

PI INDUSTRIES LIMITED: COUNTRY-BY-COUNTRY TAX DISCLOSURE

INTRODUCTION

We are pleased to present the Country-by-Country Tax Report for PI Industries Limited for the Financial Year 22-23, in accordance with the Organization for Economic Co-operation and Development (OECD) guidelines as well as the Income Tax Act, 1962 provisions in India. This report provides a comprehensive overview of our tax related activities and financial information across various countries in which we operate, as mandated by the OECD Base Erosion and Profit Sharing (BEPS) Action recommendations.

TAX REPORTING

PI Industries' tax strategy and policy are designed to enable the conduct of business and delivering performance responsibly, with integrity and in compliance with all applicable tax laws and regulations. PI adopts a transparent and collaborative approach with all institutions and associations to support the development of effective tax systems in the various countries in which we operate.

OVERVIEW OF PI INDUSTRIES BUSINESS

As a premier global agrochemicals and life sciences Company, PI Industries Ltd. has held a leading position in the agri inputs industry since its establishment in 1946. Our unique business model entails global partnerships across the value chain, encompassing custom synthesis and manufacturing, and in-licensing for distribution of agri-inputs in the domestic market. With deep R&D expertise and a significant footprint in the Indian crop protection market, we have a strong legacy of market-leading brands that bring value-added offerings to over 3 million farmers and over 80,000 retailers.

BUSINESS SEGMENTS

PI Industries' business model is built on the principles of respect for intellectual property (IP) and established relationships. We have the following major business segments:

- **Domestic Agri Business** manufactures and markets agrochemicals, plant nutrients and plant health products, leveraging the power of its PAN-India network of distributors. This segment focuses on innovation to introduce new products in the form of in-licensed, branded generics, and co-marketed agricultural products through strategic partnerships with global innovators. We are the pioneers in the introduction of granular formulations in India and are the largest sellers in this segment – insecticides, fungicides, herbicides, and other specialty chemicals.
- **Custom Synthesis and Manufacturing** segment is India's largest CRAMS business with majority of its revenue coming from Patented products. Leveraging on chemistry process research and manufacturing capabilities,



P.I. INDUSTRIES LIMITED

this business caters to global innovators (agrochemical and pharmaceutical clients) specializing in synthesis of complex molecules, intermediates, and active ingredients, thereby enable in IP creation.

- **R&D Services:** We have a state-of-the-art R&D centre, kilo lab, pilot plant and manufacturing & analytical facilities and a well experienced team of scientists. This enables availability of End-to-End infrastructure and capabilities (from gram scale to 5 typical batches to commercial production) at one place.

OUR ENTITIES

As on March 31, 2023, the Company had seven (7) wholly owned subsidiaries as follows:

- **Jivagro Limited:** The Company owns 100% stake in Jivagro Limited. It is engaged in horticulture business.
- **PI Health Sciences Limited:** The Company owns 100% stake in PI Health Sciences Limited. It is engaged in the pharmaceutical business. In order to enable its plans of growth and expansion in the pharmaceutical sector, PI Health Sciences Limited has incorporated a wholly-owned subsidiary in Netherlands i.e., PI Health Sciences Netherlands B.V on April 07, 2023 and also acquired 100% shareholding in two companies i.e., Therachem Research Medilab (India) Private Limited and Solis Pharmachem Private Limited on June 02, 2023. Further, PI Health Sciences Netherlands B.V has incorporated a wholly-owned subsidiary in United States i.e., PI Health Sciences USA LLC on April 24, 2023 and acquired 100% shareholding of Archimica S.p.A. on April 27, 2023.
- **PI Life Science Research Limited:** The Company owns 100% stake in PI Life Science Research Limited, which carries on the business of R&D for developing new products.
- **PI Japan Co. Limited:** The Company owns 100% stake in PI Japan Co. Limited, incorporated in Japan, which takes care of business development activities of the Company in Japan.
- **PILL Finance and Investments Limited:** The Company owns 100% stake in PILL Finance and Investments Limited.
- **PI Bioferma Private Limited** The Company owns 100% stake in PI Bioferma Private Limited. The Company is yet to start the business operations.
- **PI Fermachem Private Limited** The Company owns 100% stake in PI Fermachem Private Limited. The Company is yet to start the business operations

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the subsidiaries and associate companies is given in form AOC-1 attached as part of the Annual Integrated Report for FY 22-23 disclosed on the company website.

OUR COUNTRY-BY-COUNTRY REPORTING FOR 2022-23 (AS FOLLOWS)

The information provided reflects a break-down of the 2022-2023 revenues, Profit (Loss) before taxes, Corporate Tax Expense (Income), Corporate Taxes Paid (Refund) and the Number of IVL employees in the key countries and regions where PI Industries and its subsidiaries operate:

Name of the Multinational Enterprise group:	PI Industries										
Reportable accounting year:	FY 2022-23										
Currency used:	INR (Million)										
		Revenues									
Name of the Company	Tax Jurisdiction	Unrelated Party	Related Party	Total	Profit(Loss) before Income Tax	Income Tax Paid (on Cash Basis) As per cash flow	Income Tax Accrued – Reportable Accounting Year	Stated Capital	Accumulated Earnings	Number of Employees (as on 31st March 2023) #	Tangible Assets other than Cash and Cash Equivalents
PI Industries Limited	India	63,361	932	64,293	14,217	2,471	2,509	152	48,802	3,354	23,865
Jivagro Limited	India	2,745	149	2,895	227	76	66	1,488	669	140	26
PI Life Science Research Limited	India	11	59	69	55	11	16	15	278	3	3
PILL Finance & Investment Limited	India	1	0.1	1	1	1	0.5	4	42	-	1
PI Bioferma Private Limited	India	-	-	-	(0.1)	-	-	1	(0.3)	-	-
PI Fermachem Private Limited	India	-	-	-	(0.1)	-	-	1	(0.3)	-	-
PI Health Science limited	India	1	-	1	(127)	0.1	-	245	(103)	48	136
PI Japan Limited	Japan	0.0	55	55	2	1	1	3	22	3	1
PII ESOP Trust	India	1	0.3	2	2	0.3	1	0.0	0.1	-	-

Number of Employees as on 31st March 2023 represents on-roll full time employees and does not include contractual and third party payroll employees.