INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PI LIFE SCIENCE RESEARCH LIMITED

Report on Ind AS Standalone Financial Statements

Opinion

We have audited the Ind AS standalone financial statements of PI LIFE SCIENCE RESEARCH LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, the statement of profit and loss (including other comprehensive income), the statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Ind AS standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the Ind AS standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibility of Management and Those Charged with Governance for the Ind AS Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS standalone financial statements that give a true and fair view of the state of affairs, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Ind AS standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) In our opinion and according to the information and explanation given to us, the company has not paid any managerial remunerations during the year ended March 31, 2019. Hence provisions of section 197 read with Schedule V of the ACT are not applicable to the Company and not commented upon; and

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

i. The Company does not have any pending litigations as at March 31, 2019 which would impact its financial position;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm's Registration No. 000756N

Sd/-
Sunil Wahal
Partner
Membership No. 87294

Place: New Delhi
Date: April 30, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PI LIFE SCIENCE RESEARCH LIMITED DATED APRIL 30, 2019

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

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

(b) The fixed assets have been physically verified by the management according to the programme of periodical physical verifications in phased manner which in our opinion is reasonable having regards to the size of the company and the nature of its 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, the title deeds of immovable properties are held in the name of the Company.

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

(iii) The Company has not granted any loan secured or unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provision of clause 3(iii) (a), (b), (c) of the Order are not applicable.

(iv) According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of Loans, investment, Guarantee and Security, the Company has complied with the provision of the Section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from public within the provision of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable). Therefore, the provisions of the clause 3(v) of the Order are not applicable to the company. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.

(vi) In our opinion and according to information and explanation given to us, the company is not required to maintain cost records pursuant to section 148(1) of the Companies Act, 2013.

(vii) (a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2019.

(b) According to the records and information & explanations given to us, there are no material dues in respect of income tax, sales tax or service tax or duty of customs or duty of excise or value added tax that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, we are not offering any comments under clause 3(viii) of the Order.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, we are not offering any comments under clause 3 (ix) of the Order.

(x) Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of the audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration to its directors, accordingly provisions of section 197 read with Schedule V to the Act are not applicable on the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, we are not offering any comments under clause 3(xii) of the Order.

(xiii) According to the information and explanations and records made available by the management of the Company and audit procedure performed, for transactions with the related parties during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where applicable. As explained and as per records, details of related party transactions have been disclosed in the Ind AS standalone financial statements as per the applicable Accounting Standards.

(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 debenture during the year and hence not commented upon.

(xv) In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

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

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm's Registration No. 000756N

Sd/-
Sunil Wahal
Partner
Membership No. 87294

Place: New Delhi
Date: April 30,2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PI LIFE SCIENCE RESEARCH LIMITED DATED APRIL 30, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of PI LIFE SCIENCE RESEARCH LIMITED ("the Company") as of 31st March 2019 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS standalone 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 Ind AS standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm's Registration No. 000756N

Sd/-
(Sunil Wahal)
Partner
Membership No. 87294

Place: New Delhi
Date: April 30, 2019

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BALANCE SHEET
AS AT MARCH 31, 2019

(₹ in Lacs)

	Note No.	As at 31 March, 2019	As at 31 March, 2018
ASSETS			
Non Current Assets			
Property, Plant & Equipment	4	127.18	162.52
Financial Assets			
(i) Investments	5	1,652.88	56.45
(ii) Other financial assets	6	312.03	210.17
Deferred tax Assets (Net)	7	140.86	162.46
Total non-current assets		**2,232.95**	**591.60**
Current Assets			
Financial Assets			
(i)Investments			
(i) Trade receivables	8	-	112.88
(ii) Cash and cash equivalents	9(a)	167.74	11.73
(iii) Bank balances other than (ii) above	9(b)	-	494.77
(iv) Other financial assets	9(c)	348.72	428.37
Other current assets	10	29.87	31.94
Current Tax Assets (Net)	11	8.26	9.29
Total current assets		**554.59**	**1,088.98**
Total assets		**2,787.54**	**1,680.58**
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	12	149.73	94.50
Other Equity	13	2,623.04	1,537.81
Total equity		**2,772.77**	**1,632.31**
Non Current Liabilities			
Provisions	14	5.99	4.08
Total Non current liabilities		5.99	4.08
Current Liabilities			
Financial Liabilities			
(i) Trade payables	15		
(a) Total Outstanding Dues to Micro Enterprises and Small Enterprises		-	-
(b) Total Outstanding Dues to other than Micro Enterprises and Small Enterprises		0.13	33.75
(ii) Other financial liabilities	17	8.04	8.94
Other current liabilities	18	0.40	1.36
Provisions	19	0.21	0.14
Total current liabilities		**8.78**	**44.19**
Total equity and liabilities		**2,787.54**	**1,680.58**
Significant accounting policies and accompanying notes referred to above formed the integral part of the financial statements	1 to 36		

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

Particulars	Note No.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Income			
Revenue from Operations	20	393.16	337.02
Other Income	21	59.69	75.31
Total		**452.85**	**412.33**
Expenses			
Cost of Materials consumed	22	-	-
Employee Benefits expense	23	45.76	46.18
Finance Costs	24	-	0.78
Depreciation and amortisation expense		35.34	35.34
Other Expenses	25	105.19	118.56
Total		**186.29**	**200.86**
Profit Before Tax		**266.56**	**211.47**
Income Tax Expense	26		
- Current Tax		54.31	43.30
- Deferred Tax		21.65	31.21
Total		**75.96**	**74.51**
Profit for the period		**190.60**	**136.96**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on defined benefit plans		(0.19)	0.13
(ii) Income tax relating to the above item		0.05	(0.04)
Total Comprehensive Income for the period		**190.46**	**137.05**
Earnings per Equity Shares	27		
1) Basic (in □)		15.61	14.49
2) Diluted (in □)		15.61	14.49
Face value per share (in □)		10.00	10.00
Significant accounting policies and accompanying notes referred to above formed the integral part of the financial statements	1 to 36		

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

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STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

a. Equity share capital

Particulars	Note No.	As at 31 March, 2019		As at 31 March, 2018	
		No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	12	945,000.00	94.50	945,000	94.50
Changes in equity share capital during the year		552,325.00	55.23	-	-
Balance at the end of the reporting period		**1,497,325.00**	**149.73**	**945,000**	**94.50**

b. Other equity

Particulars	Note No.	Securities Premium	Retained earnings	Total Other Equity
Balance as at 31 March, 2017		-	1,400.84	1,400.84
		-		-
Profit for the year	13		136.96	136.96
Other comprehensive income for the year			0.09	0.09
Total comprehensive income for the year		**-**	**137.05**	**137.05**
				-
Balance as at 31 March, 2018		**-**	**1,537.89**	**1,537.89**
				-
Addition during the year		894.77	-	894.77
Profit for the year	13		190.60	190.60
Other comprehensive income for the year			(0.14)	(0.14)
Total comprehensive income for the year		**894.77**	**190.46**	**1,085.23**
Balance as at 31 March, 2019		**894.77**	**1,728.35**	**2,623.12**
Significant accounting policies and accompanying notes referred to above formed the integral part of the financial statements	1 to 36			

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2019

(All amount in ₹ million, unless otherwise stated)

Particulars		For the year ended 31 March, 2019	For the year ended 31 March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		266.56	211.47
Adjustment for :			
Re-measurement gain loss on defined benefit plans routed through OCI		-	-
Depreciation and amortisation expense		35.34	35.34
Interest Income on Financial Assets at amortised cost		(59.62)	(74.57)
Other interest income		-	(0.01)
Finance Costs		-	0.78
Operating Profit before working capital changes		**242.28**	**173.01**
Adjustment for :			
Decrease/(Increase) in trade receivables		112.88	(112.88)
Decrease/(Increase) in other non-current financial assets		(101.86)	92.92
Decrease/(Increase) in other current financial assets		79.65	(428.37)
Decrease/(Increase) in bank balances other than Cash and cash equivalents		494.77	160.29
Decrease/(Increase) in other non-current assets		-	-
Decrease/(Increase) in other current assets		2.07	(18.31)
Increase/(Decrease) in trade payables		(33.62)	33.12
Increase/(Decrease) in other current financial liabilities		(0.90)	2.54
Increase/(Decrease) in other current liabilities		(0.96)	0.54
Increase/ (Decrease) in non-current provisions		1.72	1.24
Increase/ (Decrease) in current provisions		0.07	0.04
Cash generated from/ (used in) operations		**796.10**	**(95.86)**
Income Taxes paid		(53.28)	(53.22)
Net Cash Flow from/ (used in) operating activities	(A)	**742.82**	**(149.08)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Capital Advances			
Payments for purchase of Property, Plant and Equipment		-	-
Share Capital issue including securities premium		950.00	-
Interest Received		59.62	74.58
Purchase of investments		(1,596.43)	(10.00)
Sale of investments		-	5.00
Net Cash Flow from/ (used in) investing activities	(B)	**(586.81)**	**69.58**
C. CASH FLOW FROM FINANCING ACTIVITIES		-	(0.78)
Net Cash Flow from/ (used in) financing activities	(C)	**-**	**(0.78)**
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**156.01**	**(80.28)**
Opening cash and cash equivalents		11.73	92.01
Closing cash and cash equivalents		167.74	11.73
		156.01	**(80.28)**
Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following (Refer note 9(a)):-			
-Cash on Hand		-	0.04
-Balances with Scheduled Banks in Current A/c		167.74	11.69
-Fixed Deposits with Bank		-	-
Total		**167.74**	**11.73**

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

1 Corporate Information

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

2 Basis of preparation

a) Statement of compliance

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

These financial statements were authorised for issue by the Board of Directors on April 30, 2019.

b) Basis of measurement

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

c) Functional and presentation currency

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

d) Current or Non current classification

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgements and estimates

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

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

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

3 Significant Accounting Policies

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

a) Property, plant and equipment

a) Recognition and measurement
Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

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

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

b) **Depreciation**

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

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

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

b) Intangible assets

a) Recognition and measurement

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

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

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

b) Amortisation

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

The estimated useful lives are as follows:

Software 6 years

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

c) Impairment of non-financial assets

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

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

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

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

In respect of assets for which impairment loss has been recognised in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

d) Financial instruments

a) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

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

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

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

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

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

(iv) Financial liabilities

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

(v) Investment in associates and joint venture

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

c) Impairment of financial assets

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

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

d) Derecognition

Financial Assets

Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019

Financial Liabilities

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

e) Reclassification of financial assets and Financial Liabilities

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

f) Offsetting

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

e) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

Level 2 – The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

f) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

g) Revenue Recognition

a) "Revenue

The Company manufactures and sells a range of products to various customers. Revenue is recognised over the period of time for contracts wherein the Company's performance does not create an asset with alternative use to the Company and the entity has an enforceable right to payment for performance completed till date. For remaining contracts, revenue is recognised when the significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable. Revenue recognised in relation to these contracts in excess of billing is recognised as a Contract Asset. Accumulated experience is used to estimate and provide for the discounts and returns and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) is recognized for expected returns from the customer. Liability (included in other financial liabilities) is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

Amounts disclosed as revenue are inclusive of excise duty and net of returns, discounts, volume rebates and net of goods and service tax.

b) Service Income

Revenue from sale of services is recognised over the period of time as per the terms of the contract with customers based on the stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably."

c) Interest Income

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

h) Employee Benefits

a) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Defined contribution plans

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

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

c) Defined benefit plans

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

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

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

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

d) Other long-term employee benefits

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

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

i) Foreign currency transactions

Initial recognition:

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

Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

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

Exchange difference:

Exchange differences are recognised in profit or loss.

j) Borrowing costs

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

k) Income tax

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

a) Current tax

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

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

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

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

b) Deferred tax

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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the forseeable future.

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

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used."

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

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

l) Segment Reporting

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

The Board of Directors of the Company has been identified as the CODM by the Company. Refer Note 31 for Segment disclosure."

m) Cash and cash equivalents

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

n) Cash flow statement

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

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

o) Lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease, based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as lessee under operating lease

Payments made under operating leases are generally recognised in profit or loss on a straight- line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as an integral part of the total lease expense over the term of the lease.

p) Earning per share

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

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

q) Recent Accounting Pronouncements

IndAS 116 Leases:- On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition: • Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors • Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

4. PROPERTY, PLANT & EQUIPMENT

	Plant & Equipment	Furniture & Fixtures	Office Equipment	Total
Gross Carrying Value				
As at 31 March, 2017	285.47	0.49	0.82	286.78
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March, 2018	285.47	0.49	0.82	286.78
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March, 2019	285.47	0.49	0.82	286.78
Depreciation				
As at 31 March, 2017	52.50	0.24	0.68	53.42
Charge for the year	35.30	0.04	-	35.34
Disposals	-	-	-	-
As at 31 March, 2018	**123.26**	**0.32**	**0.68**	**88.76**
Charge for the year	35.30	0.04	-	35.34
Disposals	-	-	-	-
As at 31 March, 2019	**158.56**	**0.36**	**0.68**	**124.10**
Net Carrying Value				
As at 31 March, 2018	**162.21**	**0.17**	**0.14**	**162.52**
As at 31 March, 2019	**126.91**	**0.13**	**0.14**	**127.18**

5 INVESTMENTS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Investment in Equity Instruments (fully paid up)		
Unquoted Shares		
Investment in Associates at Cost		
Investment in Solinnos Agro Sciences Private Limited.	51.45	51.45
514,500 (31 March, 2018: 514,500) Equity Shares of Rs. 10 each fully paid.		
Investment in Joint Venture at Cost		
Investment in PI Kumiai Private Limited	955.00	5.00
95,50,000 (31 March, 2018: 50,000) Equity Shares of Rs. 10 each fully paid.		
Investment in Others at Cost		
Investment in Colllabo Tech INC	646.43	-
343 equity shares @ JPY 291545 each (PY Nil).		
TOTAL	**1,652.88**	**56.45**
Aggregate book value of unquoted investments	**1,652.88**	**56.45**

6 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Security Deposit with Sales Tax Department	0.37	0.37
Fixed Deposits with Bank	311.66	209.80
TOTAL	312.03	210.17

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

7 DEFERRED TAX ASSETS (NET)

Particulars		As at 31 March, 2019	As at 31 March, 2018
The balance comprises temporary differences attributable to:			
Deferred Tax Assets			
Provision for employee benefits		1.70	1.18
MAT credit entitlement		147.24	174.57
Remeasurements of the defined benefit plans through OCI		0.06	0.01
	A	**149.00**	**175.76**
Deferred Tax Liabilities			
Property, plant and equipment		(8.14)	(13.30)
	B	(8.14)	(13.30)
TOTAL	**(A+B)**	**140.86**	**162.46**

Movement in deferred tax:	As at 31 March, 2018	Recognized in Statement of Profit and Loss	Recognized in OCI	As at 31 March, 2019
Deferred Tax Assets				
Provision for employee benefits	1.18	0.52		1.70
MAT credit entitlement	174.57	(27.33)		147.24
Remeasurements of the defined benefit plans through OCI	0.01		0.05	0.06
Sub- Total (a)	**175.76**	**(26.81)**	**0.05**	**149.00**
Deferred Tax Liabilities				
Property, plant and equipment	13.30	(5.16)		8.14
Remeasurements of the defined benefit plans through OCI				
Sub- Total (b)	**13.30**	**(5.16)**	**-**	**8.14**
Net Deferred Tax Assets (a)-(b)	**162.46**	**(21.65)**	**0.05**	**140.86**

Movement in deferred tax:	As at 31 March, 2017	Recognized in Statement of Profit and Loss	Recognized in OCI	As at 31 March, 2019
Deferred Tax Assets				
Provision for employee benefits	0.98	0.20		1.18
MAT credit entitlement	211.80	(37.23)		174.57
Remeasurements of the defined benefit plans through OCI	0.05		(0.04)	0.01
Sub- Total (a)	**212.83**	**(37.03)**	**(0.04)**	**175.76**
Deferred Tax Liabilities				
Property, plant and equipment	19.12	(5.82)		13.30
Sub- Total (b)	**19.12**	**(5.82)**	**-**	**13.30**
Net Deferred Tax Assets (a)-(b)	**193.71**	**(31.21)**	**(0.04)**	**162.46**

* it consists utilization of MAT credit Entitlement for the FY 2010-11 against current year tax provision for FY 2017-18

** it consists utilization of MAT credit Entitlement for the FY 2015-16 against previous tax provision for FY 2016-17

8 TRADE RECEIVABLES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured and Considered Good	-	112.88
TOTAL	**-**	**112.88**

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

9(a) CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash & Cash Equivalents		
-Cash on Hand	-	0.04
- Balance with banks		
-Balances with Scheduled Banks in Current A/c	167.74	11.69
TOTAL	**167.74**	**11.73**

9(b) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Fixed Deposits with Bank	-	494.77
TOTAL	**-**	**494.77**

9(c) OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Fixed Deposits with Bank	348.72	428.37
TOTAL	**348.72**	**428.37**

10 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Prepaid Expenses	1.94	0.52
Balance with Government Authorities	27.93	31.42
TOTAL	**29.87**	**31.94**

11 CURRENT TAX ASSETS (NET)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Income Tax Balances (Net of Provision of ₹ 97.62 (PY 43.31) lacs)	8.26	9.29
TOTAL	**8.26**	**9.29**

12 EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2019	As at 31 March, 2018
Authorised Shares		
120,00,000 (31 March, 2018: 10,00,000) Equity Shares of ₹ 10 each (31 March, 2018 : ₹ 10 each)	1,200.00	100.00
	1,200.00	**100.00**
Issued, Subscribed & Fully Paid up Shares		
	149.73	94.50
Total issued, subscribed and fully paid up share capital	**149.73**	**94.50**

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

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

Issued , Subscribed and Paid up Share Capital

Equity Shares

Particulars	Equity Share (No. of Shares)		Equity Share (Value of Shares) (□ in Lacs)	
	2018-19	**2017-18**	**2018-19**	**2017-18**
Share outstanding at beginning of period	945,000	945,000	94.50	94.50
Shares issued during the year	552,325	-	55.23	-
Shares redeemed during the year	-	-	-	-
Share outstanding at end of period	**1,497,325**	**945,000**	**149.73**	**94.50**

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

Equity Shares

Name of Shareholders	2018-19		2017-18	
	No of Shares	% of Holding	No of Shares	% of Holding
PI Industries Limited and its nominees	1,497,325	100	945,000	100

d. Equity Shares held by holding Company

Particulars	2018-19		2017-18	
	No of Shares	(□ in Lacs)	No of Shares	(□ in Lacs)
PI Industries Limited and its nominees	1,497,325	149.73	945,000	94.50

13 OTHER EQUITY

Particulars	As at 31 March, 2019	As at 31 March, 2018
Securities Premium		
Balance at the beginning of the Financial year	-	-
Addition on issuance of equity share	894.77	-
Total	**894.77**	**-**
Surplus in Statement of Profit & Loss		
Balance at the beginning of the Financial year	1,537.80	1,400.84
Addition during the Financial year	190.60	136.96
TOTAL	**2,623.17**	**1,537.80**

(II) Items of other comprehensive income

Remeasurements of the net defined benefit Plans		
Balance at the beginning of the Financial year	0.01	(0.08)
Add: Other comprehensive income for the Financial year	(0.14)	0.09
TOTAL (II)	**(0.13)**	**0.01**
TOTAL OTHER EQUITY (I + II)	**2,623.04**	**1,537.81**

14 LONG TERM PROVISIONS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Employee Benefits		
Gratuity Payable*	3.22	2.16
Leave Encashment*	2.77	1.92
TOTAL	**5.99**	**4.08**

(*Refer Note No. 29)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

15 TRADE PAYABLES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Payable to Micro & Small Enterprises	-	-
Payable to Others than Micro & Small Enterprises	0.13	33.75
TOTAL	**0.13**	**33.75**

16 THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Principal Amount	Interest Amount	Principal Amount	Interest Amount
Principal amount and Interest due thereon remaining unpaid to any supplier as on 31st March	-	-	-	-
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-	-	-
Interest accrued and remaining unpaid at the end of the year	-	-	-	-
Further interest remaining due and payable in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act.	-	-	-	-

17 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Employee Payables	6.52	7.76
Audit Fees Payable	0.35	0.35
Staff Leave Travel Assistance Payable	0.37	0.32
Other Expense Payable	0.80	0.51
TOTAL	**8.04**	**8.94**

18 OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Statutory Dues	0.40	1.36
TOTAL	**0.40**	**1.36**

19 SHORT TERM PROVISIONS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for employee benefits		
Incentive to Staff	-	-
Gratuity Payable*	0.06	0.02
Leave encashment*	0.15	0.12
TOTAL	**0.21**	**0.14**

(*Refer Note No. 29)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

20 SALE OF SERVICES

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Revenue from sale of services		
- Royalty Income	393.16	337.02
TOTAL	**393.16**	**337.02**

21 OTHER INCOME

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest Income on Financial Assets at amortised cost	59.62	74.57
Other Interest Income	-	0.01
Foreign Exchange Gain	0.07	-
Other Non Operating Income	0.00	0.73
TOTAL	**59.69**	**75.31**

22 COST OF MATERIAL CONSUMED

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Chemical Consumption	-	-
Laboratory Apparatus	-	-
TOTAL	**-**	**-**

23 EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Salary, wages and Other Allowances	39.38	37.73
Contribution to provident and other funds	2.33	2.22
Gratuity and Long Term Compensated Absences (Refer Note No. 29)	1.78	1.37
Employee welfare	2.27	4.86
TOTAL	**45.76**	**46.18**

24 FINANCE COST

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest Cost	-	0.78
TOTAL	**-**	**0.78**

25 OTHER EXPENSES

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Power & Electric Expenses	36.22	34.71
Repairs to machinery	7.29	6.73
Net Loss on foreign currency transaction	-	-
Postage & Telegram Expenses	-	-
Printing & Stationary	0.02	-
Office Expenses	4.26	4.09
Rent	25.40	23.59
Auditor remuneration (Refer note 25(a))	0.65	0.35
Travelling Expenses	1.21	1.97
Legal & Professional Fee	19.60	0.51
Freight charges	-	-
Bank Charges	0.14	0.06
Business Support Service	8.69	45.93
Misc. Expenses	1.71	0.62
TOTAL	**105.19**	**118.56**

(₹ in Lacs)

a. Auditor Remuneration	For the year ended	
	31 March, 2019	**31 March, 2018**
-Statutory Audit	0.35	0.35
-Other Services	0.30	
-Reimbursement of Expenses	-	-
TOTAL	**0.65**	**0.35**

26 INCOME TAX EXPENSE

	Particulars	For the year ended	
		31 March, 2019	**31 March, 2018**
a)	**Income tax recognised in profit or loss**		
	Current tax expense		
	Current year	(54.31)	(43.30)
	Deferred tax expense		
	Origination and reversal of temporary differences	(21.65)	(31.21)
		(75.96)	**(74.51)**
b)	**Deferred tax related to items recognised in OCI during the year**		
	Net loss/(gain) on items that will not be reclassified to profit or loss	0.05	(0.04)
	Income tax charged to OCI	0.05	(0.04)
c)	**Reconciliation of effective tax rate**		
	Accounting profit before tax	266.56	211.47
	At India's statutory income tax rate @ 27.5525%	73.44	58.27
	Adjustment in respect of current income tax of previous years	-	17.85
	Non-deductible expenses for tax purposes :		
	Deduction on account of operations in tax free zone	-	-
	Other expenses	2.52	(1.61)
	Income Tax Expense	**75.96**	**74.51**

27 EARNING PER SHARE

Particulars	For the year ended	
	31 March, 2019	**31 March, 2018**
Net Profit for Basic & Diluted EPS	**190.60**	**136.96**
Weighted Average number of Equity Shares outstanding during the year - Basic	1,221,163	945,000
Weighted Average number of Equity Shares outstanding during the year - Diluted	1,221,163	945,000
Earning Per Share - Basic (□)	15.61	14.49
Earning per share - Diluted (□)	15.61	14.49
Face value per share (□)	10.00	10.00

28 RELATED PARTY DISCLOSURES

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

A) List of Related Parties

i)	**Enterprises which control the entity**	PI Industries Ltd.
ii)	**Enterprises under common control**	PILL Finance & Investment Ltd. PI Japan Co. Ltd.
iii)	**Associate & Joint Venture**	Solinnos Agro Sciences Private Ltd. (Associate) PI Kumiai Private Ltd. (w.e.f 04-07-2017) (Joint Venture)

iv) Key Managerial Personnel & their relatives (KMP)

Key Managerial Personnel (KMP)

Mr. Mayank Singhal Director
Mr. Rajnish Sarna Director
Mr. Rajender Dev Kapoor Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

(b) Relatives of Key Managerial Personnel

Relation with Key Managerial Personnel

iv) Enterprises over which KMP and their relatives are able to exercise significant influence

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

Nature of Transaction	2018-19				2017-18		
	Transactions during the period		Balance outstanding Dr (Cr)		Transactions during the period		Balance outstanding Dr (Cr)
	Recd/Pur.	Paid/Sales			Recd/Pur.	Paid/Sales	
Transactions with :-							
Holding Company- PI Industries Limited							
Sale of Services		393.16		-		337.02	113
Rent, electricity and other miscellaneous payment	61.39				57.97		
Associate - Solinnos Agro Sciences Private Limited.							
Business Support Services	8.69			-	45.93		(33.57)
Investments							
Joint Venture - PI Kumiai Private Limited.							
Investments	950.00						
Grand Total	**1,020.08**	**393.16**	**-**	**-**	**103.90**	**337.02**	**79.31**

c) Terms and conditions of transactions with related parties

The services rendered to and from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

29 EMPLOYEE BENEFITS

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

Central provident fund

In accordance with the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund. Employers and employees both contribute @12% of wages in contribution accounts. Further, the employers also contribute towards administration of the benefits under the EPF & MP Act. These contributions are made to the fund administered and managed by the Employee Provident Fund organization. The Company has no further obligations under the fund managed by the Employee Provident Fund Organization (EPFO) beyond its monthly contributions which are charged to the statements of profit or loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the EPFO."

Gratuity Plan

In accordance with the Payment of Gratuity Act of 1972, PI Life Science Research Ltd contribute to a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to the employees at the time of retirement or resignation (after 5 years of continued services of employment), being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Based on actuarial valuations conducted as at year end, a provision is recognised in full for the benefit obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

(₹ in Lacs)

Long term leave encashment

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit and loss."

a) Defined Contribution Plans:-

The Company has recognised an expense of ₹ 2.33 lacs (Previous Year ₹ 2.22 lacs) towards the defined contribution plan.

b) Defined benefits plans - as per actuarial valuation

1 Change in present value of obligation during the year

Particulars	Year ended 31 March, 2019		Year ended 31 March, 2018	
	Non -Funded		Non -Funded	
	Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
Present value of obligation at the beginning of the year	2.18	2.04	#	1.52
Total amount included in profit and loss:				
- Current Service Cost	0.74	0.70	#	0.66
- Interest Cost	0.17	0.16	#	0.11
- Past Service Cost	-	-	#	-
Remeasurement related to long term employee benefit:				
Actuarial losses/(gains) arising from:				
- Financial assumption		0.03	#	(0.08)
- Experience Judgement		(0.01)	#	(0.08)
Total amount included in OCI:				
Remeasurement related to gratuity:				
Actuarial losses/(gains) arising from:				
- Financial assumption	0.03		#	-
- Experience Judgement	0.15		#	-
Others				
Benefits Paid	-			(0.09)
Present Value of obligation as at year-end	**3.28**	**2.92**	**#**	**2.04**

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

	Particulars	Year ended 31 March, 2019		Year ended 31 March, 2018	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
1	Present Value of obligation as at year-end	3.28	2.92	#	2.04
2	Fair value of plan assets at year -end	-	-	#	-
3	Funded status {Surplus/(Deficit)}	(3.28)	(2.92)	#	(2.04)
	Net Asset/(Liability)	**(3.28)**	**(2.92)**	**#**	**(2.04)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

	Particulars	Year ended 31 March, 2019		Year ended 31 March, 2018	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
III	**Bifurcation of net liability at the end of the year**				
1	Current Liability	0.06	0.15	#	0.12
2	Non-Current Liability	3.22	2.77	#	1.92
IV	**Actuarial Assumptions**				
1	Discount Rate	7.65%	7.65%	#	7.71%
2	Expected rate of return on plan assets	-	-	#	-
3	Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
4	Salary Escalation	7.00%	7.00%	#	7.00%
V	The expected contribution for Defined Benefit Plan for the next financial year will be ₹ 1.08 lacs				
VI	**Sensitivity Analysis**				
	Gratuity	Year ended 31 March, 2019		Year ended 31 March, 2018	
		Increase	Decrease	Increase	Decrease
	Discount rate (.50 % movement)	(0.03)	0.03	#	0.20
	Future salary growth (.50 % movement)	0.03	(0.03)	#	(0.19)
	Long term Compensated Absences				
	Discount rate (.50 % movement)	(0.02)	0.02	#	0.19
	Future salary growth (.50 % movement)	0.02	(0.02)	#	(0.17)
VII	**Maturity Profile of Defined Benefit Obligation**				
		Year ended 31 March, 2019		Year ended 31 March, 2018	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
	Within the next 12 months	0.06	0.01	#	0.12
	Between 1-5 years	0.23	0.02	#	0.20
	Beyond 5 years	2.99	2.21	#	1.72

30 FINANCIAL INSTRUMENTS

1 Financial instruments – Fair values and risk management

Financial instruments by category

Particulars	31 March, 2019			31 March, 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Non-current Assets						
Investments	-	-	646.43	-	-	-
Other financial asset	-	-	312.03	-	-	210.17
Current Assets						
Trade Receivable			-			112.88
Cash and cash equivalents	-	-	167.74	-	-	11.73
Other balances with Banks	-	-	348.72	-	-	923.14
	-	**-**	**1,474.92**	**-**	**-**	**1,257.92**
Financial liabilities						
Current						
Trade payables	-	-	0.13	-	-	33.75
Employee Payables	-	-	6.52	-	-	7.76
Audit Fees Payable	-	-	0.35	-	-	0.35
Staff Leave Travel Assistance Payable	-	-	0.37	-	-	0.32
Other Expense Payable	-	-	0.80	-	-	0.51
	-	-	8.17	-	-	42.69

(₹ in Lacs)

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

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

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework

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

▪ Credit risk

▪ Liquidity risk

▪ Market risk

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation. The carrying amount of financial assets represents the maximum credit exposure and is as follows:

Cash and cash equivalents, deposits with banks:

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

Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses (if any) recognized represent the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2018 was as follows:

Particulars	31 March, 2019	31 March, 2018
Cash and cash equivalents	167.74	11.73
Bank balances other than above	348.72	923.14
Trade Receivables	-	112.88
Other financial assets	312.03	210.17
Total	**828.49**	**1,257.92**

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(a) Maturities of financial liabilities

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

		Contractual cash flows				
31 March, 2019	**Total**	**3 months or less**	**3-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade Payable	0.13	0.13	-	-	-	-
Employee Payables	6.52	6.52	-	-	-	-
Audit Fees Payable	0.35	0.35	-	-	-	-
Staff Leave Travel Assistance Payable	0.37	0.37	-	-	-	-
Other Expense Payable	0.80	0.80	-	-	-	-
Total	**8.17**	**8.17**	**-**	**-**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

	Contractual cash flows					
31 March, 2018	**Total**	**3 months or less**	**3-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade Payable	33.75	33.75	-	-	-	-
Employee Payables	7.76	7.76	-	-	-	-
Audit Fees Payable	0.35	0.35	-	-	-	-
Staff Leave Travel Assistance Payable	0.32	0.32	-	-	-	-
Other Expense Payable	0.51	0.51	-	-	-	-
Total	**42.69**	**42.69**	**-**	**-**	**-**	**-**

iii. **Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Foreign Currency risk

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

Interest rate risk

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

Exposure to interest rate risk

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

Particulars	**31 March, 2019**	**31 March, 2018**
Fixed-rate instruments		
Financial assets	660.75	1,133.31
Total	**660.75**	**1,133.31**

Fair value sensitivity analysis for fixed-rate instruments

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

Price Risk

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

32 OPERATING SEGMENT

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

only one reportable business segment.

I **Revenue:**

A. **Information about revenues from products and services:**

	31 March, 2019	31 March, 2018
Royalty Income	393.16	337.02
Research & Development Services	-	-
Total	**393.16**	**337.02**

B. **Geographical Areas**

	31 March, 2019	31 March, 2018
India	393.16	337.02
Japan	-	-
	393.16	**337.02**

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

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

	31 March, 2019	31 March, 2018
India	127.18	162.52

33 As per information available with the Management as certified by them, there is no contingent liability as at March 31st, 2019.

34 As per the information available with the Management and as certified by them, there is no outstanding Capital Commitment as on March 31st, 2019.

35 CAPITAL MANAGEMENT

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

36 Previous year figures have been re-grouped/reclassified wherever considered necessary.

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PI LIFE SCIENCE RESEARCH LIMITED

Report on the Audit of the Ind AS Consolidated Financial Statements

Opinion

We have audited the accompanying Ind AS Consolidated financial statements of **PI LIFE SCIENCE RESEARCH LIMITED** ("the Company" or "Holding Company") and its associate company and Joint Venture Company, which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Company and its Associate company and Joint Venture Company as at March 31, 2019, the Consolidated profit, Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs) . Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the !CAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS Consolidated financial statements and our auditor's report thereon. Our opinion on the Ind AS Consolidated financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility and those charged with Governance for the Ind AS Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Ind AS Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Company and its associate and Joint Venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Company and its associate and Joint Venture Company are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and Associate and Joint Venture Company for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Consolidated financial statements, the respective Board of Directors of the companies included in the Company and Associate and Joint Venture Company are responsible for assessing the Company and Associate and Joint Venture 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 and Associate and Joint Venture Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Company and Associate and Joint Venture Company are also responsible for overseeing the financial reporting process of the Company and Associate and Joint Venture Company.

Auditor's Responsibilities for the Audit of the Ind AS Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and Associate and Joint Venture Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated 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 government with 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of One Associate Company which reflect Company's share of net gain of ₹ 3.02 Lacs for the year ended March 31, 2019. These financial statements and other information have been audited by other auditor, whose financial statements, other financial information and auditor's report have been furnished to us by the management.

Report on Other Legal and Regulatory Requirements

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

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS Consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS

Consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Company as on 31 March, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its Associate company incorporated in India, none of the directors of the Company and Associate and Joint Venture Company companies incorporated in India is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its associate and joint venture company incorporated in India . Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided the remuneration to its directors during the year, hence not commented upon.

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

i. The consolidated financial statements disclose impact of pending litigations on the Ind AS consolidated financial position of the Company and Associate and Joint Venture Company.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate and joint venture company incorporated in India.

For S. S. KOTHARI MEHTA & Co.
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Sunil Wahal
Partner
Membership No:- 087294

Date: 30 April, 2019
Place: New Delhi

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 (F) Under 'Report on other Legal and Regulatory Requirements' Section of Our Report to The Members of PI LIFE SCIENCE RESEARCH LIMITED OF EVEN DATE)

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

In conjunction with our audit of the Consolidated financial statements of the Company as of and for the year ended 31 March, 2019, we have audited the internal financial controls over financial reporting of **PI LIFE SCIENCE RESEARCH LIMITED** (hereinafter referred to as "Company", "Holding Company") and its associates and joint venture company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its associate and Joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (" the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient. Conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its Associate and Joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtain insufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its associate and Joint venture Company, which are companies incorporated in India.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Inspired by Science

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its associate and joint venture company, which are companies incorporated in India, have, 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 March, 2019, based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matter

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

Sd/-
SUNIL WAHAL
Partner
Membership No. 087294

Place: Delhi
Date: 30 April, 2019

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

(₹ in Lacs)

	Note No.	As at 31 March, 2019	As at 31 March, 2018
ASSETS			
Non Current Assets			
Property, Plant & Equipment	4	127.18	162.52
Financial Assets			
(i) Investments in Associates and Joint Ventures	5(a)	1,016.44	61.97
(ii) Investments- Others	5(b)	646.43	-
(ii) Other financial assets	6	312.03	210.17
Deferred tax Assets (Net)	7	140.86	162.46
Total non-current assets		**2,242.94**	**597.12**
Current Assets			
Financial Assets			
(i)Investments			
(i) Trade receivables	8	-	112.88
(ii) Cash and cash equivalents	9(a)	167.74	11.73
(iii) Bank balances other than (ii) above	9(b)	-	494.77
(iv) Other financial assets	9(c)	348.72	428.37
Other current assets	10	29.87	31.94
Current Tax Assets (Net)	11	8.26	9.29
Total current assets		**554.59**	**1,088.98**
Total assets		**2,797.53**	**1,686.10**
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	12	149.73	94.50
Other Equity	13	2,633.03	1,543.33
Total equity		**2,782.76**	**1,637.83**
Non Current Liabilities			
Provisions	14	5.99	4.08
Total Non current liabilities		**5.99**	**4.08**
Current Liabilities			
Financial Liabilities			
(i) Trade payables	15		
(a) Total Outstanding Dues to Micro Enterprises and Small Enterprises		-	-
(b) Total Outstanding Dues to other than Micro Enterprises and Small Enterprises		0.13	33.75
(ii) Other financial liabilities	16	8.04	8.94
Other current liabilities	17	0.40	1.36
Provisions	18	0.21	0.14
Total current liabilities		**8.78**	**44.19**
Total equity and liabilities		**2,797.53**	**1,686.10**
Significant accounting policies and accompanying notes referred to above formed the integral part of the financial statements	1 to 34		

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

Inspired by Science

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

Particulars	Note No.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Income			
Revenue from Operations	19	393.16	337.02
Other Income	20	59.69	75.31
Total		**452.85**	**412.33**
Expenses			
Employee Benefits expense	21	45.76	46.18
Finance Costs	22	-	0.78
Depreciation and amortisation expense		35.34	35.34
Other Expenses	23	105.19	118.56
Total		**186.29**	**200.86**
Share of Profit /(Loss) of Associates & Joint Venture		**4.47**	**14.77**
Profit Before Tax		**271.03**	226.24
Income Tax Expense	24		
- Current Tax		54.31	43.30
- Deferred Tax		21.65	31.21
Total		**75.96**	**74.51**
Profit for the period		**195.07**	**151.73**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on defined benefit plans		(0.19)	0.13
(ii) Income tax relating to the above item		**0.05**	**(0.04)**
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to the above item		-	-
Total Comprehensive Income for the period		**194.93**	**151.82**
Earnings per Equity Shares	25		
1) Basic (in ₹)		15.97	16.06
2) Diluted (in ₹)		15.97	16.06
Face value per share (in ₹)		**10.00**	**10.00**
Significant accounting policies and accompanying notes referred to above formed the integral part of the financial statements	1 to 34		

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

a. Equity share capital

Particulars	Note No.	As at 31 March, 2019		As at 31 March, 2018	
		No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	12	945,000.00	94.50	945,000	94.50
Changes in equity share capital during the year		552,325.00	55.23	-	-
Balance at the end of the reporting period		**1,497,325.00**	**149.73**	**945,000**	**94.50**

b. Other equity

Particulars	Note No.	Securities Premium	Retained earnings	Total Other Equity
Balance as at 31 March, 2017		-	1,391.59	1,391.59
		-		-
Profit for the year	13		151.73	151.73
Other comprehensive income for the year			0.09	0.09
Total comprehensive income for the year		**-**	**151.82**	**151.82**
				-
Balance as at 31 March, 2018		**-**	**1,543.41**	**1,543.41**
Addition during the year		894.77	-	894.77
Profit for the year	13		195.07	195.07
Other comprehensive income for the year			(0.14)	(0.14)
Total comprehensive income for the year		**894.77**	**194.93**	**1,089.70**
Balance as at 31 March, 2019		**894.77**	**1,738.34**	**2,633.11**
Significant accounting policies and accompanying notes referred to above formed the integral part of the financial statements	1 to 36			

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

Inspired by Science

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2019

(All amount in ₹ million, unless otherwise stated)

Particulars		For the year ended 31 March, 2019	For the year ended 31 March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		271.03	226.24
Adjustment for :			
Depreciation and amortisation expense		35.34	35.34
Interest Income on Financial Assets at amortised cost		(59.62)	(74.57)
Other interest income		-	(0.01)
Share of (profit)/loss of associate and joint venture		(4.47)	(14.77)
Finance Costs		-	0.78
Operating Profit before working capital changes		**242.28**	**173.01**
Adjustment for :			
Decrease/(Increase) in trade receivables		112.88	(112.88)
Decrease/(Increase) in other non-current financial assets		(101.86)	92.92
Decrease/(Increase) in other current financial assets		79.65	(428.37)
Decrease/(Increase) in bank balances other than Cash and cash equivalents		494.77	160.29
Decrease/(Increase) in other non-current assets		-	-
Decrease/(Increase) in other current assets		2.07	(18.31)
Increase/(Decrease) in trade payables		(33.62)	33.12
Increase/(Decrease) in other current financial liabilities		(0.90)	2.54
Increase/(Decrease) in other current liabilities		(0.96)	0.54
Increase/ (Decrease) in non-current provisions		1.72	1.24
Increase/ (Decrease) in current provisions		0.07	0.04
Cash generated from/ (used in) operations		**796.10**	**(95.86)**
Income Taxes paid		(53.28)	(53.22)
Net Cash Flow from/ (used in) operating activities	(A)	**742.82**	**(149.08)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Capital Advances			
Share Capital issue including securities premium		950.00	-
Interest Received		59.62	74.58
Purchase of investments		(1,596.43)	(10.00)
Sale of investments		-	5.00
Net Cash Flow from/ (used in) investing activities	(B)	**(586.81)**	**69.58**
C. CASH FLOW FROM FINANCING ACTIVITIES		-	(0.78)
Net Cash Flow from/ (used in) financing activities	(C)	**-**	**(0.78)**
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**156.01**	**(80.28)**
Opening cash and cash equivalents		11.73	92.01
Closing cash and cash equivalents		167.74	11.73
Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following (Refer note 9(a)):-			
-Cash on Hand		-	0.04
-Balances with Scheduled Banks in Current A/c		167.74	11.69
-Fixed Deposits with Bank		-	-
Total		**167.74**	**11.73**

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

1 Corporate Information

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

2 Basis of preparation

a) Statement of compliance

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

These financial statements were authorised for issue by the Board of Directors on April 30, 2019.

b) Basis of measurement

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

c) Functional and presentation currency

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

d) Current or Non current classification

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgements and estimates

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

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

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

3 Significant Accounting Policies

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

a) Property, plant and equipment

a) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

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

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

b) Depreciation

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

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

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

b) Intangible assets

a) Recognition and measurement

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

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

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

b) Amortisation

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

The estimated useful lives are as follows:

Software 6 years

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

c) Impairment of non-financial assets

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

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

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

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

In respect of assets for which impairment loss has been recognised in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

d) Financial instruments

a) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

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

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

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

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

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

(iv) Financial liabilities

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

(v) Investment in associates and joint venture

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

c) Impairment of financial assets

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

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

d) Derecognition

Financial Assets

Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

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

e) Reclassification of financial assets and Financial Liabilities

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

f) Offsetting

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

e) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

Level 2 – The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

f) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

g) Revenue Recognition

a) Sale of goods

Revenue is recognised over the period of time for contracts wherein the Company's performance does not create an asset with alternative use to the Company and the entity has an enforceable right to payment for performance completed till date. For remaining contracts, revenue is recognised when the significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable. Revenue recognised in relation to these contracts in excess of billing is recognised as a Contract Asset. Accumulated experience is used to estimate and provide for the discounts and returns and

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) is recognized for expected returns from the customer. Liability (included in other financial liabilities) is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period

Amounts disclosed as revenue are inclusive of excise duty and net of returns, discounts, volume rebates and net of goods and service tax.

b) Service Income

Revenue from sale of services is recognised over the period of time as per the terms of the contract with customers based on the stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably.

c) Interest Income

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

h) Employee Benefits

a) Short term employee benefits

"Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Defined contribution plans

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

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

c) Defined benefit plans

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

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

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

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

d) Other long-term employee benefits

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

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

i) Foreign currency transactions

Initial recognition:

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

Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange difference:

Exchange differences are recognised in profit or loss.

j) Borrowing costs

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

k) Income tax

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

a) Current tax

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

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

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

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

b) Deferred tax

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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the forseeable future.

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

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

l) Segment Reporting

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

The Board of Directors of the Company has been identified as the CODM by the Company. Refer Note 31 for Segment disclosure.

m) Cash and cash equivalents

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

n) Cash flow statement

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

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

o) Lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease, based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases."

Company as lessee under operating lease

Payments made under operating leases are generally recognised in profit or loss on a straight- line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as an integral part of the total lease expense over the term of the lease.

p) Earning per share

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

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

q) Recent Accounting Pronouncements

IndAS 116 Leases:- On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

• **Full retrospective –** Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

• **Modified retrospective –** Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

• Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

• An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

4 PROPERTY, PLANT & EQUIPMENT

	Plant & Equipment	Furniture & Fixtures	Office Equipment	Total
Gross Carrying Value				
As at 31 March, 2017	285.47	0.49	0.82	286.78
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March, 2018	285.47	0.49	0.82	286.78
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March, 2019	285.47	0.49	0.82	286.78
Depreciation				
As at 31 March, 2017	52.50	0.24	0.68	53.42
Charge for the year	35.30	0.04	-	35.34
Disposals	-	-	-	-
As at 31 March, 2018	123.26	0.32	0.68	88.76
Charge for the year	35.30	0.04	-	35.34
Disposals	-	-	-	-
As at 31 March, 2019	158.56	0.36	0.68	124.10
Net Carrying Value				
As at 31 March, 2018	162.21	0.17	0.14	162.52
As at 31 March, 2019	126.91	0.13	0.14	127.18

5(a) INVESTMENTS

Particulars			**As at 31 March, 2019**	**As at 31 March, 2018**
	Investment in Equity Instruments (fully paid up)			
	Unquoted			
(I)	Investment in Associate (Solinnos Agro Sciences Private Limited)*#		60.07	57.07
	Name of Entity	SOLINNOS AGRO SCIENCE PRIVATE LIMITED		
	Place of Business	INDIA		
	%AGE OF OWNERSHIP	49%		
	Accounting Method	EQUITY METHOD		
(II)	Investment in Joint Venture (PI Kumiai Private Limited)**#		956.37	4.90
	Name of Entity	PI KUMIAI PRIVATE LIMITED		
	Place of Business	INDIA		
	%AGE OF OWNERSHIP	50%		
	Accounting Method	EQUITY METHOD		

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

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

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

Particulars		As at 31 March, 2019	As at 31 March, 2018
(A)	**Solinnos Agro Sciences Private Limited (Associate)**		
	Non-Current Assets	**102**	2.57
	Current Assets	**21**	176.42
	Non- Current Liabilities	**-**	-
	Current Liabilities	**1**	62.53
	NET ASSETS	**122.62**	**116.46**
	Revenue	**24**	99.81
	Other Expenses	**16**	65.49
	Profit / (Loss) for the period	**8**	**34.32**
	Tax Expense	**2**	3.97
	Profit / (Loss) for the period after tax	**6.16**	**30.35**
	Other Comprehensive Income for the period	**-**	-
	Total Comprehensive Income for the period	**6.16**	**30.35**
	Group's share in the total comprehensive income of Solinnos Agro Sciences Private Limited	**3.02**	**14.87**

Reconciliation of the above summarised Financial Information to the carrying amount of the interest in Solinnos recognised in Financial Statements :

	Net Assets of Associate	122.62	116.46
	Proportion of Companies ownership Interest in Solinnos Agro Sciences Private Limited	49%	49%
	Carrying amount of Group's interest in Solinnos Agro Sciences Private Limited	60.07	57.07

Particulars		As at 31 March, 2019	As at 31 March, 2018
(B)	**PI Kumiai Private Limited (Joint Venture)**		
	Non-Current Assets	**1**	0.07
	Current Assets	**2,287**	10.02
	Non- Current Liabilities	**-**	-
	Current Liabilities	**375**	0.30
	NET ASSETS	**1,912.75**	**9.79**
	Revenue	**67**	0.16
	Other Expenses	**54**	0.44
	Profit / (Loss) for the period	**12.56**	**(0.28)**
	Tax Expense	**10**	(0.07)
	Profit / (Loss) for the period after tax	**2.90**	**(0.21)**
	Other Comprehensive Income for the period	**-**	-
	Total Comprehensive Income for the period	**2.90**	(0.21)
	Group's share in the total comprehensive income of PI Kumiai Private Limited	1.45	(0.10)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

Reconciliation of the above summarised Financial Information to the carrying amount of the interest in PI Kumiai recognised in Financial Statements :

Particulars	As at 31 March, 2019	As at 31 March, 2018
Net Assets of Associate	122.62	116.46
Proportion of Companies ownership Interest in Solinnos Agro Sciences Private Limited	49%	49%
Carrying amount of Group's interest in Solinnos Agro Sciences Private Limited	60.07	57.07

5(b) Investments- Others

Particulars	As at 31 March, 2019	As at 31 March, 2018
Investment in Others at Cost		
Investment in Colllabo Tech INC	646.43	-
343 equity shares @ JPY 291545 each (PY Nil).		
Total	**646.43**	**-**

Aggregate book value of unquoted investments

6 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Security Deposit with Sales Tax Department	0.37	0.37
Fixed Deposits with Bank	311.66	209.80
Total	**312.03**	**210.17**

7 DEFERRED TAX ASSETS (NET)

Particulars		As at 31 March, 2019	As at 31 March, 2018
The balance comprises temporary differences attributable to:			
Deferred Tax Assets			
Provision for employee benefits		1.70	1.18
MAT credit entitlement		147.24	174.57
Remeasurements of the defined benefit plans through OCI		0.06	0.01
	A	**149.00**	**175.76**
Deferred Tax Liabilities			
Property, plant and equipment		(8.14)	(13.30)
	B	**(8.14)**	**(13.30)**
TOTAL	**(A+B)**	**140.86**	**162.46**

Movement in deferred tax:	As at 31 March, 2018	Recognized in Statement of Profit and Loss	Recognized in OCI	As at 31 March, 2019
Deferred Tax Assets				
Provision for employee benefits	1.18	0.52		1.70
MAT credit entitlement	174.57	(27.33)		147.24
Remeasurements of the defined benefit plans through OCI	0.01		0.05	0.06
Sub- Total (a)	**175.76**	**(26.81)**	**0.05**	**149.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

Movement in deferred tax:	As at 31 March, 2018	Recognized in Statement of Profit and Loss	Recognized in OCI	As at 31 March, 2019
Deferred Tax Liabilities				
Property, plant and equipment	13.30	(5.16)		8.14
Remeasurements of the defined benefit plans through OCI				
Sub- Total (b)	**13.30**	**(5.16)**	**-**	**8.14**
Net Deferred Tax Assets (a)-(b)	**162.46**	**(21.65)**	**0.05**	**140.86**

Movement in deferred tax:	As at 31 March, 2017	Recognized in Statement of Profit and Loss	Recognized in OCI	As at 31 March, 2018
Deferred Tax Assets				
Provision for employee benefits	0.98	0.20		1.18
MAT credit entitlement	211.80	(37.23)		174.57
Remeasurements of the defined benefit plans through OCI	0.05		(0.04)	0.01
Sub- Total (a)	**212.83**	**(37.03)**	**(0.04)**	**175.76**
Deferred Tax Liabilities	19.12	(5.82)		13.30
Property, plant and equipment	19.12	(5.82)	-	13.30
Remeasurements of the defined benefit plans through OCI	193.71	(31.21)	(0.04)	162.46
Sub- Total (b)	**13.30**	**(5.16)**	**-**	**8.14**
Net Deferred Tax Assets (a)-(b)	**162.46**	**(21.65)**	**0.05**	**140.86**

* it consists utilization of MAT credit Entitlement for the FY 2010-11 against current year tax provision for FY 2017-18

** it consists utilization of MAT credit Entitlement for the FY 2015-16 against previous tax provision for FY 2016-17

8 TRADE RECEIVABLES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured and Considered Good	-	112.88
TOTAL	**-**	**112.88**

9(a) CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash & Cash Equivalents		
-Cash on Hand	-	0.04
- Balance with banks		
-Balances with Scheduled Banks in Current A/c	167.74	11.69
Total	**167.74**	**11.73**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

9(b) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Fixed Deposits with Bank	-	494.77
TOTAL	**-**	**494.77**

9(c) OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Fixed Deposits with Bank	348.72	428.37
TOTAL	**348.72**	**428.37**

10 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Prepaid Expenses	1.94	0.52
Balance with Government Authorities	27.93	31.42
TOTAL	**29.87**	**31.94**

11 CURRENT TAX ASSETS (NET)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Income Tax Balances (Net of Provision of ₹ 97.62 (PY 43.31) lacs)	8.26	9.29
TOTAL	**8.26**	**9.29**

12 EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2019	As at 31 March, 2018
Authorised Shares		
120,00,000 (31 March, 2018: 10,00,000) Equity Shares of ₹ 10 each (31 March, 2018 : ₹ 10 each)	1,200.00	100.00
	1,200.00	**100.00**
Issued, Subscribed & Fully Paid up Shares	149.73	94.50
Total issued, subscribed and fully paid up share capital	**149.73**	**94.50**

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

(₹ in Lacs)

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

Issued , Subscribed and Paid up Share Capital

Equity Shares

Particulars	Equity Share (No. of Shares)		Equity Share (Value of Shares)	
	2018-19	2017-18	2018-19	2017-18
Share outstanding at beginning of period	**945,000**	**945,000**	**94.50**	**94.50**
Shares issued during the year	552,325	-	55.23	-
Shares redeemed during the year	-	-	-	-
Share outstanding at end of period	**1,497,325**	**945,000**	**149.73**	**94.50**

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

Equity Shares

Particulars	2018-19		2017-18	
	No of Shares	% of Holding	No of Shares	% of Holding
Shares issued during the year	1,497,325	100	945,000	100

d. Equity Shares held by holding Company

Particulars	2018-19		2017-18	
	No of Shares	(₹ in Lacs)	No of Shares	(₹ in Lacs)
Shares issued during the year	1,497,325	149.73	945,000	94.50

13 OTHER EQUITY

Particulars	As at 31 March, 2019	As at 31 March, 2018
Securities Premium		
Balance at the beginning of the Financial year	-	-
Addition on issuance of equity share	894.77	-
Total	**894.77**	**-**
Surplus in Statement of Profit & Loss		
Balance at the beginning of the Financial year	1,543.32	1,391.59
Addition during the Financial year	195.07	151.73
Total	**2,633.16**	**1,543.32**

(II) Items of other comprehensive income

Particulars	As at 31 March, 2019	As at 31 March, 2018
Remeasurements of the net defined benefit Plans		
Balance at the beginning of the Financial year	0.01	(0.08)
Add: Other comprehensive income for the Financial year	(0.14)	0.09
TOTAL (II)	**(0.13)**	**0.01**
TOTAL OTHER EQUITY (I + II)	**2,633.03**	**1,543.33**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

14 LONG TERM PROVISIONS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Employee Benefits		
Gratuity Payable*	3.22	2.16
Leave Encashment*	2.77	1.92
TOTAL	**5.99**	**4.08**

(*Refer Note No. 27)

15 TRADE PAYABLES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Payable to Micro & Small Enterprises	-	-
Payable to Others than Micro & Small Enterprises	0.13	33.75
	0.13	**33.75**

16 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Employee Payables	6.52	7.76
Audit Fees Payable	0.35	0.35
Staff Leave Travel Assistance Payable	0.37	0.32
Other Expense Payable	0.80	0.51
TOTAL	**8.04**	**8.94**

17 OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Statutory Dues	0.40	1.36
TOTAL	**0.40**	**1.36**

18 SHORT TERM PROVISIONS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for employee benefits		
Incentive to Staff	-	-
Gratuity Payable*	0.06	0.02
Leave encashment*	0.15	0.12
TOTAL	**0.21**	**0.14**

(*Refer Note No. 27)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

19 SALE OF SERVICES

Particulars	For the year ended	
	As at 31 March, 2019	As at 31 March, 2018
Revenue from sale of services		
- Royalty Income	393.16	337.02
TOTAL	**393.16**	337.02

20 OTHER INCOME

Particulars	For the year ended	
	As at 31 March, 2019	As at 31 March, 2018
Revenue from sale of services		
- Royalty Income	393.16	337.02
TOTAL	**393.16**	337.02

21 EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended	
	As at 31 March, 2019	As at 31 March, 2018
Salary, wages and Other Allowances	39.38	37.73
Contribution to provident and other funds	2.33	2.22
Gratuity and Long Term Compensated Absences (Refer Note No. 27)	1.78	1.37
Employee welfare	2.27	4.86
TOTAL	**45.76**	**46.18**

22 FINANCE COST

Particulars	For the year ended	
	As at 31 March, 2019	As at 31 March, 2018
Interest Cost	-	0.78
TOTAL	**-**	**0.78**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

23 OTHER EXPENSES

Particulars	For the year ended As at 31 March, 2019	As at 31 March, 2018
Power & Electric Expenses	36.22	34.71
Repairs to machinery	7.29	6.73
Net Loss on foreign currency transaction	-	-
Postage & Telegram Expenses	-	-
Printing & Stationary	0.02	-
Office Expenses	4.26	4.09
Rent	25.40	23.59
Auditor remuneration (Refer note 23(a))	0.65	0.35
Travelling Expenses	1.21	1.97
Legal & Professional Fee	19.60	0.51
Freight charges	-	-
Bank Charges	0.14	0.06
Business Support Service	8.69	45.93
Misc. Expenses	1.71	0.62
TOTAL	**105.19**	**118.56**

a. Auditor Remuneration	For the year ended As at 31 March, 2019	As at 31 March, 2018
-Statutory Audit	0.35	0.35
-Other Services	0.30	
-Reimbursement of Expenses	-	-
TOTAL	0.65	0.35

24 INCOME TAX EXPENSE

Particulars	For the year ended As at 31 March, 2019	As at 31 March, 2018
a) Income tax recognised in profit or loss		
Current tax expense		
Current year	(54.31)	(43.30)
Deferred tax expense		
Origination and reversal of temporary differences	(21.65)	(31.21)
	(75.96)	**(74.51)**
b) Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on items that will not be reclassified to profit or loss	0.05	(0.04)
Income tax charged to OCI	0.05	(0.04)
c) Reconciliation of effective tax rate		
Accounting profit before tax	271.03	226.24
At India's statutory income tax rate @ 27.5525%	**74.68**	**62.33**

Inspired by Science

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

Particulars	For the year ended	
	As at 31 March, 2019	**As at 31 March, 2018**
Adjustment in respect of current income tax of previous years	-	17.85
Non-deductible expenses for tax purposes :		
Other expenses	1.28	(5.67)
Income Tax Expense	**75.96**	**74.51**

25 EARNING PER SHARE

Particulars	For the year ended	
	As at 31 March, 2019	**As at 31 March, 2018**
Net Profit for Basic & Diluted EPS	**195.07**	**151.73**
Weighted Average number of Equity Shares outstanding during the year - Basic	1,221,163	945,000
Weighted Average number of Equity Shares outstanding during the year - Diluted	1,221,163	945,000
Earning Per Share - Basic (`)	15.97	16.06
Earning per share - Diluted (`)	15.97	16.06
Face value per share (`)	10.00	10.00

26 RELATED PARTY DISCLOSURES

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

A) List of Related Parties

i)	**Enterprises which control the entity**	PI Industries Ltd.
ii)	**Enterprises under common control**	PILL Finance & Investment Ltd.
	Associate & Joint Venture	PI Japan Co. Ltd.
iii)	**Associate & Joint Venture**	Solinnos Agro Sciences Private Ltd. (Associate)
		PI Kumiai Private Ltd. (w.e.f 04-07-2017) (Joint Venture)
iv)	**Key Managerial Personnel & their relatives (KMP)**	
	Key Managerial Personnel (KMP)	
	Mr. Mayank Singhal	Director
	Mr. Rajnish Sarna	Director
	Mr. Rajender Dev Kapoor	Director

(b) Relatives of Key Managerial Personnel

Relation with Key Managerial Personnel

iv) Enterprises over which KMP and their relatives are able to exercise significant influence

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

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

Nature of Transaction	2018-19			2017-18		
	Transactions during the period		Balance outstanding Dr (Cr)	Transactions during the period		Balance outstanding Dr (Cr)
	Recd/Pur.	Paid/Sales		Recd/Pur.	Paid/Sales	
Transactions with :-						
Holding Company- PI Industries Limited						
Sale of Services		393.16	-	-	337.02	113
Rent, electricity and other miscellaneous payment	61.39			-	57.97	
Associate - Solinnos Agro Sciences Private Limited.						
Business Support Services	8.69		-	45.93		(33.57)
Joint Venture - PI Kumiai Private Limited.						
Investments	950.00			10.00		
Grand Total	**1,020.08**	**393.16**	**-**	**55.93**	**394.99**	**79.31**

c) Terms and conditions of transactions with related parties

The services rendered to and from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

27 EMPLOYEE BENEFITS

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

Central provident fund

Gratuity Plan

Long term leave encashment

a) Defined Contribution Plans:-

The Company has recognised an expense of ₹ 2.33 lacs (Previous Year ₹ 2.22 lacs) towards the defined contribution plan.

(₹ in Lacs)

b) Defined benefits plans - as per actuarial valuation

	Particulars	Year ended 31 March, 2019		Year ended 31 March, 2018	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
I	**Change in present value of obligation during the year**				
	Present value of obligation at the beginning of the year	2.18	2.04	1.55	1.52
	Total amount included in profit and loss:				
	- Current Service Cost	0.74	0.70	0.64	0.66
	- Interest Cost	0.17	0.16	0.12	0.11
	- Past Service Cost	-	-	-	-
	Remeasurement related to long term employee benefit:				
	Actuarial losses/(gains) arising from:				
	- Financial assumption		0.03	-	(0.08)
	- Experience Judgement		(0.01)	-	(0.08)
	Total amount included in OCI:				
	Remeasurement related to gratuity:				
	Actuarial losses/(gains) arising from:				
	- Financial assumption	0.03		(0.08)	-
	- Experience Judgement	0.15		(0.05)	-
	Others				
	Benefits Paid	-			(0.09)
	Present Value of obligation as at year-end	**3.28**	**2.92**	**2.18**	**2.04**

	Particulars	Year ended 31 March, 2019		Year ended 31 March, 2018	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
II	**Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets**				
1	Present Value of obligation as at year-end	3.28	2.92	2.18	2.04
2	Fair value of plan assets at year -end	-	-	-	-
3	Funded status {Surplus/(Deficit)}	(3.28)	(2.92)	(2.18)	(2.04)
	Net Asset/(Liability)	**(3.28)**	**(2.92)**	**(2.18)**	**(2.04)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

	Particulars	Year ended 31 March, 2019		Year ended 31 March, 2018	
		Non -Funded		Non -Funded	
		Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
IV	Actuarial Assumptions				
1	Discount Rate	7.65%	7.65%	7.71%	7.71%
2	Expected rate of return on plan assets	-	-	-	-
3	Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
4	Salary Escalation	7.00%	7.00%	7.00%	7.00%

V The expected contribution for Defined Benefit Plan for the next financial year will be ₹ 1.08 lacs

VI Sensitivity Analysis

Gratuity	Year ended 31 March, 2019		Year ended 31 March, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (.50 % movement)	(0.03)	0.03	(0.18)	0.20
Future salary growth (.50 % movement)	0.03	(0.03)	0.21	(0.19)

Long term Compensated Absences	Year ended 31 March, 2019		Year ended 31 March, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (.50 % movement)	(0.02)	0.02	(0.17)	0.19
Future salary growth (.50 % movement)	0.02	(0.02)	0.19	(0.17)

VII Maturity Profile of Defined Benefit Obligation

Particulars	Year ended 31 March, 2019		Year ended 31 March, 2018	
	Non -Funded		Non -Funded	
	Gratuity	Long term Compensated Absences	Gratuity	Long term Compensated Absences
Within the next 12 months	0.06	0.01	0.02	0.12
Between 1-5 years	0.23	0.02	0.20	0.20
Beyond 5 years	2.99	2.21	1.96	1.72

28 FINANCIAL INSTRUMENTS

1 Financial instruments – Fair values and risk management

Financial instruments by category

Particulars	31 March, 2019			31 March, 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Non-current Assets						
Investments	-	-	646.43	-	-	-
Other financial asset	-	-	312.03	-	-	210.17
Current Assets						
Trade Receivable			-			112.88
Cash and cash equivalents	-	-	167.74	-	-	11.73
Other balances with Banks	-	-	-	-	-	494.77
Other financial asset			348.72			428.37
	-	**-**	**1,474.92**	**-**	**-**	**1,257.92**

(₹ in Lacs)

Particulars	31 March, 2019			31 March, 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial liabilities						
Current						
Trade payables	-	-	0.13	-	-	33.75
Employee Payables	-	-	6.52	-	-	7.76
Audit Fees Payable	-	-	0.35	-	-	0.35
Staff Leave Travel Assistance Payable	-	-	0.37	-	-	0.32
Other Expense Payable	-	-	0.80	-	-	0.51
	-	**-**	**8.17**	**-**	**-**	**42.69**

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

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

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework

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

- Credit risk
- Liquidity risk
- Market risk

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation. The carrying amount of financial assets represents the maximum credit exposure and is as follows:

Cash and cash equivalents, deposits with banks:

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

Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses (if any) recognized represent the maximum credit exposure. The maximum exposure to credit risk as at 31 March, 2018 was as follows:

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash and cash equivalents	167.74	11.73
Bank balances other than above	-	494.77
Trade Receivables	-	112.88
Other financial assets	660.75	638.54
Total	**828.49**	**1,527.92**

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(a) Maturities of financial liabilities

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lacs)

31 March, 2019	Contractual cash flows Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payable	0.13	0.13	-	-	-	-
Employee Payables	6.52	6.52	-	-	-	-
Audit Fees Payable	0.35	0.35	-	-	-	-
Staff Leave Travel Assistance Payable	0.37	0.37	-	-	-	-
Other Expense Payable	0.80	0.80	-	-	-	-
Total	**8.17**	**8.17**	**-**	**-**	**-**	**-**

31 March, 2018	Contractual cash flows Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payable	33.75	33.75	-	-	-	-
Employee Payables	7.76	7.76	-	-	-	-
Audit Fees Payable	0.35	0.35	-	-	-	-
Staff Leave Travel Assistance Payable	0.32	0.32	-	-	-	-
Other Expense Payable	0.51	0.51	-	-	-	-
Total	**42.69**	**42.69**	**-**	**-**	**-**	**-**

iii. **Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Foreign Currency risk

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

Interest rate risk

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

Exposure to interest rate risk

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

Particulars	As at 31 March, 2019	As at 31 March, 2018
Fixed-rate instruments		
Financial assets	660.75	1,133.31
Total	**660.75**	**1,133.31**

(₹ in Lacs)

Fair value sensitivity analysis for fixed-rate instruments

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

Price Risk

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

30 OPERATING SEGMENT

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

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

I **Revenue:**

A. Information about revenues from products and services:

	As at 31 March, 2019	As at 31 March, 2018
Royalty Income	393.16	337.02
Research & Development Services	-	-
Total	**393.16**	**337.02**

B. Geographical Areas

	As at 31 March, 2019	As at 31 March, 2018
India	393.16	337.02
	393.16	**337.02**

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

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

	As at 31 March, 2019	As at 31 March, 2018
	127.18	**162.52**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

31 As per information available with the Management as certified by them, there is no contingent liability as at 31 March, 2019.

32 As per the information available with the Management and as certified by them, there is no outstanding Capital Commitment as on 31 March, 2019.

33 CAPITAL MANAGEMENT

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

34 Previous year figures have been re-grouped/reclassified wherever considered necessary.

As per our report of even date

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

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

Sd/-
Sunil Wahal
Partner
M. No. 087294

Sd/-
MAYANK SINGHAL
Director
Din: 000006651

Sd/-
RAJNISH SARNA
Director
Din: 06429468

Place: Gurgaon
Date:- April 30, 2019