

# INDEPENDENT AUDITOR'S REPORT

## To the Members of PILL Finance and Investments Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of PILL Finance and Investments Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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, 2022, 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 financial statements in accordance with the Standards on Auditing (SAs), as 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 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 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 financial statements.

#### Information Other than the 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 Director's report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusions thereon.

In connection with our audit of the 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the 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 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 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) In our opinion, and according to the information and explanations given to, the company has not paid any managerial remuneration during the year ended March 31, 2021. Hence, provisions of section 197 read with Schedule

V to the Act are not applicable to the Company and has not commented upon;

- (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 Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv (a) and iv (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the year by the Company.

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

Sd/-  
**AMIT GOEL**  
Partner

Place: New Delhi  
Date: May 05, 2022

Membership No. 500607  
UDIN: 22500607AI2JDG1971

# Annexure A to the Independent Auditor's Report

to the Members of PIL Finance and Investments Limited dated May 05, 2022.

**Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government 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) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (a) (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (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) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The present Company's operations do not give rise to any inventory. Hence, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company
- (b) The Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- 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. The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- b. There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) and clause ix(c) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (d) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

- (e) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act, has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xiii)(c) 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 accounting standards. The provisions of section 177 of the Act are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Act. Therefore, the requirement to report under clause 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable to the Company.
- 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. (a) 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.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company
- (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix On the basis of the financial ratios disclosed in note 23 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx The Company has not meeting the requirement of applicability of section 135 of the Act, hence report on clause 3(xx)(a) and 3(xx)(b) is not applicable to the Company.
- xxi. Consolidated financial statement is not applicable to the Company. Hence requirement of clause 3(xxi) is not applicable to the Company.

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

Sd/-  
**AMIT GOEL**  
 Partner

Place: New Delhi  
 Date: May 05, 2022

Membership No. 500607  
 UDIN: 22500607AIZJDG1971

# Annexure B to the Independent Auditor's Report

to the Members of PIL Finance and Investments Limited dated May 05, 2022.

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of 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 the **PIL Finance and Investments Limited** (the 'Company') as of March 31, 2022 in conjunction with our audit of the 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 judgement, 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 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:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 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
- 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 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, 2022, 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

Place: New Delhi  
Date: May 05, 2022

Membership No. 500607  
UDIN: 22500607AIZJGD1971

**BALANCE SHEET** AS AT MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1.24	1.24
Financial assets			
(i) Investments	5	8.65	6.86
(ii) Other financial assets	12	28.22	26.97
Other non-current assets	10	0.01	0.01
<b>Total non-current assets</b>		<b>38.12</b>	<b>35.08</b>
<b>Current assets</b>			
Financial assets			
(i) Cash and cash equivalents	7 (a)	1.18	9.89
(ii) Bank balances other than (i) above	7 (b)	9.82	1.20
Current tax assets	13	0.21	0.19
<b>Total current assets</b>		<b>11.21</b>	<b>11.28</b>
<b>Total assets</b>		<b>49.33</b>	<b>46.36</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	8	3.60	3.60
Other equity	9	45.29	42.52
<b>Total equity</b>		<b>48.89</b>	<b>46.12</b>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
Financial liabilities			
(i) Other financial liabilities	11	0.05	0.05
Deferred tax liabilities (Net)	6	0.30	0.13
<b>Total non current liabilities</b>		<b>0.35</b>	<b>0.18</b>
<b>Current Liabilities</b>			
Financial liabilities			
(i) Other financial liabilities	14	0.09	0.06
<b>Total current liabilities</b>		<b>0.09</b>	<b>0.06</b>
<b>Total liabilities</b>		<b>0.44</b>	<b>0.24</b>
<b>Total equity and liabilities</b>		<b>49.33</b>	<b>46.36</b>

**Significant accounting policies**

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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  
Membership Number 500607  
Place: Gurugram  
Date: May 05, 2022

**For and on behalf of the Board of Directors**  
**PILL Finance and Investments Limited**

Sd/-  
**Mayank Singhal**  
Director  
DIN: 00006651

Sd/-  
**Rajnish Sarna**  
Director  
DIN: 06429468

# STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Revenue from operations	15	1.58	1.64
Other income	16	1.87	2.96
<b>Total income</b>		<b>3.45</b>	<b>4.60</b>
<b>Expenses:</b>			
Finance cost	17	-	0.02
Other expense	18	0.12	0.23
<b>Total expenses</b>		<b>0.12</b>	<b>0.25</b>
<b>Profit before tax</b>		<b>3.33</b>	<b>4.35</b>
<b>Income tax expense</b>	19		
Current tax		0.39	0.47
Deferred tax		0.17	0.13
Income tax of earlier years		(0.02)	-
<b>Total tax expense</b>		<b>0.56</b>	<b>0.60</b>
<b>Profit for the year</b>		<b>2.77</b>	<b>3.75</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans		-	-
Income tax relating to the above item		-	-
(ii) Items that will be reclassified to profit or loss			
Effective portion of gains/(losses) on cash flow hedges		-	-
Income tax relating to the above item		-	-
<b>Total comprehensive income for the year</b>		<b>2.77</b>	<b>3.75</b>
<b>Earnings per equity share</b>	20		
1) Basic (in ₹)		7.69	10.42
2) Diluted (in ₹)		7.69	10.42
<b>Face value per share (in ₹)</b>		<b>10</b>	<b>10</b>

## Significant accounting policies

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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

Membership Number 500607

Place: Gurugram

Date: May 05, 2022

### For and on behalf of the Board of Directors

**PILL Finance and Investments Limited**

Sd/-

**Mayank Singhal**

Director

DIN: 00006651

Sd/-

**Rajnish Sarna**

Director

DIN: 06429468

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## a. Equity share capital

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	Amount	Amount
Balance at the beginning of the reporting year	3.60	3.60
Changes in equity share capital during the year	-	-
<b>Balance at the end of the reporting year</b>	<b>3.60</b>	<b>3.60</b>

## b. Other equity

Particulars	Reserves & Surplus		Total other equity
	Capital reserve	Statement of Profit & Loss	
Balance at April 1, 2020	3.50	35.26	38.77
Profit for the year	-	3.75	3.75
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>3.75</b>	<b>3.75</b>
<b>Balance at March 31, 2021</b>	<b>3.50</b>	<b>39.01</b>	<b>42.52</b>
Profit for the year	-	2.77	2.77
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>2.77</b>	<b>2.77</b>
<b>Balance at March 31, 2022</b>	<b>3.50</b>	<b>41.78</b>	<b>45.29</b>

As per our report of even date

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

Sd/-  
**Amit Goel**  
Partner  
Membership Number 500607  
Place: Gurugram  
Date: May 05, 2022

For and on behalf of the Board of Directors  
PILL Finance and Investments Limited

Sd/-  
**Mayank Singhal**  
Director  
DIN: 00006651

Sd/-  
**Rajnish Sarna**  
Director  
DIN: 06429468

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Income Tax	3.33	4.35
Adjustments for :-		
Finance costs	-	0.02
Interest Income on Financial Assets at amortised cost	(1.53)	(1.59)
Dividends received	(0.08)	(0.07)
(Gain)/Loss on financial assets measured at fair value through profit or loss (Net)	(1.79)	(2.89)
<b>Operating Profit before Working Capital changes</b>	<b>(0.07)</b>	<b>(0.18)</b>
(Increase) / Decrease in Other non-current financial assets	-	-
(Increase) / Decrease in other bank balances	-	-
Increase / (Decrease) in Other current financial liabilities	0.03	(0.04)
<b>Cash generated from Operations before tax</b>	<b>(0.04)</b>	<b>(0.22)</b>
Income Taxes paid	(0.41)	(0.63)
<b>Net cash inflow (outflow) from Operating Activities</b>	<b>(0.45)</b>	<b>(0.85)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividends Income	0.08	0.07
Interest Received	1.53	1.59
Fixed deposits made during the year	(9.87)	(1.46)
Proceeds from sales of investments	-	0.39
<b>Net cash used in Investing Activities</b>	<b>(8.26)</b>	<b>0.59</b>
<b>Net cash inflow (outflow) from Operating and Investing Activities</b>	<b>(8.71)</b>	<b>(0.26)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid (Net)	-	(0.02)
<b>Net Cash inflow (outflow) from Financing Activities</b>	<b>-</b>	<b>(0.02)</b>
<b>Net Cash inflow (outflow) from Operating, Investing &amp; Financing Activities</b>	<b>(8.71)</b>	<b>(0.28)</b>
Effect of exchange differences on translation of foreign currency Cash & Cash equivalents	-	-
<b>Net increase (decrease) in Cash &amp; Cash equivalents</b>	<b>(8.71)</b>	<b>(0.28)</b>
Opening balance of Cash & Cash equivalents	9.89	10.17
Closing balance of Cash & Cash equivalents	1.18	9.89
Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following :		
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Particulars</b>		
i) Cash on Hand	-	-
ii) Balance with Banks :		
-In Current Accounts	1.18	9.89
<b>Total</b>	<b>1.18</b>	<b>9.89</b>

As per our report of even date

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

 Sd/-  
**Amit Goel**  
 Partner  
 Membership Number 500607  
 Place: Gurugram  
 Date: May 05, 2022

 For and on behalf of the Board of Directors  
 PILL Finance and Investments Limited

 Sd/-  
**Mayank Singhal**  
 Director  
 DIN: 00006651

 Sd/-  
**Rajnish Sarna**  
 Director  
 DIN: 06429468

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 1 Corporate information

PILL Finance and Investments Limited (the Company) is a company limited by shares, domiciled in India and has its registered office at Udaisagar Road, Udaipur, Rajasthan, India. The principal activities of the Company are to carry the business of Investment.

PI Industries Limited owns 100% of the Company's equity share capital.

## 2 Basis of preparation

### a) Statement of compliance

These are the Company's third financial statements and 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 are authorised for issue by the Board of Directors on May 05, 2022

### b) Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain financial assets and liabilities which are measured at fair values.

### 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 millions, 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

The preparation of financial statements is in conformity with Ind AS, which requires management to make 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 year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

## 3 Significant accounting policies

### a) Property, plant and equipment

#### i) 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.

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 and Loss as incurred.

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) Revenue recognition

#### a) 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.

### c) 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.

#### i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. 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:

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

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

## ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and 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 nor loss.

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.

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:

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

## d) 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.

## e) Retirement and other employee benefits

Company has done the provision related with employee benefit on accrual basis.

## f) Financial instruments

### i) 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.

### ii) 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.

#### (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.

#### (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.

### iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

cost and FVOCI debt instruments. Except Trade receivables, the impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

## iv) 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.

## v) 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.

## g) 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.

## h) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the company.

## i) Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### Right-of-use assets -

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred.

Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

### Lease liabilities:-

The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g.,

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease.

#### j) 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.

#### k) 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.

#### l) Earning per share

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

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

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 4 PROPERTY, PLANT AND EQUIPMENT

	Total
<b>Freehold land</b>	
<b>Gross carrying amount</b>	
As at beginning of April 01, 2020	1.24
Additions	-
<b>As at March 31, 2021</b>	<b>1.24</b>
Additions	-
<b>As at March 31, 2022</b>	<b>1.24</b>
<b>Acumulated depreciation</b>	
As at beginning of April 01, 2020	-
Depreciation charge during the year	-
<b>As at March 31, 2021</b>	<b>-</b>
Depreciation charge during the year	-
<b>As at March 31, 2022</b>	<b>-</b>
<b>Net carrying amount</b>	
As at March 31, 2021	1.24
As at March 31, 2022	1.24

## FINANCIAL ASSETS

### 5 INVESTMENTS

	As at March 31, 2022	As at March 31, 2021
<b>Investment in Equity Instruments (fully paid up)</b>		
<b>Quoted at FVTPL</b>		
700(700) Equity Shares of United Credit Ltd. of ₹ 10/- each fully paid	0.01	0.01
12 (12) Equity Shares of Summit Securities Ltd. of ₹ 10/- each fully paid	0.01	0.01
50(50) Equity Shares of Akzo Nobel India Ltd. of ₹ 10/-each fully paid	0.10	0.12
976(976) Equity Shares of BASF India Ltd. of ₹ 10/-each fully paid	3.01	2.02
900(900) Equity Shares of Sudarshan Chemical Industries Ltd. of ₹ 2/- each fully paid	0.47	0.47
2070 (2070) Equity Shares of Rallis India Ltd. of ₹ 1/- each fully paid	0.49	0.52
66(66) Equity Shares of Bayer Cropsience Ltd. of ₹ 10/-each fully paid	0.33	0.35
248(248) Equity Shares of Punjab Chemicals & Crop Protection Ltd. of ₹ 10/-each fully paid	0.36	0.22
29(29) Equity Shares of Pfizer Ltd. of ₹ 10/-each fully paid (Erstwhile Wyeth Ltd.)	0.13	0.13
100(100) Equity Shares of Sanofi India Ltd. of ₹ 10/-each fully paid	0.75	0.79
150(150) Equity Shares of L.M.L.Ltd. of ₹ 10/-each fully paid	0.00	0.00
940(940) Equity Shares of United Sprits Ltd. of ₹ 2/-each fully paid	0.83	0.52
360(360) Equity Shares of RPG Life Sciences Ltd. of ₹ 08/-each fully paid	0.20	0.14
100(100) Equity Shares of Voltas Ltd. of Re.1/-each fully paid	0.12	0.10
2530(2530) equity shares of ICICI Bank Ltd. of ₹ 2/- each fully paid	1.85	1.47
<b>Unquoted at FVTPL</b>		
100(100) Equity Shares of Ciba CKD Biochem Ltd. of ₹ 10/-each fully paid	0.01	0.01
Less :		
Provision for diminution in investment in Ciba CKD Biochem Ltd.	(0.01)	(0.01)
	<b>8.65</b>	<b>6.86</b>
<b>TOTAL</b>	<b>8.65</b>	<b>6.86</b>
Aggregate amount of quoted investments and market value thereof	8.65	6.86
Aggregate amount of un-quoted investments	0.01	0.01
Provision for diminution in investment	(0.01)	(0.01)

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 6 DEFERRED TAX (ASSETS) / LIABILITIES

	As at March 31, 2022	As at March 31, 2021
The balance comprises temporary differences attributable to:		
<b>Deferred tax liabilities</b>		
Others	0.30	0.13
	0.30	0.13
<b>Net deferred tax liabilities</b>	<b>0.30</b>	<b>0.13</b>

	As at March 31, 2021	Recognized in Statement of Profit & Loss	Recognized in OCI	Other Adjustments	As at March 31, 2022
<b>Movement in deferred tax:</b>					
<b>Deferred tax liabilities</b>					
Others	(0.13)	(0.17)	-	-	(0.30)
<b>Sub- Total</b>	<b>(0.13)</b>	<b>(0.17)</b>	<b>-</b>	<b>-</b>	<b>(0.30)</b>
<b>Net deferred tax liability</b>	<b>0.13</b>	<b>0.17</b>	<b>-</b>	<b>-</b>	<b>0.30</b>

	As at March 31, 2020	Recognized in Statement of Profit & Loss	Recognized in OCI	Other Adjustments*	As at March 31, 2021
<b>Movement in deferred tax:</b>					
<b>Deferred tax liabilities</b>					
Others	-	(0.13)	-	-	(0.13)
<b>Sub- Total</b>	<b>-</b>	<b>(0.13)</b>	<b>-</b>	<b>-</b>	<b>(0.13)</b>
<b>Net deferred tax liability</b>	<b>-</b>	<b>0.13</b>	<b>-</b>	<b>-</b>	<b>0.13</b>

## 7 (a) CASH AND CASH EQUIVALENTS

	As at March 31, 2022	As at March 31, 2021
<b>i. Cash &amp; Cash Equivalents</b>		
<i>Balance with banks</i>		
In Current Accounts	1.18	9.89
<b>TOTAL</b>	<b>1.18</b>	<b>9.89</b>

## 7 (b) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2022	As at March 31, 2021
Fixed deposits with bank	9.82	1.20
<b>TOTAL</b>	<b>9.82</b>	<b>1.20</b>

## 8 EQUITY SHARE CAPITAL

	As at March 31, 2022	As at March 31, 2021
<b>Authorised Shares</b>		
5,00,000 (31st March 2021 : 5,00,000) Equity shares of ₹ 10 each	5.00	5.00
35,000 (31st March 2021 : 35,000) Redeemable preference shares of ₹ 100 each	3.50	3.50
<b>TOTAL</b>	<b>8.50</b>	<b>8.50</b>
<b>Issued, subscribed &amp; fully paid up shares</b>		
3,60,000 (31st March 2021 : 3,60,000) Equity Shares of ₹ 10 each (Share capital is held by-Holding Company PI Industries Ltd. and its nominees)	3.60	3.60
<b>Total issued, subscribed and fully paid up share capital</b>	<b>3.60</b>	<b>3.60</b>

# NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

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

Equity shares - Issued, subscribed &amp; fully paid up shares

### Equity Shares

Particulars	Equity Share (No. of Shares)		Value of Equity Shares	
	2021-22	2020-21	2021-22	2020-21
Share outstanding at beginning of Year	360,000	360,000	3.60	3.60
Share outstanding at end of Year	<b>360,000</b>	<b>360,000</b>	<b>3.60</b>	<b>3.60</b>

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

### Equity Shares

Name of Shareholders	2021-22		2020-21	
	No of Shares	% of Holding	No of Shares	% of Holding
PI Industries Limited and its nominees	360,000	100	360,000	100

## c. Terms/ rights attached to equity shares

The Company has issued 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 of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## d. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Details of shareholding by promoters	As on March 31, 2022			As on March 31, 2021		
	Number of Shares	Percentage total number of shares	Percentage of change during the year	Number of Shares	Percentage total number of shares	Percentage of change during the year
PI Industries Limited	360,000	100	-	360,000	100	-

## 9 OTHER EQUITY

	As at March 31, 2022		As at March 31, 2021	
<b>Surplus in statement of profit &amp; loss</b>				
Balance at the beginning of the financial year	39.02		35.27	
Addition during the financial year	2.77	41.79	3.75	39.02
<b>Capital redemption reserve*</b>				
	3.50		3.50	
	-	3.50	-	3.50
<b>TOTAL</b>		<b>45.29</b>		<b>42.52</b>

\* Capital redemption reserve created for Preference share.

## 10 OTHER NON-CURRENT ASSETS

	Non-Current	
	As at March 31, 2022	As at March 31, 2021
<i>Unsecured, considered good unless stated otherwise</i>		
Security deposits	0.01	0.01
<b>TOTAL</b>	<b>0.01</b>	<b>0.01</b>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 11 OTHER NON CURRENT FINANCIAL LIABILITIES

	Non- Current	
	As at March 31, 2022	As at March 31, 2021
<i>Unsecured, considered good unless stated otherwise</i>		
Security deposits	0.05	0.05
<b>TOTAL</b>	<b>0.05</b>	<b>0.05</b>

## 12 OTHERS FINANCIAL ASSETS

	Non- Current	
	As at March 31, 2022	As at March 31, 2021
<i>Considered good unless stated otherwise</i>		
Fixed deposits with bank	28.22	26.97
<b>TOTAL</b>	<b>28.22</b>	<b>26.97</b>

## 13 CURRENT TAX ASSETS

	As at March 31, 2022	As at March 31, 2021
Advance income tax (Net of provision for income tax ₹ 1.54 Mn {March 31, 2021 ₹ 0.71})	0.21	0.19
<b>TOTAL</b>	<b>0.21</b>	<b>0.19</b>

## 14 OTHER FINANCIAL LIABILITIES

	Current	
	As at March 31, 2022	As at March 31, 2021
Other payable	0.09	0.06
<b>TOTAL</b>	<b>0.09</b>	<b>0.06</b>

## 15 REVENUE FROM OPERATIONS

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Revenue from operations includes</b>		
a) Interest Income	1.53	1.59
b) Lease Rent	0.05	0.05
<b>TOTAL</b>	<b>1.58</b>	<b>1.64</b>

## 16 OTHER INCOME

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Net gain on financial assets measured at fair value through profit or loss		
-Realized Gain	-	0.39
-Unrealized Gain/ (Loss)	1.79	2.50
Dividends Income	0.08	0.07
<b>TOTAL</b>	<b>1.87</b>	<b>2.96</b>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 17 FINANCE COST

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Other borrowing costs	-	0.02
<b>TOTAL</b>	<b>-</b>	<b>0.02</b>

## 18 OTHER EXPENSES

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Rates and taxes	0.01	0.11
Auditor's remuneration	0.09	0.08
Legal & professional fees	0.02	0.04
<b>TOTAL</b>	<b>0.12</b>	<b>0.23</b>

## 19 INCOME TAX EXPENSE

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
a) <b>Income tax expense recognized in Profit and Loss</b>		
<b>Current tax expense</b>		
Current tax on profits for the year	0.39	0.47
<b>Total Current tax expense</b>	<b>0.39</b>	<b>0.47</b>
<b>Deferred tax expense</b>		
Increase / (Decrease) in Deferred tax liabilities	0.17	0.13
<b>Net Deferred tax expense</b>	<b>0.17</b>	<b>0.13</b>
<b>Total Income tax expense</b>	<b>0.56</b>	<b>0.60</b>
b) <b>Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
	<b>For the Year ended March 31, 2022</b>	<b>For the Year ended March 31, 2021</b>
Accounting profit before tax	3.33	4.35
Tax at India's statutory income tax rate @ 25.17% (March 31, 2021: 25.17%)	0.84	1.09
Effect of amounts which are not deductible in calculating taxable income	(0.28)	(0.49)
<b>Income Tax Expense</b>	<b>0.56</b>	<b>0.60</b>

## 20 EARNING PER SHARE

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
a) Net Profit for Basic & Diluted EPS	2.77	3.75
b) Number of Equity Shares at the beginning of the year	360,000	360,000
Total Number of Shares outstanding at the end of the year	<b>360,000</b>	<b>360,000</b>
Weighted Average number of Equity Shares outstanding during the year	<b>360,000</b>	<b>360,000</b>
<b>Earning Per Share - Basic (₹)</b>	7.69	10.42
<b>Earning per share - Diluted (₹)</b>	7.69	10.42
<b>Face value per share (₹)</b>	10.00	10.00

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 21 FINANCIAL INSTRUMENTS

### 1 Financial instruments – Fair values and risk management

#### Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
<b>Non-current Assets</b>						
Investments - (Refer note 5)	8.65	-	-	6.86	-	-
Other financial asset - (Refer note 6)	-	-	28.22	-	-	26.97
<b>Current Assets</b>						
Cash and cash equivalents	-	-	1.18	-	-	9.89
Bank balance other than cash and cash equivalents	-	-	9.82	-	-	1.20
	<b>8.65</b>	<b>-</b>	<b>39.22</b>	<b>6.86</b>	<b>-</b>	<b>38.06</b>
<b>Financial Liabilities</b>						
<b>Non-current Liabilities</b>						
Other financial liabilities	-	-	0.05	-	-	0.05
<b>Current Liabilities</b>						
Other financial liabilities	-	-	0.09	-	-	0.06
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>0.14</b>	<b>-</b>	<b>-</b>	<b>0.11</b>

Financial assets and liabilities measured its fair values recurring fair value measurement.

	Notes	March 31, 2022			March 31, 2021		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>							
Investment in equity instrument		8.65	-	-	6.86	-	-
<b>TOTAL</b>		<b>8.65</b>	<b>-</b>	<b>-</b>	<b>6.86</b>	<b>-</b>	<b>-</b>

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

The fair value of cash and cash equivalents, other balances with bank and current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments.

## 2 FINANCIAL RISK MANAGEMENT

### Risk management framework

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and impact of hedge accounting in the financial statements:

- Credit risk ;
- Liquidity risk ; and
- Market risk

#### i. Credit Risk

##### 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 and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 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 March 31, 2022 and March 31, 2021 was as follows:

Particular	March 31, 2022	March 31, 2021
Cash and cash equivalents	1.18	9.89
Bank balances other than above	9.82	1.20
Other financial assets	28.22	26.97
<b>Total</b>	<b>39.22</b>	<b>38.06</b>

## 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.

March 31, 2022	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Other non current financial liabilities	0.05	-	-	-	-	0.05
Other Payable	0.09	0.09	-	-	-	-
<b>Total</b>	<b>0.14</b>	<b>0.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.05</b>

March 31, 2021	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Other non current financial liabilities	0.05	-	-	-	-	0.05
Other Payable	0.06	0.06	-	-	-	-
<b>Total</b>	<b>0.11</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.05</b>

## 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 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.

	March 31, 2022	March 31, 2021
<b>Fixed-rate instruments</b>		
Current Financial assets	9.82	1.20
Non Current financial assets	28.22	26.97
<b>Total</b>	<b>38.04</b>	<b>28.17</b>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 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

There is no material price risk relating to the Company's equity investments.

## 22 RELATED PARTY DISCLOSURES

The following transactions were carried out with holding company PI Industries Ltd. in the ordinary course of activities:

### a) List of related parties

i) Enterprises which control the entity	PI Industries Ltd.
ii) Enterprises under common control	PI Life Science Research Ltd. PI Japan Co. Ltd. PI Health Sciences Limited Jivagro Ltd PI Bioferma Private Limited PI Fermachem Pvt Ltd
(iii) Key Managerial Personnel & their relatives (KMP)	
<b>Key Managerial Personnel (KMP)</b>	
Mr. Mayank Singhal	Director
Mr. Salil Singhal	Director
Mr. Rajnish Sarna	Director

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

Nature of Transaction	Type of relation	2021-22			2020-21		Balance outstanding Dr (Cr)
		Transactions during the period		Balance outstanding Dr (Cr)	Transactions during the period		
		Recd/Pur.	Paid/Sales		Recd/Pur.	Paid/Sales	
PI Industries Ltd	Holding company						
<b>Transaction during the year</b>							
Rent received		0.05	-	-	0.05	-	-
<b>Balance outstanding at year end</b>		-	-	-	-	-	-
Security deposit		-	-	(0.05)	-	-	(0.05)

### 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 2022, 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, 2022

(All amount in ₹ million, unless otherwise stated)

## 23 RATIO ANALYSIS

S. No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for variance
1	Current ratio	Current asset	Current Liabilities	124.54	179.02	-30%	Increase in current liabilities
2	Debt-Equity ratio	Borrowing	Total Equity	-	-	0%	NA
3	Debt Service Coverage ratio	Earnings before interest, taxes, depreciation & amortization	Debt Service = Long term debt + Interest payment + lease	-	-	0%	NA
4	Return on Equity ratio	Profit after tax	Average Equity	1.46%	2.21%	-34%	Lower income from investment
5	Inventory Turnover ratio	Cost of Goods sold	Average Inventory	-	-	0%	NA
6	Receivables Turnover ratio	Sales	Average Receivable	-	-	0%	NA
7	Payables Turnover ratio	Cost of Goods sold	Average Payable	-	-	0%	NA
8	Net Capital Turnover ratio	Sales	Working Capital	-	-	0%	NA
9	Net Profit ratio	Profit after tax	Revenue from operation	175%	228%	-23%	Lower income from investment
10	Return on Capital Employed	Earnings before interest and taxes	Total Equity + Borrowings	7%	9%	-28%	Lower income from investment
11	Return on Investment	"Interest income on fixed deposit + investment income + fair value gain on investment"	Fixed Deposits + investment	7%	12%	-39%	Lower income from investment

## 24 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

	March 31, 2022		March 31, 2021	
	Principal	Interest	Principal	Interest
	Amount	Amount	Amount	Amount
Principal amount and Interest due thereon remaining unpaid to any supplier as on 31st March	-	-	-	-
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-	-	-
Interest accrued and remaining unpaid at the end of the year	-	-	-	-
Further interest remaining due and payable in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act.	-	-	-	-

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amount in ₹ million, unless otherwise stated)

## 25 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 primary objective of the Company's Capital management is to maximise shareholder's value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions.

## 26 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 its applicability of segment reporting and is of the opinion that since it is not engaged in providing any product or service, is working entirely in investing activities and is being reviewed by CODM on same lines, accordingly the Company has only one reportable business segment.

**Non-current assets (other than financial instruments, deferred tax assets and post employment benefit assets) by geographic area:**

	March 31 2022	March 31, 2021
India	1.24	1.24
<b>TOTAL</b>	<b>1.24</b>	<b>1.24</b>

- 27 In the opinion of the Management, the assets other than Property, Plant and Equipment have a realisable value, in the ordinary course of business, approximately of the amount at which they are stated in these financial statements. Balances of parties are subject to confirmation.
- 28 As per information available with the Management and as certified by them, there is no contingent liability and commitment as at March 31, 2022.

### Signatures to the Notes to Accounts

#### As per our report of even date

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

Sd/-  
**Amit Goel**  
Partner  
Membership Number 500607  
Place: Gurugram  
Date: May 05, 2022

**For and on behalf of the Board of Directors**  
**PILL Finance and Investments Limited**

Sd/-  
**Mayank Singhal**  
Director  
DIN: 00006651

Sd/-  
**Rajnish Sarna**  
Director  
DIN: 06429468