortisation expense	2.68	3.54
	Finance costs	-	0.04
	Impairment in Value of Investment	22.69	-
	Interest Income on Financial Assets at amortised cost	(7.36)	(6.41)
	'Share of (profit)/loss of associate and joint venture	(45.15)	(7.84)
	Operating Profit before Working Capital changes	**34.97**	**21.20**
	(Increase) / Decrease in Trade Receivables	7.40	(7.40)
	(Increase) / Decrease in Non-current financial assets - Loans	-	(0.01)
	(Increase) / Decrease in Other non-current financial assets	17.68	(20.71)
	(Increase) / Decrease in Other current assets	2.22	(1.10)
	Increase / (Decrease) in Trade Payables	-	(0.01)
	Increase / (Decrease) in Non-current Provisions	(0.10)	0.25
	Increase / (Decrease) in Other current financial liabilities	(0.15)	0.28
	Increase / (Decrease) in Other current liabilities	(0.04)	0.05
	Increase/ (Decrease) in current provisions	(0.00)	-
	Cash generated from Operations before tax	**61.97**	**(7.45)**
	Income Taxes paid, net	(6.18)	(4.34)
	Net cash inflow (outflow) from Operating Activities	**55.79**	**(11.79)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of investments	(5.07)	-
	(investment) in depsoits	(47.13)	(9.51)
	Interest received	7.36	6.41
	Net cash used / generated from Investing Activities	**(44.84)**	**(3.10)**
	Net cash inflow (outflow) from Operating and Investing Activities	**10.95**	**(14.89)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	-	(0.04)
	Net Cash inflow (outflow) from Financing Activities	**-**	**(0.04)**
	Net Cash inflow (outflow) from Operating, Investing & Financing Activities	**10.95**	**(14.93)**
	Net increase (decrease) in Cash & Cash equivalents	**10.95**	**(14.93)**
	Opening balance of Cash & Cash equivalents	**1.84**	**16.77**
	Closing balance of Cash & Cash equivalents	**12.79**	**1.84**

Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following (Refer Note No. 10):-

PARTICULARS	As at March 31, 2021	As at March 31, 2020
i) Cash on Hand	-	-
ii) Balance with Banks :		
-In Current Accounts	12.79	1.84
-In Fixed Deposits	-	-
Total	**12.79**	**1.84**

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: May 06, 2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Statement of Consolidated Changes in Equity

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

a. Equity share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	14,97,325	14.97	14,97,325	15
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	**14,97,325**	**14.97**	**14,97,325**	**14.97**

b. Other equity

Particulars	Note No.	Reserves & Surplus			Total other equity
		Capital reserve	Securities premium reserve	Statement of profit and loss	
Balance at April 1, 2019		-	89.48	173.82	263.30
Profit for the year		-	-	25.13	25.13
Other comprehensive income for the year		-	-	(0.05)	(0.05)
Total comprehensive income for the year		**-**	**-**	**25.08**	**25.08**
Balance at March 31, 2020	**15**	**-**	**89.48**	**198.90**	**288.38**
Profit for the year		-	-	56.16	56.16
Other comprehensive income for the year		-	-	0.01	0.01
Total comprehensive income for the year		**-**	**-**	**56.17**	**56.17**
Balance at March 31, 2021	**15**	**-**	**89.48**	**255.07**	**344.55**

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: 06.05.2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Notes to Financial Statements

for the year ended March 31, 2021

1 Corporate Information

PI Life Science Research Ltd. (the Company) is a company limited by shares, domiciled in India and has its registered office at New Delhi. The principal activities of the Company are Research and Development. PI Industries Limited owns 100% of the Company's Equity Share Capital.

2 Basis of preparation

a) Statement of compliance

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act to the extent applicable.

These financial statements were authorised for issue by the Board of Directors on 06 May 2021.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, unless otherwise indicated.

c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest lacs, unless otherwise indicated.

d) Current or 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 services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognised in the financial statements are:

- Measurement of defined benefit obligations:
- Recognition of deferred tax assets & MAT credit entitlement;
- Useful life and residual value of Property, plant and equipment and intangible assets
- Impairment test of financial and non-financial assets;
- Recognition and measurement of provisions and contingencies

f) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its Investments in Associates and Joint Ventures as at March 31, 2021. 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.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidated Ind AS 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 Ind AS 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 Ind AS financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Notes to Financial Statements

for the year ended March 31, 2021

Consolidation procedure:

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity Method :

Equity Method Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other Comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

3 Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a) Property, plant and equipment

a) Recognition and measurement Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. 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 directly attributable cost of bringing the item 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.

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.

Borrowing costs relating to acquisition of qualifying fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

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. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized 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 costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

b) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, and is recognised in the statement of profit and loss. Depreciation on property, plant and equipment is provided on the Straight Line Method based on the useful life of assets estimated by the Management which coincide with the life specified under Schedule II of the Companies Act, 2013, which are as follows:

Buildings including factory buildings and Roads	3 - 60 years
General Plant and Equipment	15 years
Electrical Installations and Equipments	10 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Vehicles	8 - 10 years
Computer and Data Processing Units	3 - 6 years
Laboratory Equipments	10 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

b) Intangible assets

a) Recognition and measurement

Intangible assets that are acquired by the Company are measured at cost, less accumulated amortization and accumulated impairment losses, if any.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate.

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

b) Amortisation

Amortization is recognized in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. The estimated useful lives are as follows:

Software	6 years

The amortization period and the amortization method for intangible assets are reviewed at each reporting date.

c) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated

For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

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

In respect of assets for which impairment loss has been recognised in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made 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. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

d) Financial instruments

a) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized 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 or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Subsequent measurement

(i) Financial assets carried 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 the asset 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. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial

Notes to Financial Statements

for the year ended March 31, 2021

asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss.

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Investment in associates and joint venture

Investment in subsidiaries, associates and joint venture is carried at cost less impairment, if any, in the separate financial statements.

c) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. Except Trade receivables, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

With regard to trade receivable, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

d) Derecognition

Financial Assets

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.

Financial Liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

e) Reclassification of financial assets and Financial Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

f) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) 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, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Notes to Financial Statements

for the year ended March 31, 2021

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 – The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within 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 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

f) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

g) Revenue Recognition

a) Sale of goods

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when the significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably, regardless of when the payment is being made. Amounts disclosed as revenue are inclusive of goods and service tax and net of returns, trade discounts ,volume rebates and Goods in Service tax .

b) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

h) Employee Benefits

a) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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 obligation can be estimated reliably.

b) Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund and Employees State Insurance are defined contribution schemes. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognised as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, The Company recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

c) Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Notes to Financial Statements

for the year ended March 31, 2021

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

d) Other long-term employee benefits

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

i) Foreign currency transactions

Initial recognition:

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

Conversion:

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 assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange difference:

Exchange differences are recognised in profit or loss.

j) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

k) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

i) has a legally enforceable right to set off the recognised amounts; and

ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the forseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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 used.

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. 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.

Notes to Financial Statements

for the year ended March 31, 2021

Deferred tax assets and liabilities are offset only if:

i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

l) Segment Reporting

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the Company's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

The Board of Directors of the Company has been identified as the CODM by the Company.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

n) Cash flow statement

Cash flow statements are prepared in accordance with ""Indirect Method"" as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated.

The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact upon on the financial statements of the Company.

Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Standard not yet effective

During the year Ministry of Corporate affairs hasn't issue any standard which has been applicable from April 01, 2021.

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery	Furniture and fixtures	Office equipments	Total
Gross carrying amount				
As at beginning of April 01, 2019	28.55	0.05	0.08	28.68
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2020	**28.55**	**0.05**	**0.08**	**28.68**
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2021	**28.55**	**0.05**	**0.08**	**28.68**
Acumulated depreciation				
As at beginning of April 01, 2019	15.86	0.03	0.07	15.96
Depreciation charge during the year	3.54	-	-	3.54
Disposals	-	-	-	-
As at March 31, 2020	**19.40**	**0.03**	**0.07**	**19.50**
Depreciation charge during the year	2.67	0.00	-	2.68
Disposals	-	-	-	-
As at March 31, 2021	22.07	0.03	0.07	22.18
Net carrying amount				
As at March 31, 2020	**9.15**	**0.02**	**0.01**	**9.18**
As at March 31, 2021	**6.47**	**0.02**	**0.01**	**6.50**

5 NON-CURRENT INVESTMENTS

	Particulars		As at March 31, 2021	As at March 31, 2020
	Investment in equity instruments (fully paid up)			
	Unquoted shares			
(I)	Investment in Associate (Solinnos Agro Sciences Private Limited)*#		6.63	6.35
	Name of Entity	SOLINNOS AGRO SCIENCE PRIVATE LIMITED		
	Place of Business	NDIA		
	%AGE OF OWNERSHIP	49%		
	Accounting Method	EQUITY METHOD		
(I)	Investment in Joint Venture (PI Kumiai Private Limited)**#			
	Name of Entity	PI KUMIAI PRIVATE LIMITED	148.00	103.13
	Place of Business	INDIA		
	%AGE OF OWNERSHIP	50%		
	Accounting Method	EQUITY METHOD		
	TOTAL		**154.63**	**109.48**

* The Company has a 49% interest in Solinnos Agro Sciences Private Limited, whose principal activities are dealing in advisory services relating to registrations, licenses, other regulatory approvals in India. The Company's interest in Solinnos Agro Sciences Private Limited is at carrying amount determined using the equity method of accounting.

** The Company has a 50% interest in PI Kumiai Private Limited, whose principal activities are manufacturing and trading of Agri science products. The Company's interest in PI Kumiai Private Limited is at carrying amount determined using the equity method of accounting.

#Share of post acquisition gain / loss has been adjusted in carrying amount

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

	Particulars	As at 31 March 2021	As at 31 March 2020
(A)	**Solinnos Agro Sciences Private Limited (Associate)**		
	Non-Current Assets	0.17	0.16
	Current Assets	13.55	13.14
	Non- Current Liabilities	-	-
	Current Liabilities	0.17	0.34
	NET ASSETS	**13.55**	**12.96**
	Revenue	2.42	2.54
	Other Expenses	1.63	1.59
	Profit / (Loss) for the period	**0.79**	**0.95**
	Tax Expense	0.20	0.25
	Profit / (Loss) for the period after tax	**0.59**	**0.70**
	Other Comprehensive Income for the period	-	-
	Total Comprehensive Income for the period	**0.59**	**0.70**
	Group's share in the total comprehensive income of Solinnos Agro Sciences Private Limited	0.29	0.34
	Reconciliation of the above summarised Financial Information to the carrying amount of the interest in Solinnos recognised in Financial Statements :		
	Net Assets of Associate	13.55	12.96
	Proportion of Companies ownership Interest in Solinnos Agro Sciences Private Limited	0.49	0.49
	Carrying amount of Group's interest in Solinnos Agro Sciences Private Limited	6.63	6.35
(B)	**PI Kumiai Private Limited (Joint Venture)**		
	Non-Current Assets	0.13	0.12
	Current Assets	367.86	371.30
	Non- Current Liabilities	-	-
	Current Liabilities	71.99	165.14
	NET ASSETS	**296.00**	**206.28**
	Revenue	877.26	245.51
	Other Expenses	757.33	225.43
	Profit / (Loss) for the period	**119.93**	**20.08**
	Tax Expense	30.21	5.07
	Profit / (Loss) for the period after tax	**89.72**	**15.01**
	Other Comprehensive Income for the period	-	-
	Total Comprehensive Income for the period	**89.72**	**15.01**
	Group's share in the total comprehensive income of PI Kumiai Private Limited	**44.86**	**7.50**
	Net Assets of Associate	296.00	206.28
	Proportion of Companies ownership Interest in Solinnos Agro Sciences Private Limited	0.50	0.50
	Carrying amount of Group's interest in Solinnos Agro Sciences Private Limited	148.00	103.13

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

(ii) Investements - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value through profit or loss		
Investement in Colllabo Tech INC	64.64	64.64
343 (31 March, 2020: 343) equity shares @ JPY 291545 each .		
Less : Provision for diminution in investment in Collabo Tech Inc.	(22.69)	-
Investement in others at Fair value		
Investement in Infionic India Pvt Ltd	5.07	-
45,273 (31 March, 2020: Nil) Equity Shares @ Rs. 112 each fully paid.		
TOTAL	**47.02**	**64.64**
Aggregate book value of unquoted investments	**47.02**	**64.64**

6 LOANS

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless stated otherwise				
Security deposits	0.01	0.01	-	-
Total	**0.01**	**0.01**	**-**	**-**

7 OTHERS FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
Deposits with original maturity of more than 12 months	34.23	51.91
Deposits with original maturity of less than 12 months	-	
Total	**34.23**	**51.91**

8 DEFERRED TAX ASSETS

The balance comprises temporary differences attributable to:		As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities			
Plant, property and equipment		(0.16)	0.24
Other comprehensive income items			
- Remeasurements on defined benefit plans		-	(0.03)
	A	**(0.16)**	**0.21**
Deferred tax assets			
Provision for employee benefits		(0.35)	(0.24)
Minimmum alternate tax (MAT) credit entitlement		(2.74)	(11.39)
Impairment of Investment		(5.05)	-
	B	**(8.14)**	**(11.63)**
Net deferred tax assets	**Total**	**(8.30)**	**(11.42)**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

Movement in deferred tax:	As at March 31, 2020	Recognized in P&L	Recognized in OCI	Other Adjustments	As at March 31, 2021
Deferred tax liabilities					
Plant, property and equipment	0.24	(0.40)	-	-	(0.16)
- Remeasurements on defined benefit plans	-	-	-	-	-
Sub- Total (a)	**0.24**	**(0.40)**	**-**	**-**	**(0.16)**
Deferred tax assets					
Provision for employee benefits	0.27	0.07	0.01	-	0.35
Minimmum alternate tax (MAT) credit entitlement	11.39	-	-	(8.65)	2.74
Impairment of Investment	-	5.05			5.05
Sub- Total (b)	**11.66**	**5.12**	**0.01**	**(8.65)**	**8.14**
Net deferred tax assets (a)-(b)	**(11.42)**	**(5.52)**	**(0.01)**	**8.65**	**(8.30)**

Movement in deferred tax:	As at March 31, 2020	Recognized in P&L	Recognized in OCI	Other Adjustments	As at March 31, 2021
Deferred tax liabilities					
Plant, property and equipment	0.81	(0.57)	-	-	(0.16)
Other comprehensive income items		-	-	-	-
- Remeasurements on defined benefit plans	-	(0.57)	-	-	(0.16)
Sub- Total (a)	**0.81**				
Deferred tax assets					
Provision for employee benefits	0.18	0.07	0.02	-	0.27
Minimmum alternate tax (MAT) credit entitlement	14.72	(3.33)	-	3.33	11.39
Sub- Total (b)	**14.90**	**(3.26)**	**0.02**	**3.33**	**11.66**
Net deferred tax assets (a)-(b)	**(14.09)**	**2.69**	**(0.02)**	**(3.33)**	**(11.42)**

* It consists utilization of MAT credit entitlement.

9 TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good-Secured	-	-
Trade receivables considered good-Unsecured	-	7.40
Trade receivables which have significant increase in credit risk	-	-
TOTAL	**-**	**7.40**
Of the above, trade receivable from related parties are given below:		
Total trade receivable from related parties	-	-
Less: Allowance for bad and doubtful debts	-	-
Net trade receivables	-	-

10 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
i **Cash & Cash Equivalents**		
Balance with banks		
In Current Accounts	12.79	1.84
	12.79	**1.84**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
In deposit accounts held as margin money	-	-
Fixed deposits with bank	91.51	44.38
TOTAL	**91.51**	**44.38**

12 CURRENT TAX ASSETS

	As at March 31, 2021	As at March 31, 2020
Income Tax Balances (Net of Provision of 4.01 Mn (Previous Year 5.43 Mn)	4.54	1.19
	4.54	**1.19**

13 OTHER ASSETS

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Considered good unless stated otherwise				
Advances to vendors				
Prepaid Expenses	-	-	0.13	0.18
GST Refund claim	-	-	-	3.02
Prepayments	-	-	-	-
Other statutory advances	-	-	1.74	0.89
	-	**-**	**1.87**	**4.09**

14 EQUITY SHARE CAPITAL

	As at March 31, 2021	As at March 31, 2020
Authorised Shares		
120,00,000 (March 31, 2020 : 120,00,000) Equity Shares of ₹10 each (March 31, 2020 : ₹ 10 each)	120.00	120.00
TOTAL	**120.00**	**120.00**
Issued Shares		
149,73,25 (March 31, 2020 : 149,73,250) Equity Shares of ₹10 each (March 31, 2020 : ₹ 10 each)	14.97	14.97
	14.97	**14.97**
Subscribed & Fully Paid up Shares		
149,73,25 (March 31, 2020 : 149,73,250) Equity Shares of ₹10 each (March 31, 2020 : ₹ 10 each)		
Total subscribed and fully paid up share capital	**14.97**	**14.97**

a The Company has only one class of Equity Shares having a par value of ₹10 per share (Previous Year ₹ 10 per share). Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend. However, Company has not proposed any dividend in the current and previous year. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Issued, Subscribed and Paid up share capital

Equity Shares

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

Particular	Equity Share (No. of Shares)		Value of Equity Shares	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Share outstanding at beginning of Year	14,97,325	14,97,325	14.97	14.97
Shares issued during the year	-	-	-	-
Share outstanding at end of Year	**14,97,325**	**14,97,325**	**14.97**	**14.97**

Subscribed & paid up

c. **Details of shareholders holding more than 5% shares in the Company**

Equity Shares

Name of Shareholders	2020-21		2019-20	
	No of Shares	% of Holding	No of Shares	% of Holding
PI Industries Limited and its nominees	14,97,325	100	14,97,325	100%

d. **Equity Shares held by holding Company**

Name of Shareholders	2020-21		2019-20	
	No of Shares	% of Holding	No of Shares	% of Holding
PI Industries Limited and its nominees	14,97,325	100	14,97,325	100%

e. The Company has not bought back any shares issued in consideration other than cash in last 5 years.

15 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
Securities Premium		
Balances at the beginning of the year	89.48	-
Addition on issuance of equity shares	-	89.48
TOTAL	**89.48**	**89.48**
Surplus in Statement of Profit & Loss		
Balance at the beginning of the year	198.95	173.82
Addition during the year	56.16	25.13
TOTAL OTHER EQUITY	**255.11**	**198.95**

(II) Items of other comprehensive income

	As at March 31, 2021	As at March 31, 2020
Remeasurements of the net defined benefit Plans		
Balance at the beginning of the year	(0.05)	-
Add: Other comprehensive income for the year	0.01	(0.05)
TOTAL (II)	**(0.04)**	**(0.05)**
TOTAL OTHER EQUITY	**344.55**	**288.38**

16 PROVISIONS

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits				
Long term compensated absences*	0.39	0.45	0.01	0.02
Gratuity*	0.46	0.52	0.01	-
TOTAL	**0.85**	**0.97**	**0.02**	**0.02**

(*Refer note no 29)

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

17 OTHER FINANCIAL LIABILITIES

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Employee payables	-	-	0.74	0.89
Other payable	-	-	0.22	0.22
TOTAL	**-**	**-**	**0.96**	**1.11**

18 OTHER LIABILITIES

	Non- Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	-	-	0.05	0.09
TOTAL	**-**	**-**	**0.05**	**0.09**

19 REVENUE FROM OPERATIONS

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations includes		
- Royalty Income	48.40	37.65
TOTAL	**48.40**	**37.65**

20 OTHER INCOME

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income from financial assets at amortised cost		
- Fixed Deposits	7.36	6.36
Others	-	0.05
TOTAL	**7.36**	**6.41**

21 EMPLOYEE BENEFIT EXPENSE

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	4.53	4.94
Contribution to provident & other funds	0.21	0.25
Gratuity and Long term compensated absences (Refer note 29)	0.15	0.25
Employees Welfare Expenses	0.01	0.03
TOTAL	4.90	5.47

22 FINANCE COST

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on financial liabilities measured at amortised cost	-	0.04
TOTAL	**-**	**0.04**

23 DEPRECIATION

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of Property, Plant and Equipment	2.68	3.54
TOTAL	**2.68**	**3.54**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

24 OTHER EXPENSES

	For the year ended March 31, 2021	For the year ended March 31, 2020
Power, fuel & water	3.86	4.51
Repairs to machinery	0.59	0.78
Travelling and conveyance	0.09	0.46
Office Expenses	0.37	0.40
Rental charges	2.39	2.67
Rates and taxes	0.02	0.04
Insurance	0.15	0.16
Auditor remuneration (Refer note 25 a below)	0.08	0.07
Provision for diminution in the value of investment	22.69	-
Net foreign exchange differences	-	0.03
Legal & professional fees	0.08	0.99
Bank charges	0.01	0.02
Business Support servicees	0.88	0.85
Miscellaneous expenses	0.02	0.01
TOTAL	**31.22**	**10.99**

a. Auditors' Remuneration

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
-Statutory audit fees	0.04	0.04
-Certificates & other matters	0.04	0.03
TOTAL	**0.08**	**0.07**

25 INCOME TAX EXPENSE

a) Income tax expense recognized in Profit and Loss

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax expense		
Current tax on profits for the year	11.49	7.34
Adjustment of current tax for prior year	(0.01)	0.03
Total Current tax expense	**11.48**	**7.37**
Deferred tax expense		
Origination and reversal of temporary differences	(5.53)	(0.64)
Net Deferred tax expense	**(5.53)**	**(0.64)**
MAT credit utilization of current year	**-**	**-**
Total Income tax expense	**5.96**	**6.73**

b) Deferred tax related to items recognised in Other comprehensive income during the year

	For the year ended March 31, 2021	For the year ended March 31, 2020
Remeasurement of defined benefit plans	(0.01)	0.02
Income tax charged to Other comprehensive income	**(0.01)**	**0.02**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	For the year ended March 31, 2021	For the year ended March 31, 2020
Accounting profit before tax	62.11	31.86
Tax at India's statutory income tax rate @ 27.82% (March 31, 2020: 27.55%)	**17.28**	**8.78**
Adjustment in respect of current income tax of previous years	(0.01)	0.03
Difference in tax liability entitlement of lower tax rate	(11.31)	(2.21)
Others	(0.01)	0.13
Income Tax Expense	**5.95**	**6.73**

26 EARNING PER SHARE

		For the year ended March 31, 2021	For the year ended March 31, 2020
a)	Net Profit for Basic & Diluted EPS	56.16	25.13
b)	Number of Equity Shares at the beginning of the year	14,97,325	14,97,325
	Total Number of Shares outstanding at the end of the year	**14,97,325**	**14,97,325**
	Weighted Average number of Equity Shares outstanding during the period - Basic	**14,97,325**	**14,97,325**
	Weighted Average number of Equity Shares outstanding during the year - Diluted	**14,97,325**	**14,97,325**
	Earning Per Share - Basic (₹)	37.51	16.79
	Earning per share - Diluted (₹)	37.51	16.79
	Face value per share (₹)	10.00	10.00

27 RELATED PARTY DISCLOSURES

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

A) List of Related Parties

i)	**Enterprises which control the entity**	PI Industries Ltd.
ii)	**Enterprises under common control**	PILL Finance & Investment Ltd.
		PI Japan Co. Ltd.
		PI Enzachem Private Limited
		PI Fermachem Private Limited
		Isagro Aisa(Agrochemicals) Private Limited
		Jivagro Limited
iii)	**Associate & Joint Venture**	Solinnos Agro Sciences Private Ltd. (Associate)
		PI Kumiai Private Ltd. (w.e.f 04-07-2017) (Joint Venture)
iv)	**Key Managerial Personnel & their relatives (KMP)**	
	Key Managerial Personnel (KMP)	
	Mr. Mayank Singhal	Director
	Mr. Rajnish Sarna	Director
	Mr. Rajender Dev Kapoor	Director
v)	**Relatives of Key Managerial Personnel**	------NA-------
	Relation with Key Managerial Personnel	
iv)	**Enterprises over which KMP and their relatives are able to exercise significant influence**	------NA-------

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

B) The following transactions were carried out with related parties in the ordinary course of business:

Nature of Transaction	2020-21		Balance outstanding Dr (Cr)	2019-20		Balance outstanding Dr (Cr)
	Transactions during the period			Transactions during the period		
	Recd/Pur.	Paid/Sales		Recd/Pur.	Paid/Sales	
Transactions with :-						
Holding Company- PI Industries Limited						
Sale of Services		48.40	-	-	37.65	-
Rent, electricity and other miscellaneous payment	6.25			7.18		7.18
Associate - Solinnos Agro Sciences Private Limited.						
Business Support Services	0.88		-	0.85	-	-
Investments						
Joint Venture - PI Kumiai Private Limited.						
Investments	-		-	95.00	-	-
Grand Total	**6.25**	**48.40**	**-**	**7.18**	37.65	7.18

c) Terms and conditions of transactions with related parties

The services rendered to and from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

28 EMPLOYEE BENEFITS

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

Central provident fund

Gratuity Plan

Long term leave encashment

a) Defined Contribution Plans:-

The Company has recognised an expense of ₹ 0.21 Mns (Previous Year ₹ 0.25 Mns) towards the defined contribution plan.

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

b) Defined benefits plans - as per actuarial valuation

	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
I	**Change in present value of obligation during the year**				
	Present value of obligation at the beginning of the year	0.53	0.45	0.33	0.29
	Total amount included in profit and loss:				
	- Current Service Cost	0.07	0.07	0.10	0.09
	- Interest Cost	0.03	0.03	0.03	0.02
	Remeasurement related to long term employee benefit:				
	Actuarial losses/(gains) arising from:				
	- Financial assumption		-	-	0.06
	- Experience Judgement		(0.05)	-	(0.01)
	Total amount included in OCI:				
	Remeasurement related to gratuity:				
	Actuarial losses/(gains) arising from:				
	- Financial assumption	-		0.07	
	- Experience Judgement	(0.02)		0.00	
	Others				
	Benefits Paid	(0.14)	(0.09)		
	Present Value of obligation as at year-end	**0.47**	**0.40**	**0.53**	**0.45**

II Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets

	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
1	Present Value of obligation as at year-end	0.47	0.40	0.53	0.45
2	Fair value of plan assets at year -end	-	-	-	-
3	Funded status {Surplus/(Deficit)}	(0.47)	(0.40)	(0.53)	(0.45)
	Net Asset/(Liability)	**(0.47)**	**(0.40)**	**(0.53)**	**(0.45)**

III Bifurcation of net liability at the end of the year

	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
1	Current Liability	0.01	0.01	0.01	0.02
2	Non-Current Liability	0.46	0.39	0.51	0.43

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

IV Actuarial Assumptions

	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
1	Discount Rate	6.79%	6.79%	6.79%	6.79%
2	Expected rate of return on plan assets	-	-		-
3	Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
4	Salary Escalation	7.00%	7.00%	7.00%	7.00%

V The expected contribution for Defined Benefit Plan for the next financial year will be ₹ 0.14 Mn

VI Sensitivity Analysis

Gratuity	Year ended March 31, 2021		Year ended March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (.50 % movement)	(0.03)	0.04	(0.04)	0.05
Future salary growth (.50 % movement)	0.04	(0.03)	0.05	(0.04)

Long term Compensated Absences	Year ended March 31, 2021		Year ended March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (.50 % movement)	(0.03)	0.03	(0.04)	0.04
Future salary growth (.50 % movement)	0.03	(0.03)	0.04	(0.04)

VII Maturity Profile of Defined Benefit Obligation

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Non -Funded		Non -Funded	
	Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
Within the next 12 months	0.01	0.01	0.01	0.02
Between 1-5 years	0.03	0.03	0.06	0.04
Beyond 5 years	0.43	0.36	0.47	0.39

29 FINANCIAL INSTRUMENTS

1 Financial instruments – Fair values and risk management

Financial instruments by category

	As At March 31, 2021			As At March 31, 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Non-current Assets						
Investments - Refer note 5(ii)	47.02	-	154.63	64.64	-	154.63
Loan - Refer note 6			0.01			0.01
Other financial asset - Refer note 7	-	-	34.23	-	-	51.91
Current Assets						
Trade Receivable - Refer note 9	-		-	-	-	7.40
Cash and cash equivalents - Refer note 10	-	-	12.79	-	-	1.84
Other balances with Banks - Refer note 11	-	-	91.51	-	-	44.38
	47.02	**-**	**293.17**	**64.64**	**-**	**260.17**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

	As At March 31, 2021			As At March 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investment in equity instrument	-	-	47.02	-	-	64.64
Non Current Financial Asset (Refer Note-7)	-	34.23	-	-	51.91	-
Total	**-**	**34.23**	**47.02**	**-**	**51.91**	**64.64**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

The fair value of trade receivables, cash and cash equivalents, other balances with bank, trade payables and current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments. Fair value for all other non-current assets is equivalent to the amortised cost, interest rate on them is equivalent to the market rate of interest.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

- Credit risk
- Liquidity risk
- Market risk

i. 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 obligation. The carrying amount of financial assets represents the maximum credit exposure and is as follows:

Cash and cash equivalents, deposits with banks:

The Company considers that its cash and cash equivalents and Deposits with banks have low credit risk based on good external credit ratings of counterparties. Impairment on cash and cash equivalents and deposits with banks has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures.

Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses (if any) recognized represent the maximum credit exposure. The maximum exposure to credit risk as at balance sheet date was as follows:

Particulars	As At March 31, 2021	As At March 31, 2020
Trade Receivables - (Refer note 9)	-	7.40
Cash and cash equivalents - (Refer note 10)	12.79	1.84
Bank balances other than above - (Refer note 11)	91.51	44.38
Total	**104.30**	**53.62**

ii. 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. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(a) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

As At March 31, 2021	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payable - refer note 17	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

As At March 31, 2020	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payable - refer note 17	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

iii. **Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - 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.

Foreign Currency risk

The Company is not exposed to any material foreign currency risk as at the reporting date.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's investments are primarily in fixed deposits which are short term in nature and do not expose it to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	As At March 31, 2021	As At March 31, 2020
Fixed-rate instruments		
Other non current financial assets (Note 7)	34.23	51.91
Bank balances (Note 11)	91.51	44.38
Total	**125.74**	**96.29**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Price Risk

The Company is not exposed to any price risk as at the reporting date.

31 OPERATING SEGMENT

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the Company's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

The Company has evaluated the applicability of segment reporting and has concluded that since the Company is operating in research and development activities and is being reviewed by the CODM on the same lines, accordingly the Company has only one reportable business segment.

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

I Revenue: (Refer note 19)

A. Information about revenues from products and services:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Royalty Income	48.40	37.65
Total	**48.40**	**37.65**

B. Geographical Areas

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
India	48.40	37.65
	48.40	**37.65**

C. Revenues from transactions with customers amounted to more than 10% of the Company's revenue in one case.

II The total of Non-current assets (other than financial instruments, deferred tax assets and investments accounted for using equity method), broken down by location of the assets, is shown in the table below:

	As At March 31, 2021	As At March 31, 2020
India (Refer note 4)	**6.50**	**9.18**

32 As per information available with the Management as certified by them, there is no contingent liability as at March 31st, 2021 (Previous year : Nil)

33 As per the information available with the Management and as certified by them, there is no outstanding Capital and other Commitment as on March 31st, 2020 (Previous year : Nil)

34 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions.

35 Operating Lease Commitments- As Leasee

Ind AS 116 – Leases is notified by the government on March 30, 2019, which replaces Ind AS 17 Leases and related interpretations. The new standard will require lessees to adopt a uniform approach to the presentation of leases. Correspondingly, assets must be recognised for the right of use received and liabilities must be recognised for payment obligations entered into for all leases. The current assessment is that the application of Ind AS 116 will not materially impact the Company's financial statements.

	As At March 31, 2021	As At March 31, 2020
- Payable within one year	-	-
- Later than one year and not later than five years	-	-
- Later than five years	-	-
- Lease payments recognised in Statement of Profit and Loss	**2.39**	**2.67**

Notes to Financial Statements

for the year ended March 31, 2021

(All amount in ₹ million, unless otherwise stated)

36 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No adjusting or significant non- adjusting events have occurred between the reporting date and date of authorization of these financial statements.

37 There are no present obligations requiring provision in accordance with the guiding principles as enunciated in IND AS -37, which will result as an outflow of resources embodying economic benefits will be required.

38 The payment of Bonus Act, 1965 , Employees Provident Funds and Miscellaneous Provisions Act, 1952 and Gratuity Act, 1972 is not applicable to the Company as the number of employees in the Company is below the threshold minimum.

39 The Company has made assessment of impact of COVID 19 related lockdown on carrying value of fixed assets, receivable and cash flow as at the balance sheet date and has concluded that there is no material adjustments required in these financial statement. The Company will continue to monitor any material changes to future economic conditions.

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Amit Goel
Partner
M. No. 500607

Place: Gurugram
Date: May 06, 2021

For and on behalf of the Board of Directors of PI Life Science Research Limited

Sd/-
Mayank Singhal
Director
DIN: 000006651

Sd/-
Rajnish Sarna
Director
DIN: 06429468