

PIL CHEMICALS LIMITED

ANNUAL REPORT

FINANCIAL YEAR 2019-20

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Board of Directors:

Mr. P. Srinivasan Chairman

Mr. R. M. Desai

Mr. C. Nandi

Registered Office:

Mafatlal House,
H.T. Parekh Marg,
Backbay Reclamation,
Churchgate,
Mumbai 400 020.

Works:

Plot 1207, III Phase GIDC
Vapi – 396195

Phone:

0260 2422084

Bankers:

HDFC Bank Limited

Auditors:

M/s. Borkar & Majumdar
Chartered Accountants

PIL CHEMICALS LIMITED

(Wholly owned subsidiary of NOCIL Limited)

Mafatlal House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai - 400 020 • Tel. : 022 6636 4062 • Fax : 022 6636 4060
CIN No. U25209MH2002PLC135201 • Email: finance@nocilindia.com

NOTICE

NOTICE is hereby given that the Eighteenth (18th) Annual General Meeting of the Members of **PIL CHEMICALS LIMITED** will be held at Mafatlal House, Backbay Reclamation, Mumbai, 400 020 on Monday, 20th July, 2020 at 02.30 p.m. (IST) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Profit & Loss, Cash Flow Statement of the Company for the year ended 31st March, 2020 and the Balance Sheet as at 31st March, 2020 and the Reports of the Directors and the Auditors thereon.
2. To confirm the Interim Dividend of Re. 0.60 /- per equity share for the Financial Year 2019-20 declared on 9th March 2020 on equity shares and the same be considered as Final Dividend for the Financial Year 2019-20.
3. To appoint a Director in place of Mr. P. Srinivasan (holding DIN: 00713911), who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the consent of members of the Company be and is hereby accorded to appoint M/s. N. A. Shah Associates LLP, Chartered Accountants, (Firm Registration No.: 116560W / W100149) as the Statutory Auditors of the Company and to hold the office from the conclusion of ensuing Annual General Meeting to conduct audit of the financial statements for FY 2020-21 till the conclusion of AGM to be held during the year 2021, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under

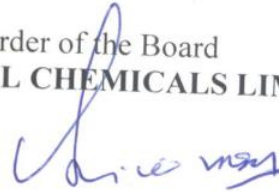
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(including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to appoint Dr. C. Nandi (holding DIN:06515640) as a director of the Company who was appointed as a Director by the Board of Directors w.e.f. 1st October, 2019 due to casual vacancy caused by the resignation of Mr. R. M. Gadgil by the Board of Directors, liable to retire by rotation”.

By Order of the Board
For **PIL CHEMICALS LIMITED**



P. Srinivasan
Director

Mumbai, 26th June, 2020

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Directors' Report

THE MEMBERS PIL CHEMICALS LIMITED

The Directors present their report together with the Audited Accounts of the Company for the year ended 31st March 2020.

(Rs. in lakhs)		
Particulars	Financial year ended 31 st March, 2020	Financial year ended 31 st March, 2019
Total Revenue	1,390	1,361
Profit before Interest, Depreciation & Tax	225	289
Less: Interest	-	-
Less: Depreciation	132	134
Profit before tax	93	155
Less: Tax Expenses	24	29
Net Profit after tax	69	126
Earning per share of face value of Rs. 10 each -Basic	0.82	1.51
Earning per share of face value of Rs. 10 each -Basic	0.82	1.51

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report.

Change in nature of business

There is no change in the nature of business during the financial year under review.

Performance of the Company

During the year the Company did processing work of Rubber Chemicals for 1,832 MT (previous year 1,743 MT) for NOCIL Ltd.

The Company has recorded an income of Rs.1,343 lakhs (previous year Rs.1,316 lakhs) and a Profit Before Tax (PBT) of Rs.93 lakhs (previous year Rs.155 lakhs). After providing for taxes of Rs.24 lakhs (previous year Rs.29 lakhs), the Net Profit for the year works out to Rs.69 lakhs (previous year Rs.126 lakhs).

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Dividend

The Directors, had their meeting held on 9th March 2020 declared an Interim Dividend of Re. 0.60 per share of ₹10/- each (6%), on the equity share capital of the Company. The dividend, together with the tax on Dividend, absorbed a sum of Rs. 60.43 lakhs (Dividend amount of Rs.50.13 lakhs and Dividend Distribution Tax of Rs.10.30 lakhs) and was paid to the shareholders on 12th March 2020 whose name appear on the Register of Members.

Deposits

The Company has not accepted deposits falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review and there are no outstanding/unclaimed deposits as at 31st March 2020.

Report on performance of subsidiaries, associates and joint venture companies

The Company does not have any subsidiary, associate or joint venture Companies.

Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith and forms a part of this report. The Company does not have any website and hence, the Annual Return referred to in Section 92(3) has not been placed on the website.

Loans, Guarantees or Investments

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013, are given in the Notes forming part of Financial Statements for the year ended 31st March 2020.

Disclosure of Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

Number of Board Meetings

During the year under review, the Board of Directors met six times on 2nd May 2019, 26th July 2019, 30th September 2019, 25th October 2019, 27th January 2019 and 09th March 2020.

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Particulars of Employees

None of the employees are drawing salary in excess of the limits prescribed as per the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Other Particulars

Additional information on conservation of energy and technology absorption as required to be disclosed in terms of Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8 of the Companies (Accounts) Rules, 2014 is annexed and forms a part of this report. There was no foreign exchange earning or outgo during the year.

Directors

Pursuant to Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. P. Srinivasan, Director retires by rotation at the forthcoming Annual General Meeting. Being eligible, he offers himself for re-appointment.

During the year under review, Mr. R.M. Gadgil resigned as Chairman and Director with effect from 1st October, 2019 in view of his pre-occupation. The Board wishes to place on record appreciation of valuable contribution made by Mr. R.M. Gadgil during his tenure as Director and Chairman of the Company.

In view of resignation of Mr. R.M. Gadgil as Director and Chairman of the Company, effective 1st October 2019, Dr. C. Nandi was appointed as Director in a casual vacancy caused by resignation of Mr. Gadgil. Further, Mr. P. Srinivasan was elected as the Chairman of the Company and Board of Directors w.e.f. 1st October, 2019.

Particulars of Contracts or Arrangements with Related Parties

The Related Party transactions entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. Particulars of Contracts or Arrangements with Related Parties as referred to in Section 188 (1) of the Companies Act, 2013 for Financial Year 2019-20 are furnished below:

Name of the Related Party	Particulars	Amount (Rs. In Lakh)
NOCIL Limited (Holding Company)	Material Processing Charges	1,343

Directors' Responsibility Statement

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To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013:

- (a) That in the preparation of the annual financial statements for the year ended 31st March, 2020, the Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013, as applicable have been followed along with proper explanation relating to material departures, if any;
- (b) That such accounting policies as mentioned in Note 1 forming part of the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2020.
- (c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) That the annual financial statements have been prepared on a going concern basis;
- (e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.
- (g) That all the applicable Secretarial Standards have been complied with by the Company during the year under review.

Risk Management Policy

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

Dematerialisation of shares

As reported in the Directors' Report for the previous year, the Company has voluntarily complied with the Companies (Prospectus and Allotment of Securities), Third Amendment Rules, 2018 and has admitted the Company's shares into the system of National Securities Depository Limited. Your company had also appointed M/s. Link Intime India Private Limited, Mumbai to be the Company's Registrar and Share Transfer Agent. During the year, the shares of all the shareholders have been credited to their demat accounts.

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Auditors

The term of M/s. Borkar and Muzumdar, Chartered Accountants, Mumbai as Statutory Auditors, expires at the conclusion of this Annual General Meeting ('AGM'). M/s. Borkar and Muzumdar, vide their email dated 24th July, 2020 have served their resignation as the Statutory Auditors of the Company due to certain unavoidable circumstances with effect from the date of this AGM.

Pursuant to such resignation, the Company has proposed to appoint M/s. N. A. Shah Associates LLP, Chartered Accountants, (Firm Registration No.: 116560W / W100149), being eligible, as Statutory Auditors to hold the office from the conclusion of ensuing Annual General Meeting to the next Annual General Meeting to be held during the year 2021 to examine and conduct audit of the accounts of the Company for Financial Year 2020-21 under Section 139 of the Companies Act, 2013 subject to the approval of members.

The Company has received a consent letter and confirmation from M/s. N. A. Shah Associates LLP to the Company that their appointment, if made, will be within the limit prescribed under Section 141 of the Companies Act, 2013.

Observations of statutory auditors on accounts for the year ended 31st March 2020

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended 31st March 2020 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Reporting of frauds by statutory auditors under section 143(12):

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

Maintenance of Cost Records

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

Disclosure Regarding Internal Complaints Committee

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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General

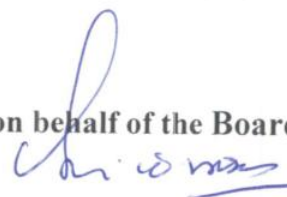
Your Directors state that no disclosures or reporting is required in respect of the following items as there were no transactions on these items during the year under the review:

- a. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- b. Issue of Equity Shares with differential voting rights, dividend or otherwise as per Section 43(a)(ii) of the Companies Act, 2013;
- c. Issue of Shares including Sweat Equity Shares to the employees of the Company under any scheme as per provisions of Section 54(1)(d) of the Companies Act, 2013;
- d. No instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013
- e. There was no revision to the financial statements for the year under review.

Acknowledgements

Your directors acknowledge the continued support and co-operation from all the employees and trade associates.

For and on behalf of the Board



P. Srinivasan
Chairman

Place: Mumbai

Date: 26th June, 2020

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ANNEXURE- I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31 March 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- | | | |
|--|---|--|
| i) CIN | : | U25209MH2002PLC135201 |
| ii) Registration Date | : | 15 th March, 2002 |
| iii) Name of the Company | : | PIL CHEMICALS LIMITED |
| iv) Category/Sub-Category of the Company | : | Public Limited Company limited by Shares. |
| v) Address of the Registered office and contact details | : | Mafatlal House, 3rd Floor,
H.T. Parekh Marg,
Backbay Reclamation, Churchgate,
Mumbai-400020
Tel.: 9122-66576100, 66364062
Fax: 9122-66364060
Email: secretarial@pilchemicals.com |
| vi) Whether listed company | : | No |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | : | M/s. Link Intime India Private Limited
C-101, 247 Park, LBS Marg, Vikhroli
(WEST) - 400083 |

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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No No.	Name and address of the company	CIN/GLN	Holding/ subsidiary / associate	% of shares held	Applicable section
I	NOCIL LIMITED Mafatlal House, H. T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai - 400020	L99999MH1961PLC012003	Holding	100	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
Individual/ HUF	--	--	--	--	--	--	--	--	--
Central Govt	--	--	--	--	--	--	--	--	--
State Govt	--	--	--	--	--	--	--	--	--
Bodies Corporate		8354833	8354833	100.00	8354833	-	100.00	100	--
Banks/ FI	--	--	--	--	--	--	--	--	--
Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):	--	8354833	8354833	100.00	8354833	-	8354833	100.00	--
(2): Foreign									
NRIs- Individuals	--	--	--	--	--	--	--	--	--
Other Individuals	--	--	--	--	--	--	--	--	--
Bodies Corporate	--	--	--	--	--	--	--	--	--

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Banks/FI	--	--	--	--	--	--	--	--	--
Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter									
(A)=(A)(1)+(A(2)	--	8354833	8354833	100.00	8354833	-	8354833	100.00	--
B. Public Shareholding									
1. Institutions									
Mutual Funds	--	--	--	--	--	--	--	--	--
Banks/FI	--	--	--	--	--	--	--	--	--
Central Govt	--	--	--	--	--	--	--	--	--
State Govt	--	--	--	--	--	--	--	--	--
Venture Capital Funds	--	--	--	--	--	--	--	--	--
Insurance Companies Funds	--	--	--	--	--	--	--	--	--
Others (specify) FIs	--	--	--	--	--	--	--	--	--
Sub-total (B) (1):	--	--	--	--	--	--	--	--	--

2.Non- Institutions									
Bodies Corporate									
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
Individuals									
i)Individual shareholders holding nominal share capital upto '1 lakh	--	--	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of '1 lakh	--	--	--	--	--	--	--	--	--

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Others (specify) NRI	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):	--	--	--	--	--	--	--	--	--
Total Public shareholding (B)= (B)(1)+(B) (2)	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	8354833	8354833	100.00	8354833	-	8354833	100.00	--

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(ii) Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	NOCIL Limited	8354533	100.00	--	8354533	100.00	--	--
2	NOCIL Ltd. jointly with Mr. P. Srinivasan	50	--	--	50	--	--	--
3	NOCIL Ltd. jointly with Mr. R.M. Gadgil	50	--	--	50	--	--	--
4	NOCIL Ltd. jointly with Mr. S.R. Deo	50	--	--	50	--	--	--
5	NOCIL Ltd. jointly with Mr. V.K. Gupte	50	--	--	50	--	--	--
6	NOCIL Ltd. jointly with Mrs. Mugdha Khare	50	--	--	50	--	--	--
7	NOCIL Ltd. jointly with Mr. Sanjiv Bidkar	50	--	--	50	--	--	--

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ii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	8354533	--	8354533	--
2	Additions during the year - acquisition from Secondary Market.	--	--	--	--
3	At the End of the year	8354533	--	8354533	--

There is no change in Promoters' shareholding.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Not Applicable				

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(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors and KMP	Beginning of the year		End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total Shares of the company
1	R.M. Gadgil (Joint shareholder)*	50	-	50	-
2	P. Srinivasan (Joint shareholder)	50	-	50	-
3	R. M. Desai	-	-	-	-
4	Dr. C. Nandi#	-	-	-	-

* Resigned effective 1st October 2019

Appointed effective 1st October 2019.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	(Rs. In lakhs)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTM/ Manager		Total Amount
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	-- as % of profit	-	-	-
	Others, please specify	-	-	-
5	Others, (Includes retirement benefits and	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

PIL CHEMICALS LIMITED

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Mafatlal House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai - 400 020 • Tel. : 022 6636 4062 • Fax : 022 6636 4060
CIN No. U25209MH2002PLC135201 • Email: finance@nocilindia.com

B. Remuneration to other directors:

Remuneration to other directors:		(Rs. in Lakhs)			
Particulars of Remuneration	Name of Directors				Total Amt
1. Independent Directors	-	-	-	-	-
• Fee for attending board committee meetings	-	-	-	-	-
• Commission	-	-	-	-	-
• Others, please specify	-	-	-	-	-
Total (1)	-	-	-	-	-
2. Other Non-Executive Directors	R.M. Gadgil*	P. Srinivasa n	R. M. Desai	Dr. C. Nandi #	-
• Fee for attending board committee meetings	-	-	-	-	-
• Commission	-	-	-	-	-
• Others, please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
Total (B)=(1+2)	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act	-	-	-	-	-

* Resigned effective 1st October 2019

Appointed on 22.09.2019

* Resigned effective 1st October 2019

Appointed effective 1st October 2019.

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C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sr. no.	Particulars of Remuneration	(Rs. In Lakhs) Ms. Anuja Bhate, Company Secretary*
1	Gross salary	--
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--
	(b) Value of perquisites u/s 17(2)	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--
2	Stock Option	--
3	Sweat Equity	--
4	Commission	--
	- as % of profit	
	others, specify...	--
5.	Others (Includes retirement benefits and variable pay)	--
	Total	--

* Deputed by NOCIL Limited, the Company's Holding Company

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VII. Penalties / Punishment / Compounding of Offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/CLT/Court)	Appeal made, if any (Give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board



P. Srinivasan
Chairman

Place: Mumbai
Date: 26th June, 2020

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Statement pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31 March 2020.

A. CONSERVATION OF ENERGY-

a) The steps taken or impact on conservation of energy

- Installed energy efficient standby water-cooled air compressor.
- Installation of LED lights in plants & internal roads.

b) The steps taken by the Company for utilizing alternate sources of energy

c) The capital investment on energy conservation equipment:

Total Capital Investment made, Rs 3 lacs, during the year in the following areas:

- Installation of energy efficient water-cooled air compressor.
- Installation of 40 W LED lights in plants & internal roads against 125 W mercury lamps.

Disclosure of particulars with respect to technology absorption, adoption and innovation

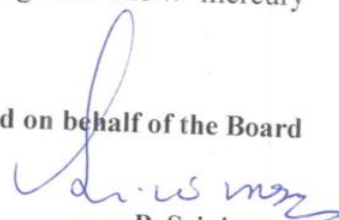
B. TECHNOLOGY ABSORPTION

1. Recycle of mother liquor in processes in reducing raw materials consumption.
2. Optimisation of operations to improved productivities.
3. Installation of vent condenser to reduce solvent losses.

Benefits derived as a result of above efforts.

- a) Installation of energy efficient water-cooled air compressor with saving of Rs 1 lac per annum.
- b) Installation of 45W LED lights in plants & internal roads against 125W mercury lamps, with savings of Rs. 1 lac/annum.

For and on behalf of the Board


P. Srinivasan
Chairman

Place: Mumbai
Date: 26/06/2020

INDEPENDENT AUDITOR'S REPORT

To the Members of PIL CHEMICALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of PIL Chemicals Limited ("the Company"), which comprise the Balance Sheet as at March 31 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (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 Indian Accounting Standards prescribed under section 133 of the Act read with companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit, and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

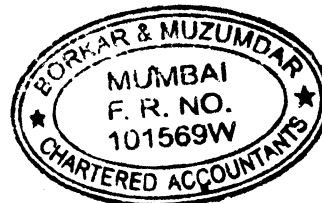
Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw your attention to Note 35 in the Standalone Ind AS Financial Statements, wherein the Company's management has assessed the impact of COVID-19 pandemic on the operations of the Company.

Our opinion is not modified in respect of this matter.



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 Board's Report (including annexures to Board'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 conclusion 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.

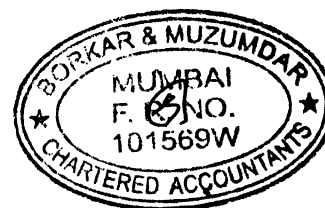
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Companies Act, 2013 ("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, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian accounting standards prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 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.

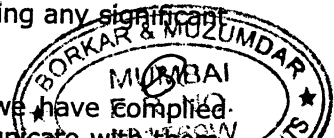
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 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 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 standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure- "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit we report that:

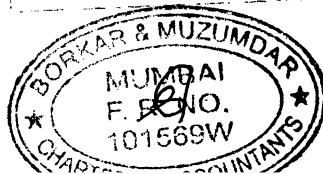
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of Company's internal financial controls over financial reporting.
- g) 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

Supriya D Bhat

Supriya D Bhat
Partner
(Membership No: 048592)
UDIN: 20048592AAAABI5687
Place: Mumbai Date:

June 26, 2020



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PIL Chemicals Limited of even date)

i. In respect of the Company's fixed assets:

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

(b) Fixed assets have been physically verified by the management at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that all the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of operations carried out by the Company.

vii. According to the information and explanations given to us, in respect of statutory due:-

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no disputed payable in respect of Income tax, Goods and Service Tax, Customs duty, Cess and other statutory dues as at March 31, 2020.

viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loans from banks and financial institutions and has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in **paragraph 1(f)** under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PIL Chemicals Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **PIL Chemicals Limited** ("the Company") as of March 31, 2020 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 Board of Directors of the 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. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

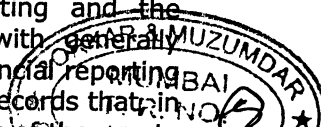
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 of the Company.

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets



ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not paid/provided for any managerial remuneration during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Company.

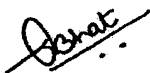
xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where, applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W



Supriya D Bhat
Partner
(Membership No: 048592)
UDIN: 20048592AAAABI5687
Place: Mumbai
Date: June 26, 2020



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 (3) 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.

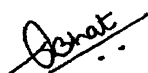
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

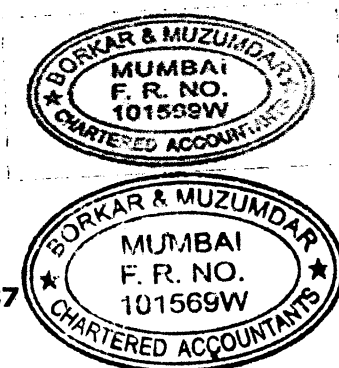
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 Borkar & Muzumdar
Chartered Accountants
FRN: 101569W



Supriya D Bhat
Partner

(Membership No: 048592)
UDIN:20048592AAAABI5687
Place: Mumbai
Date: June 26, 2020



PIL CHEMICALS LIMITED

Balance Sheet as at March 31, 2020

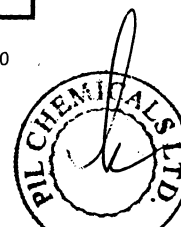
(Amount: INR in Lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	2,788	2,792
(b) Capital Work in Progress		4	76
(c) Intangible Assets	4	3	3
(d) Financial Assets			
(i) Investments	5	16	41
(ii) Other Financial Assets	6	51	51
(e) Non Current Tax Assets (Net)		194	190
(f) Other Non Current Assets	7	12	16
Total Non - Current Assets		3,068	3,169
2 Current assets			
(a) Inventories	8	31	29
(b) Financial Assets			
(i) Investments	9	716	615
(ii) Trade Receivable	10	41	102
(iii) Cash and cash equivalents	11	103	103
(iv) Other financial assets	12	12	3
(c) Other current assets	13	11	30
Total Current Assets		914	882
Total Assets (1+2)		3,982	4,051
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	14	835	835
(b) Other Equity	15	2,592	2,664
Total Equity		3,427	3,499
LIABILITIES			
2 Non-current liabilities			
(a) Provisions	16	43	38
(b) Deferred Tax Liabilities (Net)	26	402	399
Total Non - Current Liabilities		445	437
3 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro and small enterprises	17	9	8
(b) Total outstanding dues to creditors other than micro and small enterprises	17	70	50
(ii) Other financial liabilities	18	7	32
(b) Other current liabilities	19	15	18
(c) Provisions	20	9	7
Total Current Liabilities		110	115
Total Equity and Liabilities (1+2+3)		3,982	4,051

See accompanying notes forming part of the financial statements.

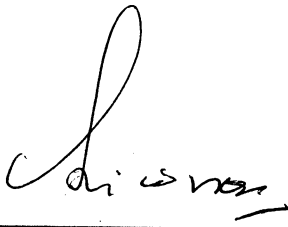
Date
Place

26-06-2020
Mumbai

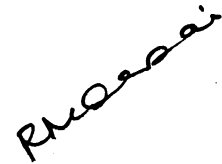


PIL Chemicals Limited

BALANCE SHEET AS AT 31 MARCH 2020 - continued



P. Srinivasan
Chairman
DIN:00713911

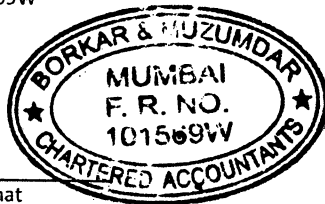


R.M. Desai
Director
DIN:07315943

In terms of our report attached
For Borkar & Muzumdar
Chartered Accountants
Firm Regn. No.: 101569W



Supriya D. Bhat
Partner
Membership No. 48592



Place : Mumbai
Date : 26 June 2020

Place : Mumbai
Date : 26 June 2020

PIL CHEMICALS LIMITED

Statement of Profit and Loss for the year ended 31 March 2020

(Amount: INR in Lakhs)

Particulars	Note	For the Year ended on	
		March 31, 2020	March 31, 2019
I Revenue from operations	21	1,343	1,316
II Other income	22	47	45
III Total Revenue (I + II)		1,390	1,361
IV Expenses			
(a) Employee Benefit Expense	23	260	242
(b) Depreciation and amortisation expense	24	132	134
(c) Other expenses	25	905	830
Total Expense (IV)		1,297	1,206
V Profit before tax (III - IV)		93	155
VI Tax expense:			
Current Tax	26	21	32
MAT Credit Entitlement	26	-	(17)
Deferred Tax expense / (credit)	26	3	14
Short/(Excess) provision for tax relating to prior year	26	0	-
Total Tax Expense (VI)		24	29
VII Profit After Tax (V-VI)		69	126



PIL CHEMICALS LIMITED
Statement of Profit and Loss for the year ended 31 March 2020
(Amount: INR in Lakhs)

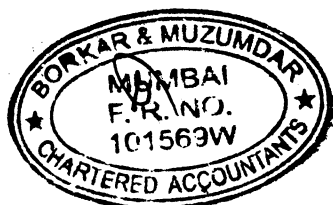
Particulars	For the Year ended on	
	March 31, 2020	March 31, 2019
VIII Other Comprehensive Income		
(A) (i) Items that may be reclassified to profit or loss		-
(B) (i) Items that will not be reclassified to profit or loss		
(a) Remeasurements of the defined benefit plans	(4)	3
(b) Net fair value (loss)/gain on investments in equity shares	(17)	(0)
(ii) Income tax relating to items that will not be reclassified to profit or loss		
(a) Remeasurements of the defined benefit plans	(1)	1
(b) Net fair value gain on investments in equity shares at FVTOCI	1	-
Other comprehensive Income for the period	(21)	4
IX Total Comprehensive Income for the year (VII+VIII)	48	130
X Net Profit attributable to :		
(a) Owners of the company	69	126
(b) Non-Controlling Interests	-	-
XI Other Comprehensive Income attributable to :		
(a) Owners of the company	(21)	4
(b) Non-Controlling Interests	-	-
XII Total Comprehensive Income attributable to :		
(a) Owners of the company	48	130
(b) Non-Controlling Interests	-	-
XIII Paid-up Equity Share Capital (Face value ₹. 10/- each)	835	835
XIV Reserves (excluding Revaluation Reserves)	2,592	2,664
XV Earnings per equity share (of Rs. 10/- each)		
Basic & Diluted	0.82	1.51

Date

26-06-2020

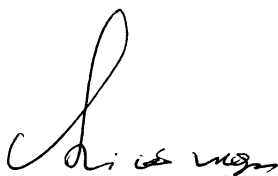
Place

Mumbai

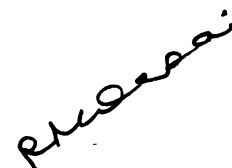


PIL Chemicals Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020 - *continued*



P. Srinivasan
Chairman
DIN:00713911

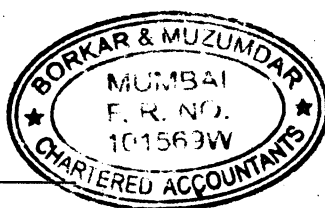


R. M. Desai
Director
DIN:07315943

In terms of our report attached
For Borkar & Muzumdar
Chartered Accountants
Firm Regn. No.: 101569W



Supriya D. Bhat
Partner
Membership No. 48592



Place : Mumbai
Date : 26 June 2020

Place : Mumbai
Date : 26 June 2020

PIL CHEMICALS LIMITED

Cash flow statement for the year ended March 31, 2020

(Amount: INR in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
(I) Profit before Tax	93	155
Adjusted for:		
Depreciation	132	134
Interest Income	(29)	(23)
Dividend Income	(18)	(4)
Sundry credit balances written back	(0)	(0)
Capital Gain on Redemption of Mutual Fund	-	(17)
Loss/ (Gain) on fair valuation of investment in mutual fund	8	(1)
(II)	93	89
(III) Operating Profit before Working Capital Changes (I+II)	186	244
Changes in working capital:		
Decrease/(Increase) in trade receivables	61	(102)
Decrease/(Increase) in inventories	(2)	(1)
Decrease/(Increase) in Other financial assets - Non Current	0	(9)
Decrease/(Increase) in Other Assets - Non Current	4	11
Decrease/(Increase) in Other Assets - Current	18	56
Decrease/(Increase) in Other Financial Assets - Current	(9)	1
(Decrease)/Increase in Trade Payables	20	(55)
(Decrease)/Increase in Other Financial Liabilities - Current	(25)	(32)
(Decrease)/Increase in other liabilities - current	(3)	(45)
Increase in provision - non current	5	(17)
Increase in provision - current	2	0
(IV)	71	(193)
(V) Cash generated from operations (III+IV)	257	51
Income tax paid	(33)	(32)
(VI) Net Cash used in Operating Activities	224	19
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets	(57)	(162)
(Purchase)/Redemption of Investment	(84)	234
Dividend received	18	4
Interest received	19	29
(VII) Net Cash used in Investing Activities	(104)	105
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid (including DDT paid thereon)	(120)	(60)
(VIII) Net Cash from Financing Activities	(120)	(60)
(IX) Net decrease in cash and cash equivalents (VI+VII+VIII)	(0)	64
(X) Cash and cash equivalents at beginning of the year	103	39
(IX+X) Cash and cash equivalents at end of the year (Refer Note 11)	103	103

Notes:

(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS - 7) "Statement of Cash Flow".

(b) Components of cash and cash equivalents include cash and bank balances in current accounts as disclosed in Note 11 of the financial statements

(c) 0 indicates amount Less than ₹. 0.50 Lakhs

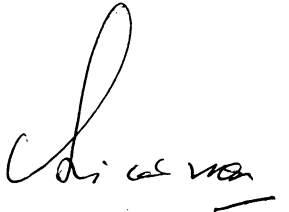
Date
Place

26-06-2020
Mumbai

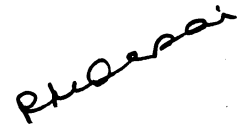


PIL Chemicals Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020- *continued*



P. Srinivasan
Chairman
DIN:00713911



R.M. Desai
Director
DIN:07315943

In terms of our report attached
For Borkar & Muzumdar
Chartered Accountants
Firm Regn. No.: 101569W



Supriya D. Bhat
Partner
Membership No. 48592

Place : Mumbai
Date : 26 June 2020

Place : Mumbai
Date : 26 June 2020

PIL CHEMICALS LIMITED
Statement of Changes in Equity for the year ended March 31, 2020

(Amount: INR in Lakhs)

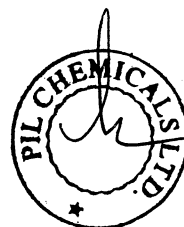
a. Equity Share Capital	As at March 31, 2020	As at March 31, 2019
Opening Balance	835	835
Issued during the year	-	-
Closing Balance	835	835

(Amount: INR in Lakhs)

c. Other Equity	Other Equity			Other Comprehensive Income		Total
	Capital Reserves*	Securities Premium	Retained earnings	Equity Instrument through OCI	Other Items of OCI	
Balance as at April 01, 2018	0	1,669	920	14	(9)	2,594
Add: Profit for the year	-	-	126	-	-	126
Add: Other comprehensive income for the year, net of tax	-	-	-	(0)	4	4
Less: Dividend related to 17-18 paid in 18-19	-	-	(60)	-	-	(60)
Total	-	-	66	(0)	4	70
Balance as at March 31, 2019	0	1,669	986	14	(5)	2,664
Add: Profit for the year	-	-	69	-	-	69
Add: Other comprehensive income for the year, net of tax	-	-	-	(16)	(5)	(21)
Less: Dividend related to 18-19 paid in 19-20	-	-	(60)	-	-	(60)
Less: Interim Dividend paid in 19-20	-	-	(60)	-	-	(60)
Total	0	-	(51)	(16)	(5)	(72)
Balance as at March 31, 2020	0	1,669	935	(2)	(10)	2,592

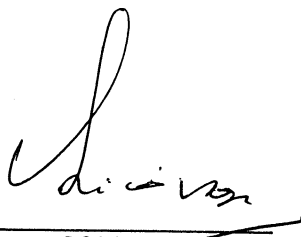
See accompanying notes forming part of the financial statements.

* Amount Less than ₹. 0.50 Lakhs



PIL Chemicals Limited

Statement of Changes in Equity for the year ended 31st March 2020 - continued



P.Srinivasan
Chairman
DIN:00713911



R.M.Desai
Director
DIN:07315943

In terms of our report attached
For Borkar & Muzumdar
Chartered Accountants
Firm Regn. No.: 101569W



Supriya D. Bhat
Partner
Membership No. 48592



Place : Mumbai
Date : 26 June 2020

Place : Mumbai
Date : 26 June 2020

PIL CHEMICALS LIMITED

CIN No: U25209MH2002PLC135201

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

NOTE 1: GENERAL INFORMATION

a) Corporate information

PIL Chemicals Limited is engaged in the business of manufacturing of Rubber Chemicals on Job Work basis for its 100% holding Company NOCIL Limited. The Company has manufacturing plant at Vapi Gujarat, and carries out the manufacturing activities on job work basis solely for NOCIL Limited

b) Basis of preparation and presentation

The standalone financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Ind AS). Ind AS implies the Indian Accounting Standards as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, the Companies (Indian Accounting Standards) Rules, 2017 and other relevant provisions of the Act.

The financial statements have been prepared on a going concern basis. These financial statements have been prepared under the historical cost convention on accrual basis at the end of each reporting period except for:

- Certain financial Assets and Liabilities that are measured at fair value
- Defined Benefit Plans that are measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III of the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for proceeding and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle not more than 12 months for the purpose of current or non-current classification of assets and liabilities.

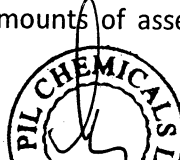
The financial statements of the Company for the year ended March 31, 2020 have been approved for issue in accordance with the resolution of the Board of Directors on June 19, 2020.

c) Functional and presentational currency

The financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

d) Key estimates and assumptions

The preparation of financial statements requires Management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and



PIL CHEMICALS LIMITED
CIN No: U25209MH2002PLC135201

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized (Note No. 2(a)).
- Determination of the estimated useful lives of intangible assets; (Note No. 2(b))
- Recognition and measurement of defined benefit obligations (Note No.27)
- Fair value of financial instruments (Note No.1(e))
- Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note No.2(h))

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

e) Measurement of Fair value

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant inputs and valuation adjustments. If third party information, such as Government approved valuer, broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified. While measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.



PIL CHEMICALS LIMITED

CIN No: U25209MH2002PLC135201

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

- 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 inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

f) Application of new and revised Ind AS's

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

a) Property, Plant and Equipment:-

The Company has elected to fair value its Leasehold Land as at the transition date and cost in accordance with Ind AS's for all other assets including intangible and investment property.

Property, Plant and Equipment (PPE) are stated at cost of acquisition, including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management less accumulated depreciation and less accumulated impairment, if any. Cost includes expenses related to acquisition and installation of the concerned assets, borrowing cost during the construction period and excludes any duties / taxes recoverable.

Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under Other Non-Current Assets and assets which are not ready for intended use as on the date of balance Sheet are disclosed as "Capital Work in Progress".

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes all costs incurred to bring the assets to their present location and condition. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.



PIL CHEMICALS LIMITED
CIN No: U25209MH2002PLC135201

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The estimated residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

When significant identifiable parts of PPE are required to be replaced, the Company de-recognises the replaced parts and recognises the new part with its own associated useful life and it is depreciated accordingly. In other cases, expenses are charged off to Statement of Profit and Loss.

Depreciation is provided, under the Straight Line Method basis so as to write off the original cost of the asset less its estimated residual value over the estimated useful life. The Management's estimate of useful lives is in accordance with Schedule II to the Companies Act, 2013. Assets costing Rs. 50,000 or less are fully depreciated in the year of purchase. The threshold limit of Rs. 50,000/- has been identified based on the ability of the asset to be "put to use" either singly or as a block as the case may be. Leasehold land is amortised on a straight-line basis over the period of the lease.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognised. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

b) Intangible Assets

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised over their estimated useful life. The useful life of intangible assets is assessed as either finite or infinite. The amortisation period and the amortisation method for an intangible asset with finite useful life are



PIL CHEMICALS LIMITED
CIN No: U25209MH2002PLC135201
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

reviewed at each reporting period. Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted on a prospective basis. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually.

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

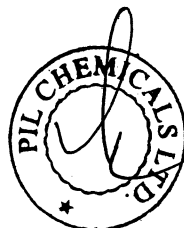
c) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of an impairment loss. If any such indication exists, the recoverable amounts are estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place. Recoverable amount is higher of an assets net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Where an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

d) Inventories

Inventories comprises of stores and spares and consumables which are measured at lower of cost and net realisable value. Cost of inventories comprises all costs of purchase (net of input credits), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of stores and spares is determined on weighted average basis.

e) Cash and Cash Equivalents



PIL CHEMICALS LIMITED
CIN No: U25209MH2002PLC135201

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

Cash and Cash Equivalents in the Balance Sheet comprises cash on hand, bank balances and short term deposits with banks with an original maturity of three months or less which are readily convertible into cash and which are subject to insignificant risk of changes in value.

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

f) Financial instruments

A financial instrument is any contract that gives rise to financial assets of one entity and financial liability or equity of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

i) Financial Asset

Initial recognition:

Financial assets are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of financial assets.

Subsequent measurement of financial assets:

Financial assets are subsequently classified and measured at:

- amortised cost
- fair value through Profit and Loss (FVTPL)
- fair value through Other Comprehensive Income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade Receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instruments.

Debt Instruments:

Debt instruments are initially measured at fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the Company's business



PIL CHEMICALS LIMITED
CIN No: U25209MH2002PLC135201
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a) Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) Measured at Fair value through other comprehensive income (FVTOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.

c) Measured at Fair Value Through Profit and Loss (FVTPL):

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss.

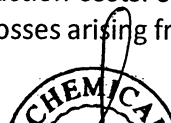
Equity Instruments/ Mutual Funds:

Investments in equity instruments at FVTPL:

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Investments in equity instruments at FVTOCI:

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair



PIL CHEMICALS LIMITED
CIN No: U25209MH2002PLC135201

value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

De-recognition of financial assets:

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

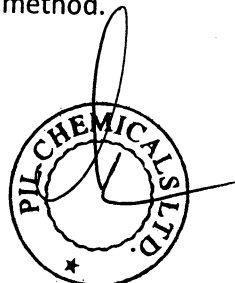
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

ii) Financial liabilities

Initial recognition

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are measured at fair value at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent Measurement



PIL CHEMICALS LIMITED
CIN No: U25209MH2002PLC135201
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is

measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. The interest expenses using the effective interest method is recognised over the relevant period of the financial asset. The same is included under Finance cost in the Statement of Profit and Loss unless it is capitalised as part of cost of an item of Property, Plant and Equipment.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

g) Foreign Exchange Transactions

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

h) Revenue recognition

Effective April 1, 2018, the company has applied Ind AS 115 – Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue from sale of products and services is recognised when the products are dispatched to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Revenue is measured at the fair value of the consideration received or



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receivable. Amounts disclosed as revenue are net of customer returns, trade allowance, rebates, goods and services tax and amount collected on behalf of third parties.

Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice.

Dividend and interest income

Dividend income from investments is recognized in the Statement of Profit and Loss on the date on which the Company's right to receive payment is established. For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

i) Employee benefits

Short-term Employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service. 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.

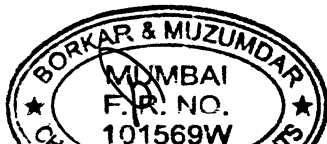
Post-Employment Benefits:

(a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund and Superannuation scheme are charged as an expense in the Statement of Profit and Loss as they fall due.

(b) Defined Benefit Plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is



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performed annually by a qualified actuary using the Projected Unit Credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). 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). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and 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 recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(a) Other 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-measurement are recognized in Statement of Profit and Loss in the period in which they arise.

j) Leases

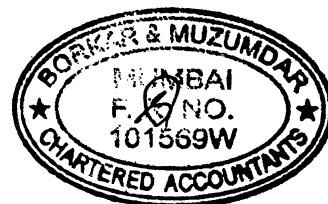
Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019, except those which are exempted under this standard, using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a Lessee

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

- (i) The contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term



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and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

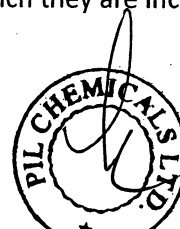
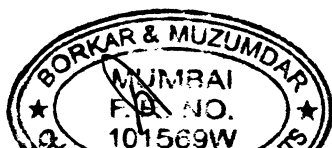
Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a Lessor

Lease payments under operating leases is generally recognised as an expense on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as the lease income.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.



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i) Taxes on Income

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized 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.

m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a



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provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

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

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

n) Earnings Per Share (EPS)

Basic EPS 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.

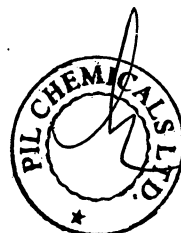
Diluted EPS is computed by dividing the net profit for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

o) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

p) Segment Reporting

The Company is considered to be a single segment company – engaged in the manufacture of rubber chemicals. As per Ind AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.



PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31,2020

Note 3 : Property , plant and equipment

(Amount: INR in Lakhs)

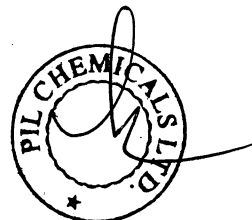
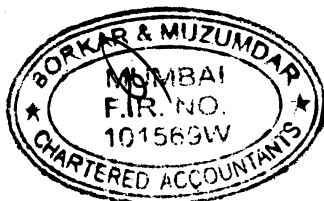
Description of Assets	Land - Leasehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
I. Gross Block						
Balance as at 1 April, 2019	1,000	401	2,648	2	2	4,053
Additions	-	101	26	1	-	128
Disposals	-	-	-	-	-	-
Reclassified as held for sale	-	-	-	-	-	-
Balance as at 31 March, 2020	1,000	502	2,674	3	2	4,181
II. Accumulated depreciation and amortization						
Balance as at 1 April, 2019	48	121	1,089	2	1	1,261
Depreciation expense for the year *	16	13	102	1	0	132
Eliminated on disposal of assets	-	-	-	-	-	-
Balance as at 31 March, 2020	64	134	1,191	3	1	1,393
III. Net block as at 31st March 2020 (I-II)	936	368	1,483	-	1	2,788

* Amount Less than ₹. 0.50 Lakhs

(Amount: INR in Lakhs)

Description of Assets	Land - Leasehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
I. Gross Block						
Balance as at 1 April, 2018	1,000	376	2,276	1	2	3,655
Additions	-	25	400	1	-	426
Disposals	-	-	(28)	-	-	(28)
Reclassified as held for sale	-	-	-	-	-	-
Balance as at 31 March, 2019	1,000	401	2,648	2	2	4,053
II. Accumulated depreciation and amortization						
Balance as at 1 April, 2018	32	109	1,003	0	1	1,145
Depreciation expense for the year *	16	12	104	2	0	134
Eliminated on disposal of assets	-	-	(18)	-	-	(18)
Balance as at 31 March, 2019	48	121	1,089	2	1	1,261
III. Net block as at 31st March 2019 (I-II)	952	280	1,559	-	1	2,792

* Amount Less than ₹. 0.50 Lakhs



PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31,2020

Note 4 : Intangible Assets

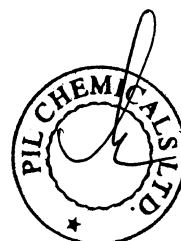
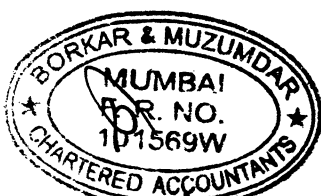
(Amount: INR in Lakhs)

Description of Assets	Computer Software	Total
I. Gross Block		
Balance as at 1 April, 2019	5	5
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2020	5	5
II. Accumulated amortisation		
Balance as at 1 April, 2019	2	2
Amortisation expense for the year	0	0
Eliminated on disposal of assets	-	-
Balance as at 31 March, 2020	2	2
III. Net block as on 31 March 2020 (I-II)	3	3

(Amount: INR in Lakhs)

Description of Assets	Computer Software	Total
I. Gross Block		
Balance as at 1 April, 2018	5	5
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2019	5	5
II. Accumulated amortisation		
Balance as at 1 April, 2018	2	2
Amortisation expense for the year *	0	0
Eliminated on disposal of assets	-	-
Balance as at 31 March, 2019	2	2
III. Net block as on 31 March 2019 (I-II)	3	3

* Amount Less than ₹. 0.50 Lakhs



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 5 : Non Current Investments

(Amount: INR in Lakhs)

Particulars	As at March 31,2020		As at March 31,2019	
	No of Shares	Amount	No of Shares	Amount
A. Investments in Equity Instruments (Quoted) (at Fair Value through OCI)				
a. Quoted Equity Shares				
Bank of India of Rs 10/- each fully paid up	19,900	7	19,900	21
Corporation Bank of Rs 2/- each fully paid up	12,000	1	12,000	4
b. Unquoted Equity Shares				
Mafatlal UK *	32,000	0	32,000	0
Mafatlal Services Limited *	22,320	0	22,320	0
B. Investments in Mutual Funds (Unquoted) (at fair value through profit and loss account (FVTPL))				
- JM Mutual Fund (of Rs. 10/- each)	50,000	6	50,000	13
- UTI Masters Share (of Rs. 10/- each)	10,560	2	10,560	3
Total Investments [A+B]		16		41
INVESTMENTS CARRIED AT FVTPL		8		16
INVESTMENTS CARRIED AT FVTOCI		8		25

Aggregate amount of quoted investments	8	25
Aggregate amount of quoted investments - at market value	8	25
Aggregate amount of unquoted investments	8	16

* Amount Less than ₹. 0.50 Lakhs

Note 6 : Other Financial assets - Non Current

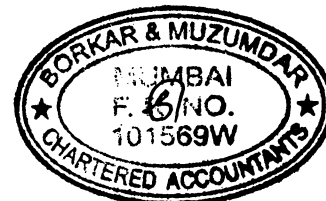
(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
a) Security Deposits - Unsecured, considered good	46	45
b) Loans and advances to employees	5	6
Total	51	51

Note 7 : Other Non Current Assets

(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
a) Prepaid Expenses & Others	12	16
Total	12	16



PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31,2020

Note 8: Inventories (at lower of cost and net realisable value)

Particulars	As at March 31,2020	As at March 31,2019
(a) Stores, Spares and Consumables	31	29
Total	31	29

Note 9 : Current Investments

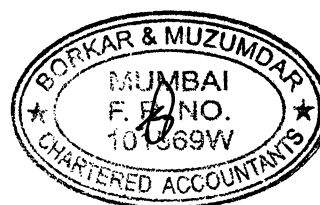
(Amount: INR in Lakhs)

Particulars	As at March 31,2020		As at March 31,2019	
	QTY	Current	QTY	Current
a. Investments in Mutual Funds (Unquoted) (at fair value through profit and loss account (FVTPL))				
HDFC Arbitrage Fund - Wholesale Plan- Regular Plan - Monthly Dividend	15,31,373	166	14,56,318	157
HDFC Liquid Fund -Regular Plan-Dividend-Daily Reinvest	3,874	150	20,357	208
Total (a)	15,35,247	316	14,76,675	365
b. Other Investments (at amortised cost)				
Intercompany deposits with HDFC Limited		400		250
		400		250
INVESTMENTS CARRIED AT FVTPL		716		615
INVESTMENTS CARRIED AT FVTOCI				

Aggregate amount of unquoted investments

716

615



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 10 : Trade receivables*(Amount: INR in Lakhs)*

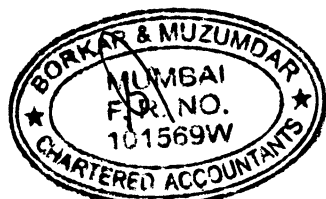
Particulars	As at March 31,2020	As at March 31,2019
Trade Receivable		
(a) Considered Good -Secured		-
(b) Considered Good-Unsecured#	41	102
(c) Which have significant increase in credit Risk	-	-
(d) Credit Impaired	-	-
	41	102
Less: Allowances for bad and doubtful debts		
Total	41	102

All the receivables belongs to holding company NOCIL Limited

Note 11: Cash and cash equivalents*(Amount: INR in Lakhs)*

Particulars	As at March 31,2020	As at March 31,2019
(a) Bank balances		
- In Current account	103	103
(b) Cash in hand*	0	0
Total	103	103
Cash and cash equivalent as per statement of cash flow.	103	103

* Amount Less than ₹. 0.50 Lakhs



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 12: Current Financial assets - Others

(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
a) Loans and advances to employees *	0	1
b) Interest Accrued on other deposits	12	2
Total	12	3

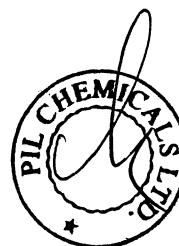
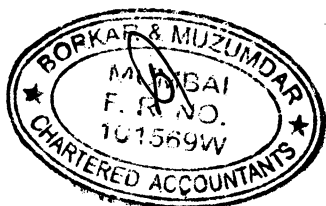
* Amount Less than ₹. 0.50 Lakhs

Note 13: Other Current Assets

(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
a) Balances with government authorities - Goods and Service Tax	7	9
b) Advance to vendors & Others*	0	9
c) Prepaid Expenses	4	12
Total	11	30

* Amount Less than ₹. 0.50 Lakhs



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 14: Equity Share Capital

(Amount: INR in Lakhs)

Particulars	As at March 31,2020		As at March 31,2019	
	Units	Amount	Units	Amount
Authorised Capital				
Equity Shares of Rs 10/- each	1,00,00,000	1,000	1,00,00,000	1,000
	1,00,00,000	1,000	1,00,00,000	1,000
Issued, Subscribed and Fully Paid up				
Equity Shares of Rs 10/- each	83,54,833	835	83,54,833	835
Total	83,54,833	835	83,54,833	835

Refer Notes (i) to (iii) below

Notes

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

(Amount: INR in Lakhs)

Particulars	As at March 31,2020		As at March 31,2019	
	No.of Shares	Amount	No.of Shares	Amount
Equity shares				
At the beginning of the year	83,54,833	835	83,54,833	835
Add: Issued during the year	-	-	-	-
At the end of the year	83,54,833	835	83,54,833	835

(ii) Details of shares held by each shareholder holding more than 5% shares:

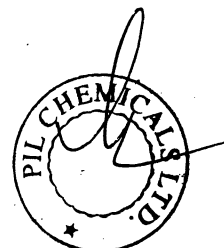
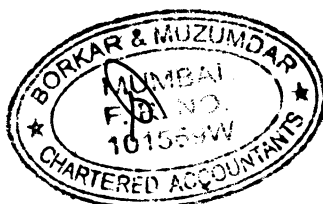
(Amount: INR in Lakhs)

Class of shares / Name of shareholder	As at March 31,2020		As at March 31,2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
NOCIL Limited	83,54,833	100%	83,54,833	100%

(iii) Rights, Preference and restrictions attached to equity shares

The Company has one class of equity share having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the Company after distribution of all preferential amounts, in proportion to their shareholding.



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 15: Other equity

(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
(a) Security Premium	1,669	1,669
(b) Retained earnings	935	986
(c) Capital Reserve *	-	0
(d) Reserve for Equity Instrument through OCI	(2)	14
(e) Other Item of Other Comprehensive Income	(10)	(5)
Total	2,592	2,664

* Amount Less than ₹. 0.50 Lakhs

Nature and purpose of each reserve within Other equity
Securities premium account

The amount received in excess of face value of the equity shares issued is recognised in securities premium account. It can be utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

Retained earnings:

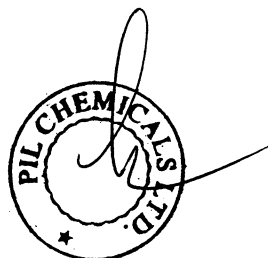
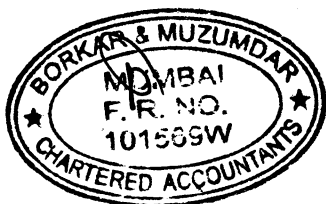
Retained earnings represents the surplus / (deficit) of the statement of profit and loss after tax less transfers to general reserves and dividend distributed to shareholders including DDT.

Reserve for Equity instrument through other comprehensive income:

This reserve represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

Details of dividends paid / proposed:

During the year, the Company has paid dividend of ₹ 0.60 per share for the year ended March 31, 2019. Further, the Company also declared and paid interim dividend of ₹ 0.60 per share for the year ended March 31, 2020.



PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31,2020

Note 16: Provisions - Non Current

(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
Provision for employee benefits (Refer note 27)	43	38
Total	43	38

Note 17: Trade Payables

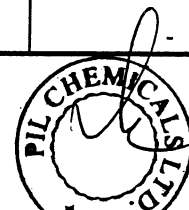
(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
Trade payables		
Dues to Micro, Small and Medium Enterprises	9	8
Dues to Others	70	50
Total	79	58

Note: Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

The amounts due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	As at March 31,2020	As at March 31,2019
a) The principal amount remaining unpaid to any supplier at the end of the year	9	8
b) Interest due remaining unpaid to any supplier at the end of the year (*)	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act,2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act ,2006	-	-



PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31,2020

Note 18: Other Financial Liabilities - Current

(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
Sundry Creditors		
i) For Capital goods		
- Payable to Micro and Small Enterprises	1	28
- Payable to Others	6	4
ii) Others	-	-
Total	7	32

Note: Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

The amounts due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	As at March 31, 2020	As at March 31, 2019
a) The principal amount remaining unpaid to any supplier at the end of the year	1	28
b) Interest due remaining unpaid to any supplier at the end of the year (*)	-	-
d) The amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act ,2006	-	-

Note 19: Other Current Liabilities

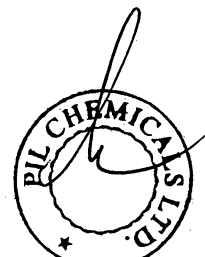
(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
(a) Statutory Dues	15	18
Total	15	18

Note 20: Provisions - Current

(Amount: INR in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
Provision for employee benefits (Refer note 27)	9	7
Total	9	7



PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31, 2020

Note 21: Revenue from Operations

(Amount: INR in Lakhs)

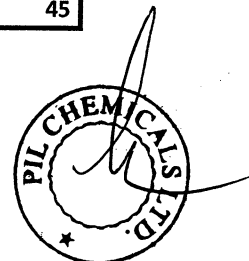
Particulars	For the Year ended on	
	March 31, 2020	March 31, 2019
(a) Revenue from Operations	1,343	1316
Total	1,343	1,316

Note 22: Other Income

(Amount: INR in Lakhs)

Particulars	For the Year ended on	
	March 31, 2020	March 31, 2019
(a) Interest Income		
On Bank deposits	25	20
On Staff Loan*	0	1
On Income Tax Refund	1	-
On Other Deposits	3	2
On Mutual Fund		
	29	23
(b) Other gains and losses		
Gain on fair valuation of investment in mutual funds	-	1
Capital Gain on Redemption of Mutual Fund	-	17
	-	18
(c) Other Non-Operating Income		
Dividend on Mutual Fund	18	4
Sundry Balances written Back/Scrap Sale	0	0
	18	4
Total	47	45

* Amount Less than ₹. 0.50 Lakhs



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 23: Employee benefits expense

(Amount: INR in Lakhs)

Particulars	For the Year ended on	
	March 31, 2020	March 31, 2019
Salaries, wages and bonus	229	215
Contributions to provident and other funds	13	10
Gratuity	5	7
Leave Encashment	7	3
Staff welfare expenses	6	7
Total	260	242

Note 24: Depreciation and Amortisation Expenses

(Amount: INR in Lakhs)

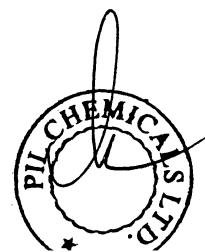
Particulars	For the Year ended on	
	March 31, 2020	March 31, 2019
Depreciation of Property, Plant and Equipment (Refer Note 3)	132	134
Amortisation of Intangible Assets (Refer Note 4)*	0	0
Total	132	134

* Amount Less than ₹. 0.50 Lakhs

Note 25: Other expenses

(Amount: INR in Lakhs)

Particulars	For the Year ended on	
	March 31, 2020	March 31, 2019
Consumption of stores and spare parts	69	83
Power, fuel and Other Utilities	582	508
Repairs and maintenance - Buildings	8	11
Repairs and maintenance - Machinery	83	103
Repairs and maintenance - Others	41	28
Insurance	15	6
Rates and taxes	6	6
Donations and contributions	6	1
Payments to auditors (Refer Note 30)	4	8
Professional,Consultancy & Legal expenses	30	36
Effluent treatment expenses	28	24
Loss on fair valuation of investment in mutual funds	8	-
Miscellaneous expenses	25	16
Total	905	830



PIL Chemicals Limited
Notes to the financial statements for the Year ended March 31,2020

Note 26 : Current Tax and Deferred Tax

(a) Income Tax Expense recognised in statement of profit and loss

(Amount: INR in Lakhs)

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
A. Current Tax:		
(a) Current Income Tax Charge	21	32
(b) MAT Credit entitlement	-	(17)
(b) Adjustments in respect of prior years	0	-
Total	21	15
B. Deferred Tax		
(a) In respect of current year	3	14
Total	3	14

(b) Income Tax on Other Comprehensive Income

(Amount: INR in Lakhs)

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
A. Deferred Tax		
(a) Remeasurement of Defined Benefit Obligations	(1)	1
(b) Net fair value loss on investments in equity shares at FVTOCI*	1	(0)
Total*	(0)	1

* Amount Less than ₹. 0.50 Lakhs

(c) Reconciliation of income tax expenses with accounting profit multiplied by Company's domestic rate

(Amount: INR in Lakhs)

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Profit before tax from continuing operations	93	155
Less: income taxed at different tax rate	-	-
Profit Before tax	93	155
Income Tax using the Company's domestic Tax rate #	24	40
Effect of expenses that are not deductible in determining taxable profit	6	10
Effect of income that is not taxable/ unabsorbed losses in determining taxable profit	(2)	(2)
Adjustments in respect of prior years	-	-
Effect of reversal of deferred tax liability (Net)	(4)	(4)
Effect on deferred tax balances due to the change in income tax rate (effective 01.04.2018)	-	(15)
Income tax expense recognised in Statement of profit and loss	24	29

The tax rate used for the reconciliations above is the corporate tax rate of plus surcharge (as applicable) on corporate tax, education cess and secondary and higher education cess on corporate tax, payable by corporate entities in India on taxable profits under Income Tax Act, 1961.



PIL Chemicals Limited
Notes to the financial statements for the Year ended March 31,2020

Note 26 : Current Tax and Deferred Tax (contd.)

(d) Movement of Deferred Tax

Deferred tax assets/(liabilities) in relation to the Year ended March 31, 2020

(Amount: INR in Lakhs)

Particulars	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment (including investment property)				
Intangible Assets	413	4	-	417
Financial asset measured at FVTPL*	0	-	-	-
Financial asset measured at FVOCI*	(3)	-	1	(2)
Defined benefit obligation	(10)	(1)	(1)	(12)
Provision for bonus	(1)	-	-	(1)
Net Tax Asset/(Liabilities)	399	3	(0)	402

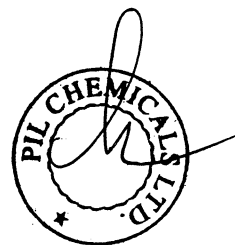
* Amount Less than ₹. 0.50 Lakhs

Deferred tax assets/(liabilities) in relation to the Year ended March 31, 2019

(Amount: INR in Lakhs)

Particulars	Opening Balance	Recognised in	Recognised in OCI	Closing Balance
Property, Plant and Equipment (including investment property)				
Intangible Assets	403	10	-	413
Financial asset measured at FVTPL	1	(1)	-	0
Financial asset measured at FVOCI*	(1)	(2)	(0)	(3)
Defined benefit obligation	(18)	7	1	(10)
Provision for bonus*	(1)	0	-	(1)
Net Tax Asset/(Liabilities)	384	14	1	399

* Amount Less than ₹. 0.50 Lakhs



PIL CHEMICALS LIMITED
Notes to the financials statements for the Year ended March 31,2020

Note 27: Employee Benefits

1) Defined contribution plans :

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Company are as below:

a) Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund administered and managed by Government of India. The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the Company.

Contribution to Defined Contribution Plans, recognised in the Statement of Profit and Loss for the year under employee benefits expense, are as under :

Particulars	(Amount: INR in Lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
i) Employer's Contribution to Provident Fund and pension	12	8
Total	12	8

b) Defined Benefit Plans

Gratuity (Unfunded)

The Company has an obligation towards gratuity, an unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service, without any payment ceiling. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The Company offers the following employee benefit schemes to its employees:
 Gratuity (included as part of gratuity in Note 24 Employee benefits expense)

A. Principal actuarial assumptions used:

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Discount rate	7.47%	7.82%
Expected rate of salary increase	6.00%	6.00%
	IALM (2006-08)	IALM (2006-08)
Mortality tables	Ult.	Ult.
Expected rate of Return	N.A.	N.A.
Withdrawal Rates	6%	6%

Particulars	(Amount: INR in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
A. Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows		
Service cost:		
Current service cost	3	4
Past service cost and (gain) / loss from settlements	-	-
Net interest expense	2	3
Remeasurements	-	-
Components of defined benefit costs recognised in profit or loss	5	7



Note 27: Employee Benefits (contd.)

(Amount: INR in Lakhs)		
B. Amounts recognised in statement of OCI in respect of these defined benefit plans are as follows	As at March 31, 2020	As at March 31, 2019
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding the amount included in net interest cost)	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	2	1
Actuarial (gains) / losses arising from changes in experience adjustments	2	(4)
Adjustments for restrictions on the defined benefit asset		
Components of defined benefit costs recognised in other comprehensive income	4	(3)
Total	9	4

C. Amounts recognised in Balance Sheet in respect of these defined benefit plans are as follows

(Amount: INR in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Opening net defined benefit liability/(assets)	33	38
Expenses charged to statement of profit and loss	5	7
Amount recognised outside statement of profit and loss	4	(3)
Net (Liability)/Asset Transfer Out	-	(9)
Employer contributions paid directly	-	0
Impact of liability assumed or (settled)	42	33

D. Movements in the present value of defined benefit obligation are as follows:

(Amount: INR in Lakhs)		
Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Movements in present value of defined benefit obligation are as follows:		
Opening defined benefit obligation	33	38
Current service cost	3	4
Interest cost	2	3
Net (Liability)/Asset Transfer Out	-	(9)
Remeasurement (gains)/losses:		
Actuarial (gains) / losses arising from changes in demographic assumptions		
Actuarial (gains) / losses arising from changes in financial assumptions	2	1
Actuarial (gains) / losses arising from changes in experience adjustments	2	(4)
Past service cost, including losses/(gains) on curtailments		
Benefits paid		-
Closing defined benefit obligation	42	33

E. Maturity profile of defined benefit obligation:

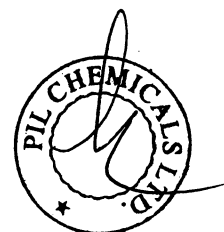
(Amount: INR in Lakhs)		
Projected Benefits Payable in Future Years From the Date of Reporting	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2019
1st Following Year	5	4
2nd Following Year	3	3
3rd Following Year	3	2
4th Following Year	3	2
5th Following Year	5	3
Sum of Years 6 to 10	17	17

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis

(Amount: INR in Lakhs)		
Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation - Discount Rate + 50 basis points	(2)	(1)
Defined Benefit Obligation - Discount Rate - 50 basis points	2	1
Defined Benefit Obligation - Salary Escalation Rate + 50 basis points	2	1
Defined Benefit Obligation - Salary Escalation Rate - 50 basis points	(2)	(1)
Defined Benefit Obligation - Employee Turnover + 50 basis points	0	0
Defined Benefit Obligation - Employee Turnover - 50 basis points	(0)	(0)

These sensitivities have been calculated above to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 28: Earnings per share (EPS)

Particulars	For the Year ended on	
	March 31, 2020	March 31, 2019
Basic		
Profit for the year attributable to owners of the company (Amount: INR in Lakhs)	69	126
Weighted average number of equity shares in calculating EPS (number)	83,54,833	83,54,833
Earnings per share (Basic and Diluted)	0.82	1.51

Note 29: Contingent Liabilities and Capital Commitments

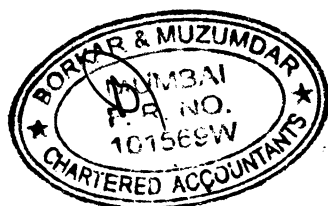
(Amount: INR in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Contingent liabilities :		
Claims against the Company not acknowledged as debts (including Direct and Indirect taxes)	-	-
(b) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for	9	29
Total	9	29

Note 30: Payment to auditors

(Amount: INR in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a) for audit	3	3
b) for other services.	-	3
c) for reimbursement of expenses.	1	2
Total	4	8



PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31, 2020

Note 31 : Financial Instruments**(i) Capital management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31st, 2020 the Company has only one class of equity shares and has no debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for re-investment into business based on its long term financial plans.

(ii) Categories of financial instruments*(Amount: INR in Lakhs)*

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Measured at FVTOCI		
Non-Current Investments - Equity	8	25
Measured at FVTPL		
Non-Current Investments - Mutual Funds	8	16
Current Investments - Mutual Funds	316	365
Measured at amortised cost		
Trade Receivables	41	102
Cash and cash equivalents	103	103
Other financial assets (Current and Non Current)	63	54
Intercompany Deposits	400	250
Financial liabilities		
Measured at amortised cost		
Trade payables	79	58
Other financial liabilities	7	32

(iii) Financial risk management objectives

The Company's business activities are exposed to a variety of financial risks, namely Market risks (interest risks, commodity price risk, currency risk), Credit risk and Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company monitors and manages the financial risks relating to the operations of the entity through internal risk reports which analyse exposures by degree and magnitude of the risk.

(iii)(a) Market Risk

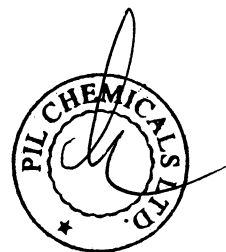
Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company's is currently not exposed to market risk in the reporting period.

(iii)(b) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 31 : Financial Instruments (Contd.)

The Company has deals only with its holding company and means of mitigating the risk of financial loss from defaults is based on the individual characteristics of the holding company. Holding Company's outstanding receivables are reviewed on a quarterly basis and where necessary, the credit allowed to particular customers for subsequent sales is adjusted in line with their past payment performance. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management on a quarterly basis. Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk.

The Company monitors each loans and advances given and makes any specific provision wherever required.

The ageing of the debtors is as follows:

Age of receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Exceeding six months		-
Others	41	102
Total	41	102

Currently there is no movement in Provision for Doubtful Debts.

(iii)(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2020

(Amount: INR in Lakhs)

Particulars	Due in 1st year	Due in 5+ years	Carrying amount
Financial Liabilities			
Trade payables	79	-	79
Other financial liabilities	7	-	7
Total	86	-	86

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2019

(Amount: INR in Lakhs)

Particulars	Due in 1st year	Due in 5+ years	Carrying amount
Financial Liabilities			
Trade payables	58	-	58
Other financial liabilities	32	-	32
Total	90	-	90

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2018

(Amount: INR in Lakhs)

Particulars	Due in 1st year	Due in 5+ years	Carrying amount
Financial Liabilities			
Trade payables	114	-	114
Other financial liabilities	64	-	64
Total	178	-	178



PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31, 2020

Note 32 : Fair Value Measurement

1. Fair value of financial assets and financial liabilities

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

32.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(Amount: INR in Lakhs)

Financial assets/ (Financial liabilities)	March 31, 2020	March 31, 2019	Fair value hierarchy	Valuation technique(s) and key input(s)
Non Current Investments				
1) Investments in equity instruments at FVTOCI (quoted)	8	25	Level 1	Quoted bid prices in an active market
2) Investments in Mutual funds at FVTPL	8	16	Level 2	Fair value of investments in Mutual Funds is based on Net asset value (NAV) declared by mutual fund houses at the reporting date.
Current				
1) Investments in Mutual funds at FVTPL	316	365	Level 2	Fair value of investments in Mutual Funds is based on Net asset value (NAV) declared by mutual fund houses at the reporting date.

32.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the Company considers that the carrying amounts of financial instruments recognised in the financial statements approximate their fair values.

(Amount: INR in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets held at amortised cost:				
Cash and cash equivalent	103	103	103	103
Trade receivables	41	41	102	102
Other financial assets	63	63	54	54
Financial liabilities held at amortised cost:				
Trade Payables	79	79	58	58
Other financial liabilities	15	15	32	32

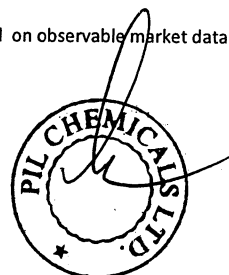
2. Measurements of Fair Values

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



PIL CHEMICALS LIMITED

Notes to the financials statements for the Year ended March 31,2020

Note 33 : Related party transactions

A .Details of related parties

Name of related parties	Description of relationship
NOCIL Limited	Holding Company

(Amount: INR in LaKhs)

S. No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A	Nature of Transactions/ Names of Related Parties		
1	Holding		
	Income from Processing Charges	1,343	1,316
2	Dividend Paid (Excluding Dividend Distribution Tax)	100	50

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
A	Balance outstanding		
1	Holding Company		
	Trade Receivable	41	102
2	Advance Received	-	-

Note 34: Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- (i) Details of Investments made by the company are given in Note 5. in the financial statement.
- (ii) There are no securities and guarantees provided and no guarantees given during the year.

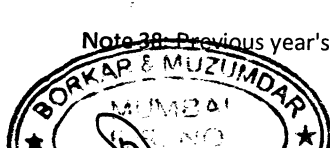
Note 35: Impact of COVID-19 pandemic on the financial statements

The company's operations at its Vapi plant (Gujarat) and corporate office in Mumbai (Maharashtra) were temporary closed following the country wide lockdown due to the COVID-19 pandemic till last week of April 2020. The plant operations commenced from the 1st week of May 2020 after obtaining the requisite permissions from the Govt. of Gujarat and District collector. Under the current circumstances, the Management has evaluated the impact on its financial results and in assessing the recoverability of its assets including receivables and inventories. Considering the information available upto the date of approval of the financial statements and based on the current indicators of future economic conditions, the Company is reasonably confident to recover the carrying amount of these assets. The Company will closely monitor all events which may or may not impact the financial statements.

Note No. 36: The Company is primarily engaged in the business of manufacture of rubber chemicals which in the context of Indian Accounting Standard (Ind AS) 108 on Operating Segments constitutes a single reportable segment. The relevant information regarding secondary segment reporting (by geographical segment) is presented in the consolidated financial statements as required as per Ind AS 108 'Operating Segments'.

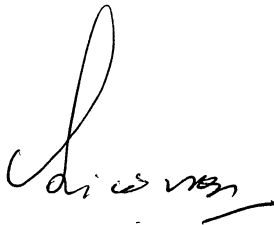
Note No. 37: Subsequent Events: There are no significant subsequent events that would require adjustments or disclosures in the financial statement between the Balance Sheet date and the date of signing of accounts.

Note 38: Previous year's figures have been regrouped wherever necessary, to conform to the current year's classification.

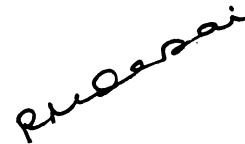


PIL Chemicals Limited

Notes To Financial Statement for the year ended 31 MARCH 2020 - *continued*



P. Srinivasan
Chairman
DIN:00713911



R.M. Desai
Director
DIN:07315943

In terms of our report attached
For Borkar & Muzumdar
Chartered Accountants
Firm Regn. No.: 101569W



Supriya D. Bhat
Partner
Membership No. 48592

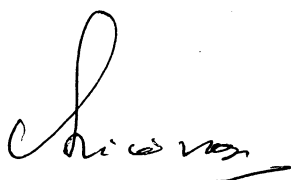


Place : Mumbai
Date : 26 June 2020

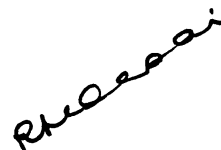
Place : Mumbai
Date : 26 June 2020

PIL Chemicals Limited

Notes To Financial Statement for the year ended 31 MARCH 2020 - *continued*



P. Srinivasan
Chairman
DIN:00713911

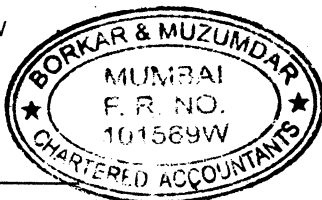


R. M. Desai
Director
DIN:07315943

In terms of our report attached
For Borkar & Muzumdar
Chartered Accountants
Firm Regn. No.: 101569W



Supriya D. Bhat
Partner
Membership No. 48592



Place : Mumbai
Date : 26 June 2020

Place : Mumbai
Date : 26 June 2020