

# **PIL CHEMICALS LIMITED**

## **ANNUAL REPORT FINANCIAL YEAR 2020-21**

**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. N.A. Shah Associates LLP

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 (19<sup>th</sup>) Annual General Meeting of the Members of **PIL CHEMICALS LIMITED** will be held at Mafatlal House, Backbay Reclamation, Mumbai, 400 020 on Tuesday, 20<sup>th</sup> July, 2021 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 31<sup>st</sup> March, 2021 and the Balance Sheet as at 31<sup>st</sup> March, 2021 and the Reports of the Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. R. M Desai (holding DIN: 07315943), 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 2021-22 till the conclusion of AGM to be held during the year 2022, 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.”

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

  
**Priyanka Bang**  
Company Secretary

Mumbai, 14<sup>th</sup> May, 2021

# 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@nocihindia.com

## Directors' Report

### THE MEMBERS PIL CHEMICALS LIMITED

The Directors present their report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2021.

Particulars	(Rs. in lakhs)	
	Financial year ended 31 <sup>st</sup> March, 2021	Financial year ended 31 <sup>st</sup> March, 2020
Total Revenue	1,562	1,390
Profit before Interest, Depreciation & Tax	431	225
Less: Interest	-	-
Less: Depreciation	136	132
Profit before tax	295	93
Less: Tax Expenses	103	24
<b>Net Profit after tax</b>	<b>192</b>	<b>69</b>
Earning per share of face value of Rs. 10 each -Basic	2.30	0.82
Earning per share of face value of Rs. 10 each -Basic	2.30	0.82

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 1,914 MT (previous year 1,832 MT) for NOCIL Ltd.

The Company has recorded an income of Rs.1,518 lakhs (previous year Rs.1,343 lakhs) and a Profit Before Tax (PBT) of Rs.295 lakhs (previous year Rs.93 lakhs). After providing for taxes of Rs.103 lakhs (previous year Rs.24 lakhs), the Net Profit for the year works out to Rs.192 lakhs (previous year Rs.69 lakhs).



## **Dividend**

The Directors are please to recommend payment of Dividend of Re. .2 per share of ₹10/- each( 12% ) , on the equity share capital of the Company (previous year 6% Re. 0.60 per share of ₹10/- each).The Dividend together with the tax on Dividend if any , will absorb a sum of Rs. 100 Lakhs (previous year Rs. 60.43 Lakhs).

## **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 31<sup>st</sup> March 2021.

## **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 2021.

## **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 four times on 26<sup>th</sup> June 2020, 18<sup>th</sup> August 2020 ,2<sup>nd</sup> November 2020 and 28<sup>th</sup> January 2021..

## **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. R.M Desai, Director retires by rotation at the forthcoming Annual General Meeting. Being eligible, he offers himself for re-appointment.

During the year under the review ,Miss Anuja Bhate resigned as Company Secretary of the Company with effect from 10<sup>th</sup> June,2020.In view of Miss Anuja Bhates's resignation ,Miss Priyanka Bang has been appointed as Company Secretary with effect from 2<sup>nd</sup> November,2020.

## 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 2020-21 are furnished below:

Name of the Related Party	Particulars	Amount (Rs. In Lakh)
NOCIL Limited (Holding Company)	Material Processing Charges	1,518

## Directors' Responsibility Statement

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:

- That in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2021, 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;
- 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 2021.
- 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.

### **Auditors**

The term of M/s. N. A. Shah Associates LLP, Chartered Accountants, (Firm Registration No.: 116560W / W100149, Mumbai as Statutory Auditors, expires at the conclusion of this Annual General Meeting and being eligible, they offer themselves for re-appointment. Pursuant to the requirement of Section 139(1) of the Companies Act, 2013, the Board of Directors have recommended the appointment of M/s. N. A. Shah Associates LLP, Chartered Accountants as Statutory Auditors of the Company to hold the office from the conclusion of the ensuing Annual General Meeting to the next Annual General Meeting to be held during the year 2022 to examine and audit the accounts of the Company for the Financial Year 2021-22 under Section 139 of the Companies Act, 2013 subject to the approval of members. The Auditors have given a Certificate to the effect that the appointment, if made, will be within the prescribed limits specified under section 141 of the Companies Act, 2013.

### **Observations of statutory auditors on accounts for the year ended 31<sup>st</sup> March 2021**

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended 31st March 2021 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.

### **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: 14<sup>th</sup> May, 2021



# 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

## ANNEXURE- I

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31 March 2021

[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 <sup>th</sup> 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,<br>H.T. Parekh Marg,<br>Backbay Reclamation, Churchgate,<br>Mumbai-400020<br>Tel.: 9122-66576100, 66364062<br>Fax: 9122-66364060<br>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<br>C-101, 247 Park, LBS Marg, Vikhroli<br>(WEST) - 400083                                                                                                   |



## II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

## III. 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	83,54,833	--	83,54,833	100.00	83,54,833	-	83,54,833	100.00	--
Banks/ FI	--	--	--	--	--	--	--	--	--
Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):	83,54,833	--	83,54,833	100.00	83,54,833	-	83,54,833	100.00	--
(2): Foreign									
NRI- Individuals	--	--	--	--	--	--	--	--	--
Other Individuals	--	--	--	--	--	--	--	--	--
Bodies Corporate	--	--	--	--	--	--	--	--	--





Banks/FI	--	--	--	--	--	--	--	--	--
Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter									
(A)=(A)(1)+(A(2))	83,54,833	--	83,54,833	100.00	83,54,833	-	83,54,833	100.00	--
B. Public Shareholding									
1. Institutions									
Mutual Funds	--	--	--	--	--	--	--	--	--
Banks/FI	--	--	--	--	--	--	--	--	--
Central Govt	--	--	--	--	--	--	--	--	--
State Govt	--	--	--	--	--	--	--	--	--
Venture Capital Funds	--	--	--	--	--	--	--	--	--
Insurance Companies Funds	--	--	--	--	--	--	--	--	--
Others (specify FIIs)	--	--	--	--	--	--	--	--	--
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	--	--	--	--	--	--	--	--	--



Others (specify) NRI	--	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(2):</b>	--	--	--	--	--	--	--	--	--	--
Total Public shareholding (B)= (B)(1)+(B) (2)	--	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	83,54,833	--	83,54,833	100.00	83,54,833	-	83,54,833	100.00	--	--





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	83,54,533	100.00	--	83,54,533	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	--	--	--



*iii) 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	83,54,533	--	83,54,533	--
2	Additions during the year - acquisition from Secondary Market.	--	--	--	--
3	At the End of the year	83,54,533	--	83,54,533	--

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				





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	P. Srinivasan (Joint shareholder)	50	-	50	-
2	R. M. Desai	-	-	-	-
3	Dr. C. Nandi	-	-	-	-

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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total ( i + ii + iii)	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total ( i + ii + iii)	-	-	-	-



**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/WTD/ 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	-	-	-
	<b>Total (A)</b>	-	-	-
	Ceiling as per the Act	-	-	-





**B. 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	-	-	-	-
<b>Total (1)</b>	-	-	-	-
2. Other Non-Executive Directors	*P. Srinivasan	*R. M. Desai	*Dr. C. Nandi	-
• Fee for attending board committee meetings	-	-	-	-
• Commission	-	-	-	-
• Others, please specify	-	-	-	-
<b>Total (2)</b>	-	-	-	-
<b>Total (B)=(1+2)</b>	-	-	-	-
Total Managerial Remuneration	-	-	-	-
<b>Overall Ceiling as per the Act</b>	-	-	-	-

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



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

(Rs. In Lakhs)

Sr. no.	Particulars of Remuneration	Ms. Anuja Bhate, Company Secretary* (up to 10 <sup>th</sup> June,2020)	Miss Priyanka Bang Company Secretary* (Effective 2 <sup>nd</sup> November,2020)
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)	--	
	<b>Total</b>	--	

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





**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)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
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*

P. Srinivasan  
Chairman



Place: Mumbai  
Date: 14<sup>th</sup> May, 2021

# 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

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 2021.

## A. CONSERVATION OF ENERGY-

### a) The steps taken or impact on conservation of energy

- 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 2.5 lacs, during the year in the following areas:

- 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

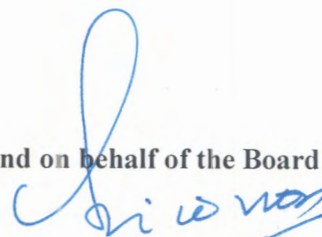
## B. TECHNOLOGY ABSORPTION

1. Optimisation of operations to improved productivities.
2. Recycle of mother liquor in processes in reducing raw materials consumption.

Benefits derived as a result of above efforts.

- a) Installation of 45W LED lights in plants & internal roads against 125W mercury lamps, with savings of Rs. 0.6 lac/annum.
- b) Power consumption per Mt of production reduced by 5% due to reduction in batch time cycle.

For and on behalf of the Board



P. Srinivasan  
Chairman



Place: Mumbai  
Date: 14<sup>th</sup> May, 2021



**Independent Auditors' Report**

**To the Members of  
PIL Chemicals Limited**

**Report on the Audit of the financial statements**

**Opinion**

We have audited the accompanying financial statements of PIL Chemicals Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss, the Statement of Changes its Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2021, the profit and other 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 financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Information Other than the financial statements and Auditor's Report Thereon**

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors 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 will 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 the fact. We have nothing to report in this regard.



**PIL Chemicals Limited**  
**Independent Auditor's Report (continued)**

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India.

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

In preparing the financial statements, the Board of Directors 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.



**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**PIL Chemicals Limited**  
**Independent Auditor's Report (continued)**

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

Materiality is the magnitude of misstatements in the 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.

**Other Matters**

- 1) The financial statements of the Company as on 31<sup>st</sup> March, 2020 were audited by another auditor; whose report dated 26<sup>th</sup> June, 2020 expressed an unmodified opinion. We have relied on the said financial statement for the purpose of confirming the opening balances of assets, equity and liabilities as on 1<sup>st</sup> April, 2020 in respect of the year under audit.

**Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow Statement dealt with by this



  
**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**PIL Chemicals Limited**  
**Independent Auditor's Report (continued)**

Report are in agreement with the books of account;

- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act; read with rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report given in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. The Company has not paid any managerial remuneration during the year, accordingly provisions of section 197 of the Act read with schedule V to the Act in respect of managerial remuneration are not applicable. Therefore, reporting as required by Section 197(16) of the Act is not applicable to the Company.
- h. With respect to the Other Matter to be included in the Auditors' 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; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **N. A. Shah Associates LLP**  
Chartered Accountants  
Firm Registration No. 116560W/W100149



**Milan Mody**  
Partner

Membership No.: 103286  
UDIN: 21103286AAAACE9060



Place: Mumbai  
Date: 14<sup>th</sup> May 2021



  
**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**PIL Chemicals Limited**

**Annexure A to the Independent Auditors' Report for the year ended 31<sup>st</sup> March 2021**

[Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date]

- (i) In respect of fixed assets (property, plant and equipment):
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified by the management annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the explanations given to us, there was no material discrepancies noticed on the physical verification of fixed assets.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, all the title deeds of immovable properties are held in the name of the company. In respect to the immovable property – leasehold land, the lease agreement is in the name of the Company.
- (ii) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. There were no discrepancies noticed on verification between the physical stocks and the book records.
- (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 Act. Therefore, the requirement of clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan or given any guarantee or provided any security to the parties covered under Section 185 of the Act during the year. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits covered under the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Accordingly, clause (v) of paragraph 3 of the order is 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. Therefore, the requirement of clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- (vii) In respect of Statutory Dues:
- a. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax,



  
**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**PIL Chemicals Limited**

**Annexure A to the Independent Auditors' Report for the year ended 31<sup>st</sup> March 2021**

[Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date]

duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no undisputed statutory dues payable in respect to above statutes, outstanding as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Profession tax, Income tax, Goods and Service tax, Duty of Customs, Cess and any other statutory dues were in arrears as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable to the appropriate authorities.

- b. According to information and explanations given to us and on the basis of our examination of the records of the Company, there is no disputed income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise and value added tax as on 31<sup>st</sup> March, 2021 which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company did not have any outstanding dues to any financial institution, bank, and government or debenture holders during the year. Accordingly, clause (viii) of paragraph 3 of the order is not applicable to the Company.
- (ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the order is not applicable to the Company.
- (x) During the course of our examination of the books of account and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to information and explanation given to us, we have neither noticed nor have been informed by the management, any incidence of fraud by the Company or on the Company by its officers or employees.
- (xi) According to the information and explanation given to us and based on our examinations of records of the Company, under clause (xi) of paragraph 3 of the Order the Company has not paid / provided for any managerial remuneration during the year.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, for all transactions with related parties and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards (Refer note 35).
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are 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 directors or persons connected with the directors. Therefore, the provisions of clause (xv) of paragraph 3 of the



  
**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**PIL Chemicals Limited**

**Annexure A to the Independent Auditors' Report for the year ended 31<sup>st</sup> March 2021**

[Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date]

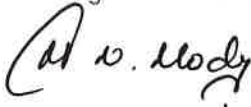
Order are not applicable to the Company.

- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of the clause (xvi) of the Order are not applicable to the Company.

For **N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration No. 116560W/W100149



**Milan Mody**

Partner

Membership No.: 103286

UDIN: 21103286AAAACE9060

Place: Mumbai

Date: 14<sup>th</sup> May 2021



  
**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**PIL Chemicals Limited**

**Annexure B to Independent Auditor's Report for the year ended 31<sup>st</sup> March 2021**

[Referred to point 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date]

**Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 ("the Act")**

### **Opinion**

We have audited the internal financial controls over financial reporting of **PIL Chemicals Limited** ("the Company") as of 31<sup>st</sup> March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note"), issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the 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 with reference to financial statement. 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



  
**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**PIL Chemicals Limited**

**Annexure B to Independent Auditor's Report for the year ended 31<sup>st</sup> March 2021**

[Referred to point 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date]

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 internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (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.

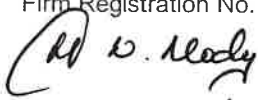
**Inherent Limitations of Internal Financial Controls with reference to financial statements**

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.

For **N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration No. 116560W/W100149



**Milan Mody**

Partner

Membership No.: 103286

UDIN: 21103286AAAACE9060



Place: Mumbai

Date: 14<sup>th</sup> May 2021

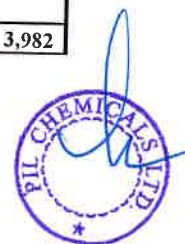
**PIL CHEMICALS LIMITED**  
**STATEMENT OF BALANCE SHEET AS AT 31 MARCH 2021**

(Amount: INR in Lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	3	2,585	2,788
(b) Capital Work in Progress (Tangible)		13	4
(c) Intangible Assets	4	3	3
(d) Financial Assets			
(i) Investments	5	27	16
(ii) Other Financial Assets	6	49	51
(e) Non Current Tax Assets (Net)		131	194
(f) Other Non Current Assets	7	15	12
<b>Total Non - Current Assets</b>		<b>2,823</b>	<b>3,068</b>
<b>2 Current assets</b>			
(a) Inventories	8	41	31
(b) Financial Assets			
(i) Investments	9	1,106	716
(ii) Trade Receivable	10	172	41
(iii) Cash and cash equivalents	11	76	103
(iv) Other financial assets	12	6	12
(c) Other current assets	13	21	11
<b>Total Current Assets</b>		<b>1,422</b>	<b>914</b>
<b>Total Assets (1+2)</b>		<b>4,245</b>	<b>3,982</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	14	835	835
(b) Other Equity	15	2,792	2,592
<b>Total Equity</b>		<b>3,627</b>	<b>3,427</b>
<b>LIABILITIES</b>			
<b>2 Non-current liabilities</b>			
(a) Provisions	16	47	43
(b) Deferred Tax Liabilities (Net)	26	391	402
<b>Total Non - Current Liabilities</b>		<b>438</b>	<b>445</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro and small enterprises	17	11	9
(b) Total outstanding dues to creditors other than micro and small enterprises	17	91	57
(ii) Other financial liabilities	18	4	7
(b) Other current liabilities	19	24	15
(c) Provisions	20	24	22
(d) Current tax liabilities		26	-
<b>Total Current Liabilities</b>		<b>180</b>	<b>110</b>
<b>Total Equity and Liabilities (1+2+3)</b>		<b>4,245</b>	<b>3,982</b>

Significant accounting policies


The accompanying notes form an integral part of the financial statements.





PIL CHEMICALS LIMITED

BALANCE SHEET AS AT 31 MARCH 2021 - *continued*



P. Srinivasan  
*Chairman*  
DIN:00713911



R. M. Desai  
*Director*  
DIN:07315943



Priyanka Bang  
*Company Secretary*

In terms of our report attached  
For N. A. Shah Associates LLP  
Chartered Accountants  
Firm Registration No. 116560W/W100149



Milan Mody  
*Partner*  
Membership No. 103286



Place : Mumbai  
Date : 14 May 2021

**PIL CHEMICALS LIMITED**

**Statement of Profit and Loss for the Year ended 31 March 2021**

(Amount: INR in Lakhs)

Particulars	Note	For the Year ended on	For the Year ended on
		March 31, 2021	March 31, 2020
I Revenue from operations	21	1,518	1,343
II Other income	22	44	47
<b>III Total Revenue (I + II)</b>		<b>1,562</b>	<b>1,390</b>
<b>IV Expenses</b>			
(a) Changes in Inventory	23	(15)	-
(b) Employee Benefit Expense	24	283	260
(c) Finance Cost	25	1	-
(d) Depreciation and amortisation expense	26	136	132
(e) Other expenses	27	862	905
<b>Total Expense (IV)</b>		<b>1,267</b>	<b>1,297</b>
<b>V Profit before tax (III - IV)</b>		<b>295</b>	<b>93</b>
<b>VI Tax expense:</b>			
Current Tax	28	103	21
Deferred Tax expense / (credit)	28	(11)	3
Short/(Excess) provision for tax relating to prior year	28	11	0
<b>Total Tax Expense (VI)</b>		<b>103</b>	<b>24</b>
<b>VII Profit After Tax (V-VI)</b>		<b>192</b>	<b>69</b>



**PIL CHEMICALS LIMITED**

**Statement of Profit and Loss for the Year ended 31 March 2021**

(Amount: INR in Lakhs)

Particulars		
	For the Year ended on March 31, 2021	For the Year ended on March 31, 2020
<b>VIII Other Comprehensive Income</b>		
(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 (Charge)/Credit	1	(4)
(b) Net fair value (loss)/gain on investments in equity shares	7	(17)
(ii) Income tax relating to items that will not be reclassified to profit or loss		
(a) Remeasurements of the defined benefit plans	(0)	(1)
(b) Net fair value gain on investments in equity shares at FVTOCI	0	1
<b>Other comprehensive Income for the year</b>	<b>8</b>	<b>(21)</b>
<b>IX Total Comprehensive Income for the year (VII+VIII)</b>	<b>200</b>	<b>48</b>

Significant accounting policies


The accompanying notes form an integral part of the financial statements.





PIL CHEMICALS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021 - *continued*



P. Srinivasan  
**Chairman**  
DIN:00713911



R.M. Desai  
**Director**  
DIN:07315943



Priyanka Bang  
**Company Secretary**

In terms of our report attached  
For N. A. Shah Associates LLP  
Chartered Accountants  
Firm Registration No. 116560W/W100149



Milan Mody  
**Partner**  
Membership No. 103286



Place : Mumbai  
Date : 14 May 2021

**PIL CHEMICALS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

(Amount: INR in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	(Audited)	(Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
(I) Profit before Tax	295	93
Adjusted for:		
Depreciation and amortisation expense	136	132
Interest Income	(26)	(29)
Dividend Income	(2)	(18)
Sundry credit balances written back	(1)	(0)
Loss/ (Gain) on fair valuation of investment in mutual fund	(15)	8
Loss on disposal of property plant and equipent	58	-
(II) Total	150	93
(III) Operating Profit before Working Capital Changes (I+II)	445	186
Changes in working capital:		
Decrease/(Increase) in trade receivables	(131)	61
Decrease/(Increase) in inventories	(10)	(2)
Decrease/(Increase) in Other financial assets - Non Current	2	0
Decrease/(Increase) in Other Assets - Non Current	(4)	4
Decrease/(Increase) in Other Assets - Current	(10)	18
Decrease/(Increase) in Other Financial Assets - Current	-	(9)
(Decrease)/Increase in Trade Payables	36	20
(Decrease)/Increase in Other Financial Liabilities -Current	-	(25)
(Decrease)/Increase in other liabilities - current	8	(3)
Increase in provision - non current	4	5
Increase in provision - current	2	2
(IV) Total	(103)	71
(V) Cash generated from operations (III+IV)	342	257
Income tax paid	(25)	(33)
(VI) Net Cash used in Operating Activities	317	224
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment to acquire financial assets	(750)	(300)
Proceeds on redemption of financial assets	375	216
Capital expenditure on fixed assets	(22)	(57)
Proceeds from disposal of property plant and equipment	20	-
Dividend received	2	18
Interest received	31	19
(VII) Net Cash used in Investing Activities	(344)	(104)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid (including DDT paid thereon)	-	(120)
(VIII) Net Cash from Financing Activities	-	(120)
(IX) Net decrease in cash and cash equivalents (VI+VII+VIII)	(27)	(0)
(X) Cash and cash equivalents at beginning of the year	103	103
(IX+X) Cash and cash equivalents at end of the year	76	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) 0 indicates amount Less than ₹. 0.50 Lakhs



PIL CHEMICALS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021- *continued*



P.Srinivasan  
**Chairman**  
DIN:00713911

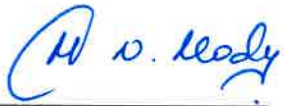


R.M.Desai  
**Director**  
DIN:07315943



Priyanka Bang  
**Company Secretary**

In terms of our report attached  
For N. A. Shah Associates LLP  
Chartered Accountants  
Firm Registration No. 116560W/W100149



Milan Mody  
**Partner**  
Membership No. 103286



Place : Mumbai  
Date : 14 May 2021



PIL CHEMICALS LIMITED

Statement of Changes in Equity for the year ended March 31, 2021

(Amount: INR in Lakhs)

a. Equity Share Capital	As at March 31, 2021	As at March 31, 2020
Opening Balance	835	835
Issued during the year	-	-
Closing Balance	835	835

b. 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, 2019	0	1,669	986	14	(5)	2,664
Add: Profit for the year	-	-	69	-	(5)	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)
<b>Balance as at March 31, 2020</b>	<b>0</b>	<b>1,669</b>	<b>935</b>	<b>(16)</b>	<b>(5)</b>	<b>(72)</b>
Add: Profit for the year	-	-	192	-	-	192
Add: Other comprehensive income for the year, net of tax	-	-	-	7	1	8
<b>Balance as at March 31, 2021</b>	<b>0</b>	<b>1,669</b>	<b>1,127</b>	<b>5</b>	<b>(9)</b>	<b>2,792</b>

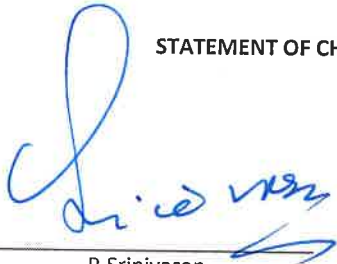
Refer Note 15 for nature and purpose of Reserve.

\* Amount Less than ₹. 0.50 Lakhs



PIL CHEMICALS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2021 - *continued*



P.Srinivasan  
*Chairman*  
DIN:00713911




R.M.Desai  
*Director*  
DIN:07315943



Priyanka Bang  
*Company Secretary*

In terms of our report attached  
For N. A. Shah Associates LLP  
Chartered Accountants  
Firm Registration No. 116560W/W100149



Milan Mody  
*Partner*  
Membership No. 103286



Place : Mumbai  
Date : 14 May 2021

**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

**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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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, 2021 have been approved for issue in accordance with the resolution of the Board of Directors on May 14, 2021.





**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

**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 expenses. The estimates made in the preparation of the financial statements are prudent and reasonable. 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 [Refer note 2(a)]
- Determination of the estimated useful lives of intangible assets; [Refer note 2(b)]
- Recognition and measurement of defined benefit obligations [Refer note 29 of the financial statements]
- Fair value of financial instruments [Refer note 1(e)]
- Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; [Refer note 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.



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

**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.

When 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.
- 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.

Refer Note 34 of the financial statements.

**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, 2021.



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**

**a) Property, Plant and Equipment:-**

The Company had elected to fair value its leasehold land as at the transition date and cost in accordance with Ind AS for all other assets including intangibles.

Plant and Equipment (PPE) are stated at cost of acquisition or construction, 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, estimated costs of dismantling and removing the item and restoring the site on which it is located 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.

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



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

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.

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.

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.

The management believes that useful lives currently used is as prescribed under Part C of Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.

**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 reviewed at each reporting period. Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and





**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

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.

Estimated useful lives of finite intangible assets are as follows:

Nature of assets	Useful life
Software	10 years

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**

**i) Financial assets**

At each reporting date, the Company assesses whether the financial assets carried at amortized cost and investment in equity securities at fair value through profit or loss (FVTPL) are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company has followed general model for measuring loss allowances to measure its financial assets. The detailed assessment of credit risk for each class of financial asset is explained in note 31(iii)(b) of Ind AS financial statement.

Presentation of allowance for credit losses in the balance sheet: Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off: The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**ii) 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 comprise of stores, spares, consumables and work-in-progress which are measured at lower of cost and net realisable value, after providing for obsolete/slow-moving items. 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**

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.



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

**f) Cash flow statement**

Cash Flows are reported using Indirect Method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**g) 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.



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

**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 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.





**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

**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 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.

For investments in mutual fund, the Company has opted to account for the fair value through profit or loss.

**Impairment of financial assets:**

The Company applies the expected credit loss model for recognizing 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.



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

**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**

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 capitalized 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.

**h) 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



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

**i) Revenue recognition**

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 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 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.

**j) 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.



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

Post-Employment Benefits:

(a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund and Employee State Insurance 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 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.

(c) Other Long-Term Employee Benefits (Compensated absences)

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 is recognised in Statement of Profit and Loss in the period in which they arise.





**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

k) Leases

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 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.



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

As a Lessor

Lease payments under operating leases are 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.

**l) 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.

**m) Taxes on Income**

Income tax expense comprises current tax expense, deferred tax charge or credit, minimum alternate tax credit and adjustments of taxes for earlier year that may become necessary due to certain development or reviews during the relevant period. 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.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis or simultaneously.



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

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.

Minimum Alternate Tax Credit

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilized when the Company will pay normal income tax during the specified period.

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



**PIL CHEMICALS LIMITED**  
**CIN No: U25209MH2002PLC135201**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.**

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.

**o) 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.

**p) 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.

**q) Segment Reporting**

The Company is considered to be a single segment company – engaged in the manufacture of rubber chemicals. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Operating Segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.





**PIL CHEMICALS LIMITED**

Notes to the financials statements for the Year ended March 31,2021

Note 3 : Property , plant and equipment

Description of Assets	(Amount: INR in Lakhs)					
	Land - Leasehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
<b>I. Gross Block</b>						
Balance as at 1 April, 2020	1,000	502	2,674	3	2	4,181
Additions	-	4	5	2	-	11
Disposals	-	-	(187)	-	-	(187)
Reclassified as held for sale	-	-	-	-	-	-
Balance as at 31 March, 2021	1000	506	2492	5	2	4005
<b>II. Accumulated depreciation and amortization</b>						
Balance as at 1 April, 2020	64	134	1,191	3	1	1,393
Depreciation expense for the year*	16	14	105	0	1	136
Eliminated on disposal of assets	-	-	(109)	-	-	(109)
Balance as at 31 March, 2021	80	148	1,187	3	2	1,420
<b>III. Net block as at 31st Mar 2021 (I-II)*</b>	920	358	1,305	2	0	2,585

\* 0 indicates amount Less than ₹. 0.50 Lakhs

Description of Assets	(Amount: INR in Lakhs)					
	Land - Leasehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
<b>I. Gross Block</b>						
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
<b>II. Accumulated depreciation and amortization</b>						
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
<b>III. Net block as at 31st March 2020 (I-II)</b>	936	368	1,483	-	1	2,788

\* 0 indicates amount Less than ₹. 0.50 Lakhs



**PIL CHEMICALS LIMITED**

Notes to the financials statements for the Year ended March 31,2021

**Note 4 : Intangible Assets***(Amount: INR in Lakhs)*

Description of Assets	Computer Software	Total
<b>I. Gross Block</b>		
Balance as at 1 April, 2020	5	5
Additions	-	-
Disposals	-	-
<b>Balance as at 31 March, 2021</b>	<b>5</b>	<b>5</b>
<b>II. Accumulated amortisation</b>		
Balance as at 1 April, 2020	2	2
Amortisation expense for the year*	0	0
Eliminated on disposal of assets	-	-
<b>Balance as at 31 March, 2021</b>	<b>2</b>	<b>2</b>
<b>III. Net block as on 31 March 2021 (I-II)</b>	<b>3</b>	<b>3</b>

*\* Amount Less than ₹. 0.50 Lakhs**(Amount: INR in Lakhs)*

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

*\* Amount Less than ₹. 0.50 Lakhs*

**PIL CHEMICALS LIMITED**

Notes to the financial statements for the Year ended March 31,2021

**Note 5 : Non Current Investments**

*(Amount: INR in Lakhs)*

Particulars	As at March 31,2021		As at March 31,2020	
	No of Shares	Amount	No of Shares	Amount
<b>A. Investments in Equity Instruments (Quoted)</b> ( at Fair Value through OCI)				
<b>a. Quoted Equity Shares</b>				
Bank of India of Rs 10/- each fully paid up	19,900	14	19,900	7
Corporation Bank of Rs 2/- each fully paid up	-	-	12,000	1
Union Bank of India Rs 10/- each fully paid up	3,960	1	-	-
<b>b. Unquoted Equity Shares</b>				
Mafatlal UK *	-	-	32,000	0
Mafatlal Services Limited *	22,320	0	22,320	0
<b>B. Investments in Mutual Funds (Unquoted)</b> (at fair value through profit and loss account (FVTPL))				
- JM Mutual Fund (of Rs. 10/- each)	50,000	8	50,000	6
- UTI Masters Share (of Rs. 10/- each)	10,560	4	10,560	2
<b>Total Investments [A+B]</b>		<b>27</b>		<b>16</b>
<b>INVESTMENTS CARRIED AT FVTPL</b>		<b>12</b>		<b>8</b>
<b>INVESTMENTS CARRIED AT FVTOCI</b>		<b>15</b>		<b>8</b>

Aggregate amount of quoted investments	15	8
Aggregate amount of quoted investments - at market value	15	8
Aggregate amount of unquoted investments	12	8
* Amount Less than ₹. 0.50 Lakhs		

Note : Corporation Bank merged with Union Bank as on 01.04.2020 and equivalent shares of Union Bank has been issued.

**Note 6 : Other Financial assets - Non Current**

*(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31,2020
a) Security Deposits		
- Unsecured, considered good	44	44
b) Loans and advances to employees	4	5
c) Fixed Deposit with bank (under lein)	1	2
<b>Total</b>	<b>49</b>	<b>51</b>

**Note 7 : Other Non Current Assets**

*(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31,2020
Prepaid Expenses	15	12
<b>Total</b>	<b>15</b>	<b>12</b>



**PIL CHEMICALS LIMITED**

Notes to the financial statements for the Year ended March 31,2021

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

Particulars		As at March 31,2021	As at March 31,2020
(a) Work in Progress		15	-
(b) Stores, Spares and Consumables		26	31
<b>Total</b>		<b>41</b>	<b>31</b>

Refer note 2(e) for accounting policy for inventory valuation.

Note 9 : Current Investments

(Amount: INR in Lakhs)

Particulars	As at March 31,2021		As at March 31,2020	
	QTY	Current	QTY	Current
<b>a. Investments in Mutual Funds (Unquoted)</b> (at fair value through profit and loss (FVTPL))				
HDFC Arbitrage Fund - Wholesale Plan- Regular Plan - Monthly Dividend	-	-	15,31,373	166
HDFC Liquid Fund -Regular Plan-Dividend-Daily Reinvest	-	-	3,874	150
Axis Treasury Advantage Fund-Growth	10,171	252	-	-
IDFC Low Duration Fund-Growth	8,22,926	252	-	-
Axis Overnight Fund-Growth	23,157	252	-	-
<b>Total (a)</b>		<b>756</b>		<b>316</b>
<b>b. Other Investments</b> (at amortised cost)				
Intercompany deposits with HDFC Limited	-	150	-	400
Intercompany deposits with Bajaj Finance Limited	-	200	-	-
<b>Total (b)</b>		<b>350</b>		<b>400</b>
<b>INVESTMENTS CARRIED AT FVTPL (a+b)</b>		<b>1,106</b>		<b>716</b>

Aggregate amount of unquoted investments

1,106

716





**PIL CHEMICALS LIMITED**

Notes to the financial statements for the Year ended March 31,2021

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

Particulars	As at March 31,2021	As at March 31,2020
<b>Trade Receivable</b>		
(a) Considered Good -Secured		-
(b) Considered Good-Unsecured #	172	41
(c) Which have significant increase in credit Risk	-	-
(d) Credit Impaired	-	-
	172	41
Less: Allowances for bad and doubtful debts	-	-
<b>Total</b>	<b>172</b>	<b>41</b>

# All the receivables are from holding company NOCIL Limited

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

Particulars	As at March 31,2021	As at March 31,2020
(a) Bank balances		
- In Current account	76	103
(b) Cash in hand*	0	0
<b>Total</b>	<b>76</b>	<b>103</b>
<b>Cash and cash equivalent as per statement of cash flow.</b>	<b>76</b>	<b>103</b>

\* Amount Less than ₹. 0.50 Lakhs



**PIL CHEMICALS LIMITED**

**Notes to the financial statements for the Year ended March 31,2021**

**Note 12: Other Financial assets - Current**

*(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31,2020
a) Loans and advances to employees *	-	0
b) Interest Accrued on other deposits	6	12
<b>Total</b>	<b>6</b>	<b>12</b>

\* Amount Less than ₹. 0.50 Lakhs

**Note 13: Other Current Assets**

*(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31,2020
a) Balances with government authorities - Goods and Service Tax	14	7
b) Advance to vendors *	3	0
c) Prepaid Expenses	4	4
<b>Total</b>	<b>21</b>	<b>11</b>

\* Amount Less than ₹. 0.50 Lakhs



**PIL CHEMICALS LIMITED**

Notes to the financial statements for the Year ended March 31,2021

**Note 14: Equity Share Capital**

(Amount: INR in Lakhs)

Particulars	As at March 31,2021		As at March 31,2020	
	Units	Amount	Units	Amount
<b>Authorised Capital</b>				
Equity Shares of Rs 10/- each	1,00,00,000	1,000	1,00,00,000	1,000
	<b>1,00,00,000</b>	<b>1,000</b>	<b>1,00,00,000</b>	<b>1,000</b>
<b>Issued, Subscribed and Fully Paid up</b>				
Equity Shares of Rs 10/- each	83,54,833	835	83,54,833	835
<b>Total</b>	<b>83,54,833</b>	<b>835</b>	<b>83,54,833</b>	<b>835</b>

Refer Notes (i) to (iv) 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 31,2021		As at March 31,2020	
	No.of Shares	Amount	No.of Shares	Amount
<b>Equity shares</b>				
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	<b>83,54,833</b>	<b>835</b>	<b>83,54,833</b>	<b>835</b>

**(ii) 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.

**(iii) 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 31,2021		As at March 31,2020	
	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%

(iv) As per the records of the Company, including its register of shareholders / members & other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



**PIL CHEMICALS LIMITED**

Notes to the financials statements for the Year ended March 31,2021

**Note 15: Other equity**

(Amount: INR in Lakhs)

Particulars	As at March 31,2021	As at March 31,2020
(a) Capital Reserve *	0	0
(b) Securities Premium	1,669	1,669
(c) Retained earnings	1,127	935
(d) Equity Instrument through Other Comprehensive Income	5	(2)
(e) Other Items of Other Comprehensive Income Remeasurement of Defined Benefit Obligation	(9)	(10)
<b>Total</b>	<b>2,792</b>	<b>2,592</b>

\* Amount Less than ₹. 0.1 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 ,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.

**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.

**Other Items of other comprehensive income-Remeasurement of Defined Benefit Obligation:**

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings

**Details of dividends paid / proposed:**

For the current year ended March 31, 2021 the Company has proposed dividend of ₹ 1.20 per share During the previous year, the Company had paid dividend of ₹ 0.60 per share for the year ended March 31, 2019. Further, during the previous year the Company had also declared and paid interim dividend of ₹ 0.60 per share for the year ended March 31, 2020.





**PIL CHEMICALS LIMITED**

Notes to the financials statements for the Year ended March 31,2021

**Note 16: Provisions - Non Current***(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31,2020
Provision for employee benefits (Refer note 29)	47	43
<b>Total</b>	<b>47</b>	<b>43</b>

**Note 17: Trade Payables***(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31,2020
<b>Trade payables</b>		
Dues to Micro, Small and Medium Enterprises	11	9
Dues to Others	91	57
<b>Total</b>	<b>102</b>	<b>66</b>

**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 31,2021	As at March 31,2020
a) The principal amount remaining unpaid to any supplier at the end of the year	11	9
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 31,2021

**Note 18: Other Financial Liabilities - Current***(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31,2020
<b>Sundry Creditors</b>		
i) For Capital goods		
- Payable to Micro and Small Enterprises*	0	1
- Payable to Others	4	6
ii) Others	-	-
<b>Total</b>	<b>4</b>	<b>7</b>

**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, 2021	As at March 31, 2020
a) The principal amount remaining unpaid to any supplier at the end of the year*	0	1
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	-	-

\* Amount Less than ₹. 0.50 Lakhs

**Note 19: Other Current Liabilities***(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31, 2020
Statutory Dues	24	15
<b>Total</b>	<b>24</b>	<b>15</b>

**Note 20: Provisions - Current***(Amount: INR in Lakhs)*

Particulars	As at March 31,2021	As at March 31, 2020
Provision for employee benefits (Refer note 29)	24	22
<b>Total</b>	<b>24</b>	<b>22</b>



**PIL CHEMICALS LIMITED**

Notes to the financial statements for the Year ended March 31,2021

**Note 21: Revenue from Operations**

(Amount: INR in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Revenue from Operations	1,518	1,343
<b>Total</b>	<b>1,518</b>	<b>1,343</b>

**Note 22: Other Income**

(Amount: INR in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
(a) Interest Income-financial assets measured at amortised cost		
On Bank deposits	23	25
On Staff Loan*	0	0
On Other Deposits	3	3
	<b>26</b>	<b>28</b>
(b) Other gains and losses- financial assets measured at Fair Value through Profit & Loss (FVTPL)		
Gain on fair valuation of investment in mutual funds	15	-
	<b>15</b>	<b>-</b>
(c) Other Non-Operating Income		
Dividend Income on Mutual Funds measured at Fair value through Profit and loss (FVTPL)	2	18
Interest on Income Tax Refund	-	1
Sundry Balances written Back*	1	0
	<b>3</b>	<b>19</b>
<b>Total</b>	<b>44</b>	<b>47</b>

\* Amount Less than ₹. 0.50 Lakhs

**Note 23 : Changes in stock of work-in-progress and stock-in-trade**

(Amount: INR in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Closing stock		
- Work in progress	15	-
	<b>15</b>	<b>-</b>
Opening stock		
- Work in progress	-	-
	<b>-</b>	<b>-</b>
<b>Net Decrease /(Increase) in Inventories</b>	<b>(15)</b>	



**PIL CHEMICALS LIMITED**

**Notes to the financials statements for the Year ended March 31,2021**

**Note 24: Employee benefits expense**

*(Amount: INR in Lakhs)*

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Salaries, wages and bonus	247	229
Contributions to provident and other funds	14	13
Gratuity	6	5
Leave Encashment	12	7
Staff welfare expenses	4	6
<b>Total</b>	<b>283</b>	<b>260</b>

**Note 25: Finance Cost**

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Interest Expense	1	-
<b>Total</b>	<b>1</b>	<b>-</b>





**Note 26: Depreciation and Amortisation Expenses***(Amount: INR in Lakhs)*

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Depreciation of Property, Plant and Equipment (Refer Note 3)	136	132
Amortisation of Intangible Assets (Refer Note 4)*	0	0
<b>Total</b>	<b>136</b>	<b>132</b>

*\* Amount Less than ₹. 0.50 Lakhs***Note 27: Other expenses***(Amount: INR in Lakhs)*

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Consumption of stores and spare parts	92	69
Power, fuel and Other Utilities	489	582
Repairs and maintenance - Buildings	2	8
Repairs and maintenance - Machinery	83	83
Repairs and maintenance - Others	37	41
Insurance	14	15
Rates and taxes	6	6
Donations and contributions	-	6
Payments to auditors (Refer Note 32)	4	4
Professional, Consultancy & Legal expenses	38	30
Effluent treatment expenses	21	28
Loss on fair valuation of investment in mutual funds	-	8
Loss on discard/sale of property, plant and equipment	58	-
Miscellaneous expenses	18	25
<b>Total</b>	<b>862</b>	<b>905</b>



PIL Chemicals Limited  
Notes to the financial statements for the Year ended March 31,2021

Note 28 : 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, 2021	For the year ended 31 March, 2020
<b>A. Current Tax:</b>		
(a) Current Income Tax Charge	103	21
(b) Short provision for tax relating to prior years*	11	0
<b>Total</b>	<b>114</b>	<b>21</b>
<b>B. Deferred Tax</b>		
(a) In respect of current year	(11)	3
<b>Total</b>	<b>(11)</b>	<b>3</b>

\* Amount Less than ₹. 0.50 Lakhs

Note :Tax expense (including deferred tax) for the year as on 31st March 2021 includes INR 11. 57 lakhs on account of change in tax rate on account of change in applicable surcharge.

(b) Income Tax on Other Comprehensive Income

(Amount: INR in Lakhs)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
<b>A. Deferred Tax</b>		
(a) Remeasurement of Defined Benefit Obligations*	(0)	(1)
(b) Net fair value loss/gain on investments in equity shares at FVTOCI*	0	1
<b>Total*</b>	<b>0</b>	<b>(0)</b>

\* 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, 2021	For the year ended 31 March, 2020
Profit before tax	295	93
Less: Income taxed at different tax rate	5	-
<b>Profit Before tax</b>	<b>290</b>	<b>93</b>
Income Tax using the Company's domestic Tax rate #	81	24
Effect of expenses that are not deductible in determining taxable profit	4	6
Effect of income that is not taxable/ unabsorbed losses in determining taxable profit	(3)	(2)
Effect of reversal of deferred tax liability (Net)	(4)	(4)
Effect on deferred tax balances due to the change in income tax rate (effective 01.04.2020)	12	-
Effect of income taxed at different tax rate	1	-
Interest on Income Tax	1	-
Adjustments in respect of prior years*	11	0
<b>Income tax expense recognised in Statement of profit and loss</b>	<b>103</b>	<b>24</b>

# 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.

\* 0 indicates amount Less than ₹. 0.50 Lakhs



PIL Chemicals Limited  
Notes to the financial statements for the Year ended March 31, 2021

Note 28 : Current Tax and Deferred Tax (contd.)

(d) Movement of Deferred Tax

Particulars	(Amount: INR in Lakhs)			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment	417	(9)	-	408
Financial asset measured at FVTPL	-	-	-	-
Financial asset measured at FVOCI	(0)	-	0	0
Defined benefit obligation*	(14)	(2)	(0)	(16)
Provision for bonus*	(1)	(0)	-	(1)
<b>Net Tax Asset/(Liabilities)</b>	<b>402</b>	<b>(11)</b>	<b>0</b>	<b>391</b>

\* 0 indicates amount Less than ₹ 0.50 Lakhs

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

Particulars	(Amount: INR in Lakhs)			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment	413	4	-	417
Financial asset measured at FVTPL*	0	(0)	-	-
Financial asset measured at FVOCI*	(3)	(0)	3	(0)
Defined benefit obligation	(10)	(1)	(3)	(14)
Provision for bonus	(1)	-	-	(1)
<b>Net Tax Asset/(Liabilities)*</b>	<b>399</b>	<b>3</b>	<b>(0)</b>	<b>402</b>

\* 0 indicates amount Less than ₹ 0.50 Lakhs



**PIL CHEMICALS LIMITED**

**Notes to the financial statements for the Year ended March 31,2021**

**Note 29: 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, pension and Employee State Insurance Scheme**

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and Employees State Insurance Act,1948, eligible employees of the Company are entitled to receive benefits in respect of above 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 respective funds 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 :

*(Amount: INR in Lakhs)*

Particulars	For the year	For the year
	ended 31 March 2021	ended 31 March 2020
i) Employer's Contribution to Provident Fund and pension	12	12
ii) Employer's Contribution to ESIC	1	1
<b>Total</b>	<b>13</b>	<b>13</b>

**2) Defined Benefit Plans**

**(a) 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, 2021	As at March 31, 2020
Discount rate	6.44%	6.82%
Expected rate of salary increase	6.00%	6.00%
Mortality tables	IALM (2006-08)	IALM (2006-08)
Expected rate of Return	Ult.	Ult.
Withdrawal Rates	N.A.	N.A.
	6.00%	6.00%

*(Amount: INR in Lakhs)*

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
<b>A. Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows</b>		
Service cost:		
Current service cost		3
Past service cost and (gain) / loss from settlements	-	-
Net interest expense	3	2
Remeasurements	-	-
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>6</b>	<b>5</b>





PIL CHEMICALS LIMITED

Notes to the financial statements for the Year ended March 31, 2021

Note 29: 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,	As at March 31,
	2021	2020
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	1	2
Actuarial (gains) / losses arising from changes in experience adjustments	(2)	2
Adjustments for restrictions on the defined benefit asset		
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(1)</b>	<b>4</b>
<b>Total (A+B)</b>	<b>5</b>	<b>9</b>

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,	As at March 31,
	2021	2020
Opening net defined benefit liability/(assets)	42	33
Expenses charged to statement of profit and loss	6	5
Amount recognised outside statement of profit and loss	(1)	4
Net (Liability)/Asset Transfer Out	-	-
Employer contributions paid directly*	(0)	-
<b>Impact of liability assumed or (settled)</b>	<b>47</b>	<b>42</b>

\* Amount Less than ₹. 0.50 Lakhs

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

(Amount: INR in Lakhs)

Particulars	Gratuity	
	As at March 31,	As at March 31,
	2021	2020
<b>Movements in present value of defined benefit obligation are as follows:</b>		
Opening defined benefit obligation	42	33
Current service cost	3	3
Interest cost	3	2
Net (Liability)/Asset Transfer Out	-	-
Remeasurement (gains)/losses:		
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	1	2
Actuarial (gains) / losses arising from changes in experience adjustments	(2)	2
Past service cost, including losses/(gains) on curtailments	-	-
Benefits paid*	(0)	-
<b>Closing defined benefit obligation</b>	<b>47</b>	<b>42</b>

\* Amount Less than ₹. 0.50 Lakhs

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, 2021	Estimated for the year ended March 31, 2020
1st Following Year	6	5
2nd Following Year	3	3
3rd Following Year	3	3
4th Following Year	6	3
5th Following Year	3	5
Sum of Years 6 to 10	18	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,	As at March 31,
	2021	2020
Defined Benefit Obligation - Discount Rate + 50 basis points	(2)	(2)
Defined Benefit Obligation - Discount Rate - 50 basis points	2	2
Defined Benefit Obligation - Salary Escalation Rate + 50 basis points	2	2
Defined Benefit Obligation - Salary Escalation Rate - 50 basis points	(2)	(2)
Defined Benefit Obligation - Employee Turnover + 50 basis points	0	0
Defined Benefit Obligation - Employee Turnover - 50 basis points	(0)	(0)

\* Amount Less than ₹. 0.50 Lakhs

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 financial statements for the Year ended March 31,2021

**Note 30: Earnings per share (EPS)**

Particulars	For the Year Ended on	
	March 31, 2021	March 31, 2020
Profit for the year attributable to owners of the company (Amount: INR in Lakhs)	192	69
Weighted average number of equity shares in calculating EPS (number)	83,54,833	83,54,833
<b>Earnings per share (Basic and Diluted)</b>	<b>2.30</b>	<b>0.82</b>

**Note 31: Contingent Liabilities and Capital Commitments**

(Amount: INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Contingent liabilities :</b> Claims against the Company not acknowledged as debts (including Direct and Indirect taxes)	-	-
<b>(b) Commitments :</b> Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	7	9

**Note 32: Payment to auditors**

(Amount: INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a) Auditor	4	3
b) for other services.	-	-
c) for reimbursement of expenses*	0	1
<b>Total</b>	<b>4</b>	<b>4</b>

\* Amount Less than ₹. 0.50 Lakhs



**PIL CHEMICALS LIMITED**

Notes to the financial statements for the Year ended March 31,2021

**Note 33 : 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 31st March, 2021, 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, 2021	As at March 31, 2020
<b>Financial assets</b>		
<b>Measured at FVTOCI</b>		
Non-Current Investments - Equity	15	8
<b>Measured at FVTPL</b>		
Non-Current Investments - Mutual Funds	12	8
Current Investments - Mutual Funds	756	316
<b>Measured at amortised cost</b>		
Trade Receivables	172	41
Cash and cash equivalents	76	103
Other financial assets (Current and Non Current)	55	63
Intercorporate Deposits	350	400
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Trade payables	102	79
Other financial liabilities	4	7

**(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 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 financial statements for the Year ended March 31,2021

**Note 33 : Financial Instruments (Contd.)**

The Company deals only with its 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, 2021	As at March 31, 2020
Exceeding six months	-	-
Others	172	41
<b>Total</b>	<b>172</b>	<b>41</b>

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, 2021

*(Amount: INR in Lakhs)*

Particulars	Due in 1st year	Due in 5+ years	Carrying amount
<b>Financial Liabilities</b>			
Trade payables	102	-	102
Other financial liabilities	4	-	4
<b>Total</b>	<b>106</b>	<b>-</b>	<b>106</b>

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
<b>Financial Liabilities</b>			
Trade payables	79	-	79
Other financial liabilities	7	-	7
<b>Total</b>	<b>86</b>	<b>-</b>	<b>86</b>





**PIL CHEMICALS LIMITED**

Notes to the financial statements for the Year ended March 31, 2021

**Note 34 : 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.

**34.1 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, 2021	March 31, 2020	Fair value hierarchy	Valuation technique(s) and key input(s)
<b>Non Current Investments</b>				
1) Investments in equity instruments at FVTOCI (quoted)	15	8	Level 1	Quoted bid prices in an active market
2) Investments in Mutual funds at FVTPL	12	8	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.
<b>Current</b>				
1) Investments in Mutual funds at FVTPL	756	316	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.

**34.2 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, 2021		As at March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets held at amortised cost:</b>				
Cash and cash equivalent	76	76	103	103
Trade receivables	172	172	41	41
Other financial assets	55	55	63	63
Intercorporate Deposits	350	350	400	400
<b>Financial liabilities held at amortised cost:</b>				
Trade Payables	102	102	79	79
Other financial liabilities	4	4	7	7

**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 31,2021

**Note 35 : 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, 2021	Year ended March 31, 2020
	<b>Nature of Transactions/ Names of Related Parties</b>		
<b>A</b>	<b>Holding</b>		
1	Income from Processing Charges	1,518	1,343
2	Dividend Paid (Excluding Dividend Distribution Tax)	-	100

S. No.	Particulars	As at March 31, 2021	As at March 31, 2020
	<b>Balance outstanding</b>		
<b>A</b>	<b>Holding Company</b>		
1	Trade Receivable	172	41

**Note 36: 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:

- Details of Investments made by the company are given in Note 5 and Note 9, in the financial statement.
- There are no securities and guarantees provided and no guarantees given during the year.

**Note 37: 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 38:** 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 39:** Non Current Tax Assets includes ₹. 96.36 Lakhs (previous year ₹. 154.73 Lakhs) representing MAT Credit entitlement which is available for utilisation over the period of 6-13 years (previous year 7-14 years).

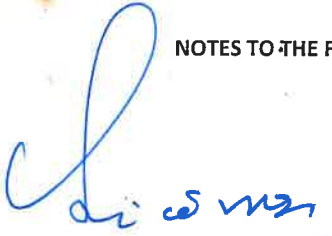
**Note 40: Subsequent Events:** There are no significant subsequent events that would require adjustments or disclosures in the financial statement between the Balance Sheet date and the date of signing of accounts.

**Note 41:** Previous year's figures have been regrouped wherever necessary, to conform to the current year's classification.



PIL CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2021 - *continued*



P.Srinivasan  
**Chairman**  
DIN:00713911

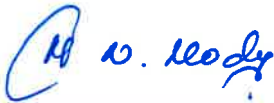


R.M.Desai  
**Director**  
DIN:07315943



Priyanka Bang  
**Company Secretary**

In terms of our report attached  
For N. A. Shah Associates LLP  
Chartered Accountants  
Firm Registration No. 116560W/W100149



Milan Mody  
**Partner**  
Membership No. 103286



Place : Mumbai  
Date : 14 May 2021