

# PI BIOFERMA PRIVATE LIMITED

## CORPORATE INFORMATION

### Board of Directors

Mr. Rajnish Sarna- Chairperson  
Dr. T.S. Balganesb-Independent Director

### Bankers

IDBI Bank Limited

### Auditors

S.S. Kothari Mehta & Co.  
Chartered Accountants  
New Delhi-110 065

### Corporate Identity Number (CIN)

U24290RJ2020PTC070948

### Registered Office

Udaisagar Road, Udaipur, Rajasthan- 313001



## BOARD REPORT

### Dear Members,

Your Directors have pleasure in presenting their 3<sup>rd</sup> Board Report on the Business and Operations of the Company together with the Audited Financial Statements for the period ended 31<sup>st</sup> March 2023.

### 1. Financials:

(Amount in ₹ million)

Particulars	FY 2022-2023	FY 2021-2022
Revenue from Operations	-	-
Other Income	-	-
Total Revenue	-	-
Expenditure	0.12	0.09
Profit/Loss before tax	(0.12)	(0.09)
Less: Income Tax Expense		
Current Tax	-	-
Deferred Tax	-	0.02
Profit/Loss after tax	(0.12)	(0.11)
EPS – Basic & Diluted (Rs.)	(2.57)	(10.51)

### 2. Key Highlights:

The Company has not yet commenced business operations, hence there is a loss after tax of ₹0.12 million as compared to loss of ₹0.11 million in the previous year. The EPS for the year stood at ₹(2.57) per share as compared to ₹(10.51) per share for the previous year.

### 3. Transfer to Reserves:

Your Company has not transferred any amount to the General Reserve.

### 4. Change in the Nature of Business, if Any:

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

### 5. Dividend:

Your Directors regret to declare any dividend for the period ended 31<sup>st</sup> March 2023 as Company has not yet commenced its business operations and in absence of any distributable profits.

### 6. Material Changes and Comments, if Any, Affecting the Financial Position of the Company:

There are no material changes or commitments subsequent to the close of the financial year of the Company that may affect the financial position of the Company.

### 7. Employee's Particulars:

Your Company has not employed any individual whose particulars need to be disclosed as required in Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### 8. Internal Controls Systems and Adequacy:

Your Company has an adequate system of internal control for planning, review, revenue recognition, expense authorization,

risk management, investment etc. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statement.

### 9. Risk Management:

In accordance with Section 134 of the Companies Act, 2013, your Company has adopted a well-defined risk management policy which inter-alia, includes identification of risks, including cyber security and related risks inherent to operations of the Company. Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives.

### 10. Related Party Transactions:

All arrangements/transactions entered by the Company with its related parties during the year were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any arrangement /transaction with related parties which could be considered material in accordance with the Companies Act, 2013 and the Rules framed thereunder. Accordingly, the disclosure of Related Party Transactions in Form AOC - 2 is not applicable. However, names of Related Parties and details of transactions with them have been included in Note no.11 of the financial statements.

### 11. Statutory Auditors and Auditor's Report:

M/s S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi (Firm Regn. No.000756N) were appointed as Statutory Auditors of the Company in the first Annual General Meeting held on 30<sup>th</sup> September, 2021 for a term of five years, to hold office from the conclusion of the first Annual General Meeting till the conclusion of the sixth Annual General Meeting to be held in the year 2026.

Auditors' Report does not contain any qualification, hence same does not call for any explanation.

### 12. Particulars of Loans, Guarantees or Investments:

Your Company has neither granted any loans, guarantees nor made any investments during the financial year 2022-23.

### 13. Deposits:

Your Company has not accepted any deposits during the year under review.

### 14. Capital Structure:

During the year, your Directors in their meeting held on 11<sup>th</sup> June 2022, offered 50,000 (Fifty Thousand) equity shares of Rs. 10/- (Rupees Ten only) on rights basis to the existing shareholders in the ratio of 5:1 in accordance with the provisions of Section 62(1) (a) of the Companies Act, 2013, against which allotment of (Fifty Thousand) equity shares of Rs. 10/- (Rupees Ten only) each was made on 7<sup>th</sup> July 2022.

Accordingly, the paid-up capital of the Company was increased from Rs. 1,00,000 (Rupees One Lakh) comprising of 10,000 (Ten Thousand) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 6,00,000/- (Rupees Six Lakhs) comprising of 60,000 (Sixty Thousand) equity shares of Rs. 10/- (Rupees Ten only) each as on 31<sup>st</sup> March 2023.

The Authorized Share Capital of the Company stood at Rs. 10,00,000 (Rupees Ten Lakhs) comprising of 1,00,000 (One Lakh) equity shares of Rs. 10/- (Rupees Ten only) each as on 31<sup>st</sup> March 2023.

## 15. Board of Directors and Key Managerial Personnel:

### a. COMPOSITION OF THE BOARD:

As on 31<sup>st</sup> March 2023, Board comprises of 2 (two) Directors namely Mr. Rajnish Sarna (Chairperson) and Dr. T.S. Balganes.esh.

The composition of the Board is in conformity with the provisions of the Companies Act, 2013. The Board members possess requisite qualifications and experience necessary to act in the capacity of Directors of the Company.

The Company was not required to appoint any Key Managerial Personnel for the period ended 31<sup>st</sup> March 2023.

### b. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW

During the period ended 31<sup>st</sup> March 2023, Board of Directors met 7 (seven) times. The meetings were held on 19<sup>th</sup> April 2022, 5<sup>th</sup> May 2022, 11<sup>th</sup> June 2022, 7<sup>th</sup> July 2022, 15<sup>th</sup> July 2022, 14<sup>th</sup> October 2022 and 24<sup>th</sup> January 2023. The gap between any two Board Meetings was not more than 120 days.

The names of members of the Board and their attendance at the Board Meetings are as under:

Sr. No.	Name of the Directors	Meetings held	Meetings attended
1.	Mr. Rajnish Sarna	7	7
2.	Dr. T.S. Balganes.esh	7	7

## 16. Particulars Relating to Conservation of Energy, Technology Absorption and Foreign Exchange Outgo:

Your Company does not carry out any manufacturing activity nor has any exports, hence information pertaining to conservation of energy, technology absorption, foreign exchange earning and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is not applicable to the Company.

## 17. Directors Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility statement:

- In the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2023, the applicable accounting standards had been followed;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2023;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis;
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 18. Subsidiary, Joint Ventures and Associate Companies:

Your Company doesn't have any subsidiary, Joint Venture and Associate company as on 31<sup>st</sup> March 2023.

## 19. Details of Significant and Material Order Passed by the Regulator, Courts, Tribunal Impacting the Going Concern Status and Company's Operation in Future

There is no order passed by any Regulator or Courts or Tribunals impacting the going concern status and company's operations.

## 20. Secretarial Standards:

Your Company has complied with the **SECRETARIAL STANDARD – 1** on meetings of the Board of Directors and **SECRETARIAL STANDARD – 2** on meetings of shareholders.

## 21. General:

Your Directors state that no disclosures or reporting is required with respect to the following items as there were no transactions on these items during the period under review or were not applicable: -

- Disclosure of statement on declaration given by Independent Directors under section 149(6) of the Companies Act, 2013.
- Disclosure covered under section 178(1) on Director's appointment and remuneration including other matters provided under section 178(3).
- Details on policy development and implementation on Corporate Social Responsibility.
- A statement relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividends, voting or otherwise.
- Issue of shares (including Sweat equity shares) to the employees of the Company under any scheme.
- Management Discussion and Analysis Report.
- Company has not failed to complete or implement any corporate action.
- No fraud has been reported by auditors pursuant to provision of sub-section (12) of section 143.
- No revision has been made in the financial statement or the Board Report in the preceding financial year.

## 22. Acknowledgement:

Your Directors wish to place on record their appreciation for the support and cooperation received by the Company from Bankers, various departments of the Governments of India, Haryana, business associates, Shareholders and our other stakeholders.

On behalf of the Board of Directors  
For **PI Bioferma Private Limited**

Sd/-  
**Rajnish Sarna**

Director

DIN: 06429468

Date: April 27, 2023

Place: Gurugram

# INDEPENDENT AUDITOR'S REPORT

To the Members of PI Bioferma Private Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **PI Bioferma Private Limited** ("the Company"), which comprises the Balance Sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss, other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusions thereon.

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

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

### Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these

financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related

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

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

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. A. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - (g) In our opinion, and according to the information and explanations given to, the company has not paid any managerial remuneration during the year ended

March 31, 2023. Hence, provisions of Section 197 read with Schedule V to the Act are not applicable to the Company and has not been commented upon.

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv (a) and iv (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the year by the Company.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants  
Firm's Registration No. 000756N

Sd/-

**Amit Goel**

Partner

Place: New Delhi  
Date: April 27, 2023  
UDIN : 23500607BGURJX5613

Membership No. 500607

**Annexure A to the Independent Auditor's Report to the Members of PI Bioferma Private Limited dated April 27, 2023.**

**Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("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) According to the information and explanations given to us and on the basis of our examination The Company does not have any fixed assets and intangible assets. Hence, provisions of clause 3(i)(a) to (d) are not applicable to the Company.
- (e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii. (a) The present Company's operations do not give rise to any inventory. Hence, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- iii. (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- iii. (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to (f) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no loans, investments, guarantees, and security with respect to which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. We have broadly reviewed the books of account-maintained, directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. (a.) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b). There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, customs duty, excise duty, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- viii. In our opinion, based on audit procedures and according to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion, based on audit procedures and according to the information and explanations given to us, the Company did not have any outstanding loans or borrowing or interest thereon due to any lender during the year. Accordingly, the requirements to report on clause ix(a) and clause ix(c) of the order are not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) On an overall examination of the financial statements of the Company, no funds raised on a short-term basis have been used for long-term purposes by the Company.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company does not have any subsidiaries, associates or joint venture. Therefore, reporting requirements on clause 3(ix) (e') to (f) of the Order is not applicable to the Company.
- x. (a) According to the information and explanations given to us and procedures performed by us the Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and procedures performed by us the Company has not

made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) During the year, no report under sub-section (12) of section 143 of the Act, has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii) to (c) of the Order are not applicable to the Company.
- xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv. The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv) (a) and 3(xiv) (b) of the Order is not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred in section 192 of the Act.
- xvi. (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses amounting to Rs. 0.09

Million in the current year and amounting to Rs. 0.10 Million in the immediately preceding financial period respectively.

- xviii. There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 28 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has not meeting the requirement of applicability of section 135 of the Act, hence report on clause 3(xx)(a) and 3(xx) (b) is not applicable to the Company.
- xxi. The Company is not subject to prepare consolidated financial statements as known by us. Accordingly, the provision of clause 3(xxi) is not applicable to the Company.

**For S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants

Firm's Registration No. 000756N

Sd/-

**Amit Goel**

Partner

Place: New Delhi

Date: April 27, 2023

UDIN : 23500607BGURJX5613

Membership No. 500607

**Annexure B to the Independent Auditor's Report to the Members of PI Bioferma Private Limited dated April 27, 2023.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section.**

We have audited the internal financial controls over financial reporting of the **PI Bioferma Private Limited** (the 'Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the

prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;
- c) 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, 2023, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants  
Firm's Registration No. 000756N

Place: New Delhi  
Date: April 27, 2023  
UDIN : 23500607BGURJX5613

Sd/-  
**Amit Goel**  
Partner  
Membership No. 500607



## BALANCE SHEET AS AT MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Deferred tax assets	B1	-	-
<b>Total non-current assets</b>		-	-
<b>Current assets</b>			
Financial assets			
(i) Cash and cash equivalents	B2	0.43	0.05
<b>Total current assets</b>		<b>0.43</b>	<b>0.05</b>
<b>Total assets</b>		<b>0.43</b>	<b>0.05</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	B3	0.60	0.10
Other equity	B4	(0.27)	(0.15)
<b>Total equity</b>		<b>0.33</b>	<b>(0.05)</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities			
(i) Other financial liabilities	B5	0.10	0.09
Other current liabilities	B6	0.00	0.01
<b>Total current liabilities</b>		<b>0.10</b>	<b>0.10</b>
<b>Total liabilities</b>		<b>0.10</b>	<b>0.10</b>
<b>Total equity and liabilities</b>		<b>0.43</b>	<b>0.05</b>

### Significant accounting policies

Accompanying notes B1- B20 form an integral part of these financial statements

A3

### As per our report of even date

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

For and on behalf of the Board of Directors of  
PI Bioferma Private Limited

Sd/-  
**Amit Goel**  
Partner  
Membership Number: 500607

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

Sd/-  
**T. S. Balganes**  
Director  
DIN: 00648534

Place: Gurugram  
Date: April 27, 2023

**STATEMENT OF PROFIT & LOSS** FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations		-	-
Other income		-	-
<b>Total income</b>		<b>-</b>	<b>-</b>
<b>Expenses:</b>			
Other expense	B7	0.12	0.09
<b>Total expenses</b>		<b>0.12</b>	<b>0.09</b>
<b>Loss before tax for the year</b>		<b>(0.12)</b>	<b>(0.09)</b>
<b>Income tax expense</b>	B8		
Current tax		-	-
Deferred tax		-	0.02
<b>Total tax expense for the year</b>		<b>-</b>	<b>0.02</b>
<b>Loss for the year</b>		<b>(0.12)</b>	<b>(0.11)</b>
<b>Other comprehensive income</b>			
<b>Total comprehensive loss for the year</b>		<b>(0.12)</b>	<b>(0.11)</b>
<b>Earnings per equity share (Face value Rs.10 per share)</b>	B9		
1) Basic (in ₹)		(2.57)	(10.51)
2) Diluted (in ₹)		(2.57)	(10.51)
<b>Face value per share (in ₹)</b>		<b>10</b>	<b>10</b>

Accompanying notes B1- B20 form an integral part of these financial statements

As per our report of even date

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

For and on behalf of the Board of Directors of  
PI Bioferma Private Limited

Sd/-  
**Amit Goel**  
Partner  
Membership Number: 500607

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

Sd/-  
**T. S. Balganesh**  
Director  
DIN: 00648534

Place: Gurugram  
Date: April 27, 2023

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

### a. Equity share capital

Particulars	Note No.	As at March 31, 2023		As at March 31, 2022	
		No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year		10,000	0.10	10,000	-
Changes in equity share capital during the year	B3	50,000	0.50	-	0.10
<b>Balance at the end of the reporting year</b>		<b>60,000</b>	<b>0.60</b>	<b>10,000</b>	<b>0.10</b>

### b. Other equity

Particulars	Reserves & Surplus		Total other equity
	Retained Earnings		
Opening balance	(0.04)		(0.04)
Loss for the year	(0.11)		(0.11)
<b>Total comprehensive loss for the year</b>	<b>(0.11)</b>		<b>(0.11)</b>
<b>Balance at March 31, 2022</b>	<b>(0.15)</b>		<b>(0.15)</b>
Loss for the year	(0.12)		(0.12)
<b>Total comprehensive loss for the year</b>	<b>(0.12)</b>		<b>(0.12)</b>
<b>Balance at March 31, 2023</b>	<b>(0.27)</b>		<b>(0.27)</b>

Accompanying notes B1- B20 form an integral part of these financial statements

#### As per our report of even date

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

For and on behalf of the Board of Directors of  
PI Bioferma Private Limited

Sd/-  
**Amit Goel**  
Partner  
Membership Number: 500607

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

Sd/-  
**T. S. Balganes**  
Director  
DIN: 00648534

Place: Gurugram  
Date: April 27, 2023

**STATEMENT OF CASH FLOWS** FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss for the year (before tax)	(0.12)	(0.09)
<b>Operating profit before working capital changes</b>	<b>(0.12)</b>	<b>(0.09)</b>
Adjustments for:-		
Increase/(Decrease) in other current liabilities	(0.01)	0.01
Increase/(Decrease) in other current financial liabilities	0.01	0.03
<b>Cash generated from/ (used in) operations</b>	<b>(0.12)</b>	<b>(0.05)</b>
Income taxes paid (net of refunds)	-	-
<b>Net Cash flow (used in) operating activities</b>	<b>(A) (0.12)</b>	<b>(0.05)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
	-	-
<b>Net Cash flow from/ (used in) investing activities</b>	<b>(B) -</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity share capital	0.50	-
<b>Net Cash Flow from/ (used in) financing activities</b>	<b>(C) 0.50</b>	<b>-</b>
<b>INCREASE / (DECREASE) IN CASH OR CASH EQUIVALENTS</b>	<b>(A+B+C) 0.38</b>	<b>(0.05)</b>
Opening cash or cash equivalents	0.05	0.10
Closing cash or cash equivalents	0.43	0.05

Note 1 : Cash and cash equivalents included in the cash flow statement comprise of the following:-

<b>i) Cash on hand</b>	-	-
<b>ii) Balance with banks :</b>		
- In current accounts	0.43	0.05
<b>Total</b>	<b>0.43</b>	<b>0.05</b>

The above cash flow statement has been prepared under the indirect method as set out in IND AS - 7 "Cash Flow Statement".  
Accompanying notes B1- B20 form an integral part of these financial statements

**As per our report of even date**

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

**For and on behalf of the Board of Directors of**  
**PI Bioferma Private Limited**

Sd/-  
**Amit Goel**  
Partner  
Membership Number: 500607

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

Sd/-  
**T. S. Balganesb**  
Director  
DIN: 00648534

Place: Gurugram  
Date: April 27, 2023

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## A1 Corporate Information

PI Bioferma Private Limited (formerly known as PI Enzachem Private Limited) (the Company) (CIN- U24290RJ2020PTC070948) is a company limited by shares, incorporated in India on September 11, 2020 and has its registered office at Udaisagar Road, Udaipur, Rajasthan, India, 313001. The principal activities of the Company are manufacturing and trading of Pharma products and other products for health, beauty and cosmetic purpose.

## A2 Basis of Preparation

### a) Statement of Compliance

The Company's 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 are authorised for issue by the Board of Directors on April 27, 2023.

### b) Basis of Measurement

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

### c) Functional and Presentation Currency

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

### d) Current or Non-current Classification

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

### e) Use of Judgements and Estimates

The preparation of financial statements is in conformity with Ind AS, which requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

## A3 Significant Accounting Policies

### a) Revenue Recognition

### i) 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.

### b) Income Tax

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

#### i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable with respect to 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:

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

#### ii) Deferred Tax

Deferred tax is recognised with respect to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

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

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:

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

### c) 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.

### d) Financial Instruments

#### i) Initial Recognition

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

#### ii) Subsequent Measurement

##### (i) Financial Assets Carried at Amortised Cost

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

##### (ii) Financial Assets at Fair Value Through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### (iii) Financial Assets at Fair Value Through Profit or Loss

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

#### (iv) Financial Liabilities

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

#### iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. Except trade receivables, the impairment methodology applied depends on whether there has been a significant increase in credit risk.

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

#### iv) Derecognition

##### Financial Assets

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

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

##### Financial Liabilities

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

#### v) Offsetting

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

### 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:

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**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) Segment Reporting

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

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

### g) 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.

### h) Cash Flow Statement

Cash flow statements are prepared in accordance with “Indirect Method” as explained in the Indian 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.

### i) 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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

### B1 DEFERRED TAX (ASSETS) / LIABILITIES

The balance comprises temporary differences attributable to:	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
On accumulated loss	-	-
	-	-
<b>Net deferred tax (assets)/ liabilities</b>	<b>TOTAL</b>	<b>TOTAL</b>
	-	-

Movement in deferred tax:	As at March 31, 2022	Recognized in P&L	Recognized in OCI	Other Adjustments	As at March 31, 2023
<b>Deferred tax assets</b>					
On accumulated loss	-	-	-	-	-
<b>Total-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax liability/(assets)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Movement in deferred tax:	As at March 31, 2021	Recognized in P&L	Recognized in OCI	Other Adjustments	As at March 31, 2022
<b>Deferred tax assets</b>					
On accumulated loss	(0.02)	0.02	-	-	-
<b>Total-</b>	<b>(0.02)</b>	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax liability/(assets)</b>	<b>0.02</b>	<b>(0.02)</b>	<b>-</b>	<b>-</b>	<b>-</b>

### B2 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents</b>		
<b>Balance with banks</b>		
In current accounts	0.43	0.05
<b>TOTAL</b>	<b>0.43</b>	<b>0.05</b>

### B3 SHARE CAPITAL

	As at March 31, 2023	As at March 31, 2022
<b>Authorised shares</b>		
100,000 (March 31, 2022 : 100,000) equity shares of Rs. 10 each	1.00	1.00
	<b>1.00</b>	<b>1.00</b>
<b>Issued, subscribed and fully paid up:</b>		
60,000 (March 31, 2022 : 10,000) equity shares of Rs. 10 each	0.60	0.10
	<b>0.60</b>	<b>0.10</b>

#### a. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year *Issued, Subscribed & fully paid up:*

Particulars	Equity Share (No. of Shares)		Value of Equity Shares	
	2022-23	2021-22	2022-23	2021-22
Share outstanding at beginning of year	10,000	10,000	0.10	0.10
Share issued during the year	50,000	-	0.50	-
Share outstanding at end of year	<b>60,000</b>	<b>10,000</b>	<b>0.60</b>	<b>0.10</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

### b. Terms/rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 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 shareholder in the ensuing Annual General Meeting (except Interim Dividend). However, the Company has not proposed any dividend in the current 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.

### c. Issue Equity Share Capital:-

During the year, Board of Directors in their meeting held on June 11, 2022 offered 50,000 (fifty thousand) equity shares of Rs. 10/- (Rupees Ten only) on rights basis to the existing shareholders in accordance with the provisions of Sections 62(1)(a) of the Companies Act, 2013, against which allotment of 50,000 (fifty thousand) equity shares of Rs. 10/- (Rupees Ten only) each was made on July 07, 2022.

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

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
PI Industries Limited and its nominees	60,000	100%	10,000	100%

### e. Shareholding of Promoters

Name of Shareholders	As at March 31, 2023			As at March 31, 2022		
	Shares held on March 31, 2023	% of total share	% change during the year	Shares held on March 31, 2022	% of total share	% change during the year
PI Industries Limited and its nominees	60,000	100%	500%	10,000	100%	0%

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

### B4 OTHER EQUITY

	As at March 31, 2023		As at March 31, 2022	
<b>Surplus in Statement of Profit and Loss</b>				
Balance at the beginning of the financial year	(0.15)		(0.04)	
Add: Loss for the year	(0.12)	(0.27)	(0.11)	(0.15)
<b>TOTAL</b>		<b>(0.27)</b>		<b>(0.15)</b>

### B5 OTHER FINANCIAL LIABILITIES

	As at March 31, 2023		As at March 31, 2022	
Other payable		0.10		0.09
<b>TOTAL</b>		<b>0.10</b>		<b>0.09</b>

### B6 OTHER CURRENT LIABILITIES

	As at March 31, 2023		As at March 31, 2022	
<b>Statutory dues payable</b>				
TDS Payable		0.00		0.01
<b>TOTAL</b>		<b>0.00</b>		<b>0.01</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

B7 OTHER EXPENSES		
	For the year ended March 31, 2023	For the year ended March 31, 2022
Rates and taxes	0.04	0.03
Auditor remuneration	0.05	0.06
Legal & professional fees	0.03	-
<b>TOTAL</b>	<b>0.12</b>	<b>0.09</b>
<b>a. Audit remuneration</b>		
- Audit fee	0.05	0.05
- Reimbursement of expenses	-	0.01
<b>TOTAL</b>	<b>0.05</b>	<b>0.06</b>
B8 INCOME TAX EXPENSE		
	For the year ended March 31, 2023	For the year ended March 31, 2022
a) <b>Income tax expense recognized in profit and loss</b>		
<b>Current tax expense</b>		
Current tax on profits for the year	-	-
<b>Total Current tax expense</b>	-	-
<b>Deferred tax expense</b>		
Decrease / (Increase) in deferred tax assets	-	0.02
<b>Net deferred tax expense</b>	-	<b>0.02</b>
<b>Total income tax expense</b>	-	<b>0.02</b>
b) <b>Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Accounting profit before tax	(0.12)	(0.09)
Tax at India's statutory income tax rate @26% (previous year @26%)	<b>(0.03)</b>	<b>(0.02)</b>
Deferred tax assets not recognised on losses	0.03	0.04
<b>Income tax expense</b>	-	<b>0.02</b>
B9 EARNING PER SHARE		
	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Loss after tax available for equity shareholders (₹)	<b>(0.12)</b>	<b>(0.11)</b>
b) Number of equity shares at the beginning of the year	10,000	10,000
<b>Add:</b> Issue of shares	50,000	-
Total number of shares outstanding at the end of the year	<b>60,000</b>	<b>10,000</b>
Weighted average number of equity shares outstanding during the year	<b>46,712</b>	<b>10,000</b>
<b>Earning per share - Basic (₹)</b>	<b>(2.57)</b>	<b>(10.51)</b>
<b>Earning per share - Diluted (₹)</b>	<b>(2.57)</b>	<b>(10.51)</b>
<b>Face value per share (₹)</b>	<b>10.00</b>	<b>10.00</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

### B10 RATIO ANALYSIS

S.No.	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Variance	Reason for variance
1	Current ratio	Current asset	Current Liabilites	4.13	0.53	686%	Due to increase in current assets
2	Debt-Equity ratio	Borrowing	Total Equity	-	-	0%	
3	Debt Service Coverage ratio	Earnings before interest, taxes, depreciation & amortization	Debt service Long term debt +Interest payment + lease	-	-	0%	
4	Return on Equity ratio	Loss after tax	Total Equity	-	-	0%	This ratio has not been computed since there is losses in both years
5	Inventory Turnover ratio	Cost of Goods sold	Average Inventory	-	-	0%	
6	Receivables Turnover ratio	Sales	Average Receivable	-	-	0%	
7	Payables Turnover ratio	Cost of Goods sold	Average Payable	-	-	0%	
8	Net Capital Turnover ratio	Sales	Working Capital	-	-	0%	
9	Net Profit ratio	Profit after tax	Sales	-	-	0%	
10	Return on Capital Employed	Earnings before interest and taxes	Total Equity + Borrowings	-	-	0%	This ratio has not been computed since there is no borrowings
11	Return on Investment	Earnings before interest and taxes	Total Assets	-	-	0%	This ratio has not been computed since there is no investments

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

### B11 RELATED PARTY DISCLOSURE

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

#### List of Related Parties:-

- I. Holding Company - PI Industries Ltd.
- II. Fellow Subsidiaries
  - a) PILL Finance & Investment Ltd.
  - b) PI Japan Co. Ltd.
  - c) PI Life Science Research Ltd.
  - d) Jivagro Limited
  - e) PI Fermachem Private Limited
  - f) PI Health Sciences Limited
- III. Key Management Personnel (KMP) & their relatives with whom transactions have taken place:
  - (a) Key Management Personnel
    - a) Mr. Rajnish Sarna (Director)
    - b) Mr. Tanjore Soundararajan Balganes (Director) w.e.f 25 Jan 2022
    - c) Dr. K.V.S Ram Rao (Director) resigned on 31 Dec 2021

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

Nature of Transaction	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Paid/ Purchase	Received / Sale	Closing Balance	Paid/ Purchase	Received / Sale	Closing Balance
<b>Transactions with PI Industries Limited</b>						
Share application money received and share issued during the period	0.5	-	-	-	-	-

#### 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. Assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### B12 FINANCIAL INSTRUMENTS

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

##### A. Financial instruments by category

Nature of Transaction	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>						
<b>Non-current assets</b>						
Other financial asset	-	-	-	-	-	-
<b>Current assets</b>						
Cash and cash equivalents	-	-	0.43	-	-	0.05
<b>TOTAL</b>	-	-	<b>0.43</b>	-	-	<b>0.05</b>
<b>Financial liabilities</b>						
<b>Current liabilities</b>						
Other financial liabilities	-	-	0.10	-	-	0.09
<b>TOTAL</b>	-	-	<b>0.10</b>	-	-	<b>0.09</b>

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

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

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

## B13 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 ; and
- Market risk

The Company was incorporated on September 11, 2020 and is in the process of setting up of its operational activities. As at the reporting date, the Management is of the opinion that the Company is not exposed to any substantial credit risk, liquidity risk and market risk. The Company's board of directors has the overall responsibility for the management of these risks.

### i Credit Risk

#### Cash and Cash Equivalents, Deposits with Banks:

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

#### Exposure to Credit Risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk from its operating activities, including financial instruments.

Particulars	March 31, 2023	March 31, 2022
Cash and cash equivalents	0.43	0.05
<b>Total</b>	<b>0.43</b>	<b>0.05</b>

### ii. Liquidity Risk

#### Cash and cash equivalents, deposits with banks:

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

#### (a) Maturities of Financial Liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

March 31, 2023	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities</b>						
Other Payable		0.10	-	-	-	-
<b>Total</b>	<b>0.10</b>	<b>0.10</b>	-	-	-	-

March 31, 2022	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities</b>						
Other Payable	0.09	0.09	-	-	-	-
<b>Total</b>	<b>0.09</b>	<b>0.09</b>	-	-	-	-

### iii. Market Risk

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

#### Foreign Currency Risk

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

#### Interest Rate Risk

There are no long term debt obligation of the Company as on March 31, 2023.

#### Price Risk

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ million, unless otherwise stated)

### B14 CAPITAL MANAGEMENT

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

### B15 OPERATING SEGMENT

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments are based on the company's management and internal reporting structure.

The Company has evaluated its applicability of segment reporting and is of the opinion that it is working entirely in manufacturing and trading of Pharma Products and is being reviewed by CODM on the same lines, accordingly the Company has one reportable business segment.

Revenue: The Revenue from operations were ₹ Nil (March 22 ₹ Nil)

### B16 Micro, Small And Medium Enterprises Development Act, 2006

Particular	March 31, 2023		March 31, 2022	
	Principal Amount	Interest Amount	Principal Amount	Interest Amount
Principal amount and Interest due thereon remaining unpaid to any supplier as on 31 <sup>st</sup> 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.	-	-	-	-

**B17** As per information available with the Management and as certified by them, there is no contingent liability as at March 31, 2023.

**B18** As per the information available with the Management, there is no outstanding capital commitment as on March 31, 2023.

**B19** The payment of Bonus Act, 1965, Employees Provident Funds and Miscellaneous Provisions Act, 1952 and Gratuity Act, 1972 is not applicable to the Company, as there are no employees.

### B20 Other statutory information

- (i) The Company do not have any immovable property which is not held in the name of Company.
- (ii) The Company has not provided any loan or advances to specified persons.
- (iii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iv) The Company has not availed any facilities from banks on the basis of security of current assets.
- (v) The Company is not declared no edit any Bank or any Financial Institution.
- (vi) The Company do not have any transactions with struck-off companies.
- (vii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- (viii) The Company has not received any funds from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (ix) The Company have not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (x) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### As per our report of even date

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

Sd/-  
**Amit Goel**  
Partner  
Membership Number: 500607

Place: Gurugram  
Date: April 27, 2023

**For and on behalf of the Board of Directors of**  
**PI Bioferma Private Limited**

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

Sd/-  
**T. S. Balganesh**  
Director  
DIN: 00648534