

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

To the Members of PI Industries Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

1. We have audited the accompanying standalone financial statements of PI Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

3. 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 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.

### Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurgaon - 122 002

T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N).

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Key audit matter	How our audit addressed the key audit matter
<p><b>Assessment of carrying values of investment in a wholly owned subsidiary</b></p> <p>(Refer to note 7(a) and 44 in the standalone financial statements)</p> <p>The Company has made investments in equity and optionally convertible debentures in PI Health Science Limited, a wholly owned subsidiary, whose carrying value as on March 31, 2024 is INR 5,084 million and INR 4,826 million respectively.</p> <p>The equity investments in wholly owned subsidiary is carried at cost less accumulated impairment losses, if any, as per Ind AS 36 'Impairment of Assets'; and investment in optionally convertible debentures is measured at fair value through profit or loss account ('FVTPL') at each reporting date as per Ind AS 109 'Financial Instruments'.</p> <p>The Company has performed an assessment of appropriateness of the carrying amount of investments as on the balance sheet date by estimating the recoverable value of the investments, using the discounted cash flow model with the involvement of a valuation expert engaged by the management. Based on their assessment, the management has concluded that no provision for impairment was necessary as at March 31, 2024.</p> <p>We have considered this to be a key audit matter as the assessment of recoverable value using discounted cash flows forecast required significant management judgement in respect certain key inputs like determining an appropriate discount rate, future cash flows and terminal growth rate.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>Understood and evaluated the design and tested the operating effectiveness of controls around assessment of the recoverable amount of the investments.</li><li>Evaluated the independence, competence, capabilities and objectivity of the valuation expert engaged by the management.</li><li>Examined the report prepared by the external valuation expert engaged by the Management and understood and evaluated the projections thereon by testing key inputs and assumptions made in the value in use calculations and performed sensitivity analysis.</li><li>With the involvement of the auditor's expert, assessed the appropriateness of the key assumptions considered in forecasting the cash flows for assessment of the recoverable amount of the Investments.</li><li>Verified the adequacy and appropriateness of the disclosures made in the standalone financial statements.</li></ul> <p>Based on our procedures performed above, the management's assessment of the carrying amount of investment in its wholly owned subsidiary is considered reasonable.</p>



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### Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the Integrated Report, including Management Discussion and Analysis, Board's Report, Business Responsibility and Sustainability Report (BRSR) and Corporate Governance report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the assurance report on BRSR and selected GRI Indicators, which is expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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. When we read the assurance report on BRSR and on selected GRI Indicators, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of management and those charged with governance for the financial statements

6. 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 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.
7. 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

8. 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.



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9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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.
10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

### Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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 except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).



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- (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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 41(iii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), 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, as disclosed in the Note 41(iii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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 we 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 (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.



Independent Auditor's Report

To the Members of PI Industries Limited

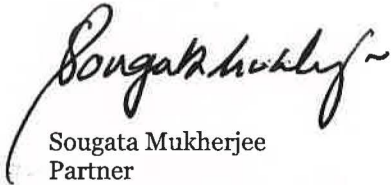
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- vi Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log (a) is not maintained at the application level in case of modification, if any, by IT administrator with debug access rights to find and fix errors; and (b) was not enabled to record any direct changes at the database level. During the course of performing our procedures, in respect of the audit trail feature enabled, we did not notice any instance of the audit trail feature being tampered with. Also, refer note 47 to the standalone financial statements.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Sougata Mukherjee  
Partner

Membership Number: 057084

UDIN: 24057084BKFOBD3396

Date: May 21, 2024

Place: Mumbai

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 14 (f) of the Independent Auditor's Report of even date to the members of PI Industries Limited on the standalone financial statements for the year ended March 31, 2024  
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### **Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of PI Industries Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("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 Act.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.
5. 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 with reference to financial statements.

### **Meaning of Internal Financial Controls with reference to financial statements**

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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



## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 14 (f) of the Independent Auditor's Report of even date to the members of PI Industries Limited on the standalone financial statements for the year ended March 31, 2024  
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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.

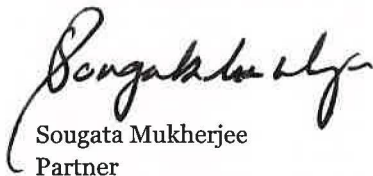
### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Sougata Mukherjee  
Partner

Membership Number: 057084

UDIN: 24057084BKFOB3396  
Date: May 21, 2024  
Place: Mumbai

## Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of PI Industries Limited on the standalone financial statements as of and for the year ended March 31, 2024  
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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.  
  
(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.  
  
(c) The title deeds of all the immovable properties (including properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4 to the standalone financial statements, are held in the name of the Company.  
  
(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.  
  
(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.  
  
(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. However, the Company has not filed return or statements for the quarter ended March 31, 2024 with the banks and accordingly, we are unable to comment on such reconciliations as required by clause 3(ii)(b).
- iii. (a) The Company has made investments in one wholly owned subsidiary, three deposits with the Financial Institution and granted unsecured loans to one wholly owned subsidiary. The Company has not granted any secured loans/advances in nature of loans or stood guarantee, or provided security to any parties during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to wholly owned subsidiary, is as per the table given below:



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of PI Industries Limited on the standalone financial statements for the year ended March 31, 2024

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	Loans (Amount in INR Million)
Aggregate amount granted/ provided during the year - Subsidiary	3,910
Balance outstanding as at balance sheet date in respect of the above case - Subsidiary	Nil

(Also, refer Note 41(iii) to the standalone financial statements)

- (b) In respect of the aforesaid investments/loans, the terms and conditions under which such investments were made/ loan was granted are not prejudicial to the Company's interest.
- (c) In respect of the loan the schedule of repayment of principal and payment of interest has been stipulated, and the party is repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the loan, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- (f) The loan granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. There were no loan granted during the year to Promoters.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of the loan and investments made, and there were no guarantee and securities provided under aforesaid section. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 of the Act.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is regular in depositing the 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 material statutory dues, as applicable, with the appropriate authorities.



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of PI Industries Limited on the standalone financial statements for the year ended March 31, 2024  
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- (b) There are no statutory dues of provident fund, employees state insurance, cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded (Rs. In Million)	Amount Paid under Protest (Rs. In Million)	Period to which the amount relates	Forum where the dispute is pending
Assam Value Added Tax Act, 2003	Value Added Tax (excluding interest and penalty)	0.15	0.04	2007-08	Joint Commissioner Guwahati
Kerala Value Added Tax Act, 2003		0.34	0.34	2008-09	Deputy Commissioner (Appeals) Earnakulam
Kerala Value Added Tax Act, 2003		0.18	0.18	2009-10	Deputy Commissioner (Appeals) Earnakulam
Madhya Pradesh Value Added Tax Act, 2002		0.40	0.40	2011-12	Deputy Commissioner (Appeals), Indore
Gujarat Value Added Tax Act, 2003		18.59	18.59	2012-13	Joint Commissioner, Baroda
Gujarat Value Added Tax Act, 2003		11.69	11.69	2013-14	Joint Commissioner, Baroda
West Bengal Value Added Tax Act, 2003		0.25	0.25	2013-14	Taxation Tribunal, Kolkata
Integrated Goods and Services Tax	GST	181.98	-	2017-18, 2018-19	High court of Gujarat, Ahmedabad
Central Goods and Services Tax	GST	14.64	1.33	2017-18	Commisioner Appeal
Central Goods and Services Tax	GST	18.43	0.92	2017-18 to 2019-20	Commisioner Appeal
Central Goods and Services Tax	GST	0.69	0.03	2017-18	Commisioner Appeal
Central Goods and Services Tax	GST	27.37	2.49	2017-18	Commisioner Appeal
Central Goods and Services Tax	GST	0.50	0.04	2017-18	Commisioner Appeal
Central Goods and Services Tax	GST	0.05	0	2018-19	Commisioner Appeal
Income Tax Act, 1961	Income Tax (Excluding interest and penalty)	24.31	-	2008-09	Rajasthan High Court
		29.34	-	2009-10	Rajasthan High Court
		15.30	-	2010-11	Rajasthan High Court
		24.61	-	2011-12	Rajasthan High Court
		20.42	-	2013-14	Rajasthan High Court
		32.99	-	2014-15	Rajasthan High Court
		14.58	14.58	2015-16	CIT (Appeals)
		96.61	96.61	2016-17	CIT (Appeals)
		209.26	84.22	2017-18	CIT (Appeals)
		132.54	-	2019-20	CIT (Appeals)
		134.81	-	2020-21	CIT (Appeals)
		4.95	-	2009-10	Income Tax Appellate Tribunal
		10.21	2.04	2010-11	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty (Excluding interest and penalty)	0.11	0.02	2013-14	CIT (Appeals)
		4.49	4.49	1987-88	Rajasthan High Court



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of PI Industries Limited on the standalone financial statements for the year ended March 31, 2024

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Name of the statute	Nature of dues	Amount Demanded (Rs. In Million)	Amount Paid under Protest (Rs. In Million)	Period to which the amount relates	Forum where the dispute is pending
	Cenvat Credit (Excluding interest and penalty)	15.92	-	March 2011 to June 2013	CESTAT, Ahmedabad
	Excise Duty (Excluding interest)	379.88	20.69	2004-2017	Central Excise and Appellate Tribunal, Ahmedabad
		1.45	0.05	2016-17	Commissioner CGST (Appeal), Ahmedabad
		7.89	0.73	April 2009 to June 2017	CESTAT, Ahmedabad
		50.06	1.88	September 2015 to June 2017	CESTAT, Ahmedabad
Custom Act, 1962	Custom Duty (Excluding interest)	90.82	3.40	2018-19	CESTAT, Ahmedabad
Custom Act, 1962	Custom Duty (Including interest and Penalty)	17.66	-	2019-20	Principal Commissioner of Customs, Ahmedabad
Custom Act, 1962	Custom Duty (Including Penalty and Fine)	29.81	-	January 2016 to January 2019	Pending to be filed in CESTAT, Mumbai
Custom Act, 1962	Custom Duty (Including Penalty and Fine)	389.14	-	February 2018 to November 2022	Commissioner of Custom (NS-1), JNCH
Custom Act, 1962	Custom Duty (Including Penalty and Fine)	20.66	-	April 2017 to December 2020	Pending to be filed in Tribunal, Mumbai
Custom Act, 1962	Custom Duty (Including Penalty and Fine)	104.47	-	April 2017 to December 2020	Pending to be filed in Tribunal, Mumbai

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.



### **Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of PI Industries Limited on the standalone financial statements for the year ended March 31, 2024

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- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) In our opinion, the monies raised by way of further public offer during FY 2020-2021 (Qualified Institutional Placement) which were not required for immediate utilisation were invested in mutual funds, bank deposit (refer note 42). The Company has not raised any money by way of initial public offer of equity or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management. Also refer note 46 to the financial statement.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.



## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of PI Industries Limited on the standalone financial statements for the year ended March 31, 2024

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- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under 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 (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) 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 not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios (also refer Note 29 to financial statements), ageing and expected dates of realisation 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) (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. (Also, refer Note 24 to the financial statements)



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of PI Industries Limited on the standalone financial statements for the year ended March 31, 2024

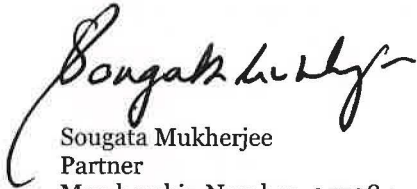
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- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Sougata Mukherjee

Partner

Membership Number: 057084

UDIN: 24057084BKFOBD3396

Date: May 21, 2024

Place: Mumbai

## STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2024

(In ₹ Million)

S.No	Particulars	Quarter ended			Year ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited **	Un-Audited	Audited **	Audited	
I	Revenue from operations	16,263	17,212	15,064	71,454	62,704
II	Other Income	561	650	526	2,243	1,589
III	<b>Total income (I+II)</b>	<b>16,824</b>	<b>17,862</b>	<b>15,590</b>	<b>73,697</b>	<b>64,293</b>
IV	<b>Expenses</b>					
	Cost of materials consumed	8,117	7,932	8,283	33,952	33,550
	Purchases of stock -in- trade	344	324	299	2,122	1,566
	Changes in inventories of finished goods, work in progress and stock in trade	(947)	(381)	(311)	(248)	(941)
	Employee benefit expense	1,458	1,512	1,253	5,818	4,897
	Finance cost	38	21	25	92	355
	Depreciation and amortisation expense	623	617	561	2,461	2,217
	Net impairment losses on financial assets	3	21	(22)	97	111
	Other expense	2,759	2,362	2,219	9,456	8,321
	<b>Total Expenses</b>	<b>12,395</b>	<b>12,408</b>	<b>12,307</b>	<b>53,750</b>	<b>50,076</b>
V	<b>Profit before exceptional items and tax (III-IV)</b>	<b>4,429</b>	<b>5,454</b>	<b>3,283</b>	<b>19,947</b>	<b>14,217</b>
VI	Exceptional items	-	-	-	-	-
VII	<b>Profit before tax (V-VI)</b>	<b>4,429</b>	<b>5,454</b>	<b>3,283</b>	<b>19,947</b>	<b>14,217</b>
VIII	<b>Income tax expense</b>					
	Current tax	737	955	586	3,466	2,509
	Deferred tax	(157)	(366)	(97)	(921)	(464)
	Income tax of earlier years	5	-	-	95	58
	<b>Total Tax Expense</b>	<b>585</b>	<b>589</b>	<b>489</b>	<b>2,640</b>	<b>2,103</b>
IX	<b>Profit for the period/year (VII-VIII)</b>	<b>3,844</b>	<b>4,865</b>	<b>2,794</b>	<b>17,307</b>	<b>12,114</b>
X	<b>Other Comprehensive Income / (Loss) after tax (OCI)</b>					
A	Items that will not be reclassified to profit or loss					
	Remeasurements gains/(losses) on defined benefits plans	(115)	7	37	(94)	28
	Income tax relating to the above item	40	(2)	(13)	33	(10)
B	Items that will be reclassified to profit or loss					
	Effective portion of gains/(losses) on cash flow hedges	252	132	165	525	(636)
	Income tax relating to above items	(87)	(47)	(58)	(183)	222
	<b>Total Other Comprehensive Income / (Loss) for the period/year</b>	<b>90</b>	<b>90</b>	<b>131</b>	<b>281</b>	<b>(396)</b>
XI	<b>Total Comprehensive Income for the period/year (IX+X)</b>	<b>3,934</b>	<b>4,955</b>	<b>2,925</b>	<b>17,588</b>	<b>11,718</b>
XII	<b>Paid-up equity share capital</b>					
	(Face value of ₹ 1/- each (Previous Year ₹ 1/- each))	152	152	152	152	152
XIII	<b>Other Equity excluding Revaluation Reserves as per Balance sheet</b>				86,660	70,816
XIV	<b>Earning per Share * (in ₹)</b>					
	(a) Basic	25.34	32.04	18.41	114.07	79.84
	(b) Diluted	25.34	32.04	18.41	114.07	79.84

See accompanying notes to the financial results

\* Actuals for the Quarter not annualised

\*\* Refer note 3



## STATEMENT OF STANDALONE AUDITED ASSETS AND LIABILITIES AS AT 31ST MARCH 2024

BALANCE SHEET		(In ₹ Million)	
S.No	Particulars	As at	
		31.03.2024	31.03.2023
I	<b>ASSETS</b>		
1	<b>Non Current Assets</b>		
	Property, Plant & Equipment	25,381	24,174
	Capital work-in-progress	1,170	609
	Goodwill	671	671
	Other Intangible assets	289	283
	Intangible asset under development	1,036	690
	Financial Assets		
	(i) Investments	12,025	1,845
	(ii) Loans	-	690
	(iii) Other financial assets	450	157
	Deferred tax assets (Net)	404	-
	Non- Current tax assets	144	49
	Other non-current assets	524	85
	<b>Total non-current assets</b>	<b>42,094</b>	<b>29,253</b>
2	<b>Current Assets</b>		
	Inventories	11,668	13,447
	Financial Assets		
	(i) Investments	12,460	9,843
	(ii) Trade receivables	7,027	6,934
	(iii) Cash and cash equivalents	7,658	8,047
	(iv) Bank balances other than (iii) above	17,786	13,276
	(v) Loans	48	137
	(vi) Other financial assets	168	17
	Contract assets	889	661
	Other current assets	2,476	1,743
	<b>Total current assets</b>	<b>60,180</b>	<b>54,105</b>
	<b>Total assets</b>	<b>1,02,274</b>	<b>83,358</b>
II	<b>EQUITY &amp; LIABILITIES</b>		
1	<b>Equity</b>		
	Equity Share Capital	152	152
	Other Equity	86,660	70,816
	<b>Total equity</b>	<b>86,812</b>	<b>70,968</b>
2	<b>Liabilities</b>		
	<b>Non Current Liabilities</b>		
	Financial Liabilities		
	(i) Lease liabilities	301	227
	(ii) Other financial liabilities	179	264
	Provisions	174	90
	Deferred tax liabilities (Net)	-	287
	<b>Total Non current liabilities</b>	<b>654</b>	<b>868</b>
	<b>Current Liabilities</b>		
	Financial Liabilities		
	(i) Lease liabilities	144	106
	(ii) Trade payables		
	a) total outstanding dues of micro enterprises and small enterprises	265	778
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	10,441	7,582
	(iii) Other financial liabilities	2,702	2,081
	Provisions	352	276
	Current Tax Liabilities	62	54
	Other current liabilities	842	645
	<b>Total current liabilities</b>	<b>14,808</b>	<b>11,522</b>
	<b>Total Liabilities</b>	<b>15,462</b>	<b>12,390</b>
	<b>Total equity and liabilities</b>	<b>1,02,274</b>	<b>83,358</b>



## STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2024

Annexure I

(In ₹ Millions)

PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Income Tax	19,947	14,217
<b>Adjustments for :-</b>		
Depreciation and amortisation expense	2,461	2,217
Dividend income	(30)	-
Finance costs	92	355
Net Impairment losses on financial and contract assets	97	111
Interest Income on Financial Assets at amortised cost	(1,411)	(818)
Unwinding of discount on Security Deposits	(4)	(0)
Loss on Sale/Retirement/write off of property, plant & equipment (Net)	15	1
Gain on sale of Investments (Net)	(21)	(68)
Gain on financial assets measured at fair value through profit or loss (Net)	(653)	(354)
Unrealised Loss/(Gain) on foreign currency transactions (Net)	(49)	(353)
<b>Operating Profit before Working Capital changes</b>	<b>20,444</b>	<b>15,308</b>
(Increase) / Decrease in Trade Receivables	(94)	1,134
(Increase) / Decrease in Current financial assets - Loans	89	642
(Increase) / Decrease in Current Contract Assets	(228)	669
(Increase) / Decrease in Non-current financial assets - Loans	(0)	(690)
(Increase) / Decrease in Other current financial assets	(147)	81
(Increase) / Decrease in Other non-current financial assets	106	(32)
(Increase) / Decrease in Other current assets	(735)	435
(Increase) / Decrease in Other non-current assets	1	1
(Increase) / Decrease in Other bank balances	-	67
(Increase)/ Decrease in Inventories	1,779	(126)
Increase / (Decrease) in Current Provisions and Trade Payables	2,415	(271)
Increase / (Decrease) in Non-current Provisions	83	34
Increase / (Decrease) in Other current financial liabilities	733	175
Increase / (Decrease) in Other non-current financial liabilities	(85)	55
Increase / (Decrease) in Other current liabilities	196	10
<b>Cash generated from Operations before tax</b>	<b>24,557</b>	<b>17,492</b>
Income Taxes paid	(3,569)	(2,471)
<b>Net cash inflow from Operating Activities</b>	<b>20,988</b>	<b>15,021</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for purchase of property, plant & equipment including Capital Work in Progress, Intangible Assets and Capital Advances	(4,783)	(3,049)
Proceeds from sale of property, plant & equipment	14	38
Purchase of Investment in Subsidiary	(9,666)	(235)
Loan to subsidiary	(3,910)	(690)
Repayment of Loan	4,600	-
Purchase of Current Investments	(5,117)	(2,100)
Sale of Current Investments	3,171	1,159
Investment in Fixed Deposits with remaining maturity of more than 12 months	(514)	1,397
Investment in Fixed Deposits having more than 3 months original maturity and less than 12 months remaining maturity	(4,565)	(3,102)
Dividend income	30	-
Interest Received	1,411	818
<b>Net cash used in Investing Activities</b>	<b>(19,329)</b>	<b>(5,764)</b>
<b>Net cash inflow from Operating and Investing Activities</b>	<b>1,659</b>	<b>9,257</b>



## STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2024

Annexure I

(In ₹ Millions)

PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayments of borrowings	-	(2,669)
Principal elements of lease payments	(212)	(174)
Interest paid	(92)	(325)
Dividends paid	(1,744)	(1,137)
<b>Net Cash (outflow) from Financing Activities</b>	<b>(2,048)</b>	<b>(4,305)</b>
<b>Net Cash inflow (outflow) from Operating, Investing &amp; Financing Activities</b>	<b>(389)</b>	<b>4,952</b>
<b>Net increase (decrease) in Cash &amp; Cash equivalents</b>	<b>(389)</b>	<b>4,952</b>
<b>Opening balance of Cash &amp; Cash equivalents</b>	<b>8,047</b>	<b>3,095</b>
<b>Closing balance of Cash &amp; Cash equivalents</b>	<b>7,658</b>	<b>8,047</b>
Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following :		
i) Cash on Hand	0	1
ii) Balance with Banks :		
-In Current Accounts	3,878	3,477
-In Fixed Deposits	3,780	4,569
<b>Total</b>	<b>7,658</b>	<b>8,047</b>

The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7.

1. Figures in brackets indicate cash outflows.

2. The sign '0' in these standalone audited financial results indicates that the amounts involved are below ₹ five lacs and the sign '-' indicates that the amounts are nil.



## Notes

- 1 The above financial results were reviewed and recommended by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on May 21, 2024.
- 2 Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 3 The Figures for the March quarter are the balancing figures between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of respective financial year.
- 4 The Company is in the business of manufacturing and distribution of Agro Chemicals and accordingly has one reportable business segment viz. 'Agro Chemicals'.
- 5 The Company raised ₹ 20,000 Mn during the quarter ended September 30, 2020 through Qualified Institutional Placement (QIP) of equity shares. Out of the funds received of ₹ 19,750 Mn (net of expense of ₹ 250 Mn), the Company invested ₹ 9,840 Mn in one of its subsidiary, PI Health Sciences Limited. Balance funds of ₹ 9,910 Mn received pursuant to QIP remain invested in fixed deposits, liquid and other debt mutual funds.
- 6 During the year, Material lost in transit amounting to ₹ 401 Mn was recovered, out of which, ₹ 351 Mn has been re-processed and sold to the customer. Balance material is under evaluation.
- 7 Standalone Statement of Cash flows is attached in Annexure I.
- 8 The Board of Directors at their meeting held on May 21, 2024 have recommended final dividend of ₹ 9 per equity share, subject to the approval of the shareholders in the ensuing Annual General Meeting. With this, total dividend for the year (including interim dividend of ₹ 6 per equity share paid during the year) is ₹ 15 per share.
- 9 The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.

Place: Mumbai  
Date: May 21, 2024

For PI Industries Limited



Regd. Office: Udaisagar Road, Udaipur - 313001 (Raj)  
Phone: 0294 2492451-55 Fax: 0294 2491946  
CIN: L24211RJ1946PLC000469

Mayank Singhal  
Vice Chairman & Managing Director  
DIN : 00006651

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of PI Industries Limited

Report on the Audit of the Consolidated Financial Statements

### Opinion

1. We have audited the accompanying consolidated financial statements of PI Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), controlled trust, its associate company and joint venture entity (refer Note 3(c) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2024, and 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 then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. 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 the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, controlled trust, its associate company and joint venture entity as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

3. 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 Consolidated Financial Statements" section of our report. We are independent of the Group, controlled trust, its associate company and jointly venture entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 and 15 of the Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurugram - 122 002  
T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Key audit matter	How our audit addressed the key audit matter
<p><b>Assessment of impairment of Goodwill arising from the consolidated financial statements of PI Health Science Limited</b></p> <p><b>(Refer to note 5 in the consolidated financial statements)</b></p> <p>The Group had recognised goodwill arising out of business acquisition during the year by PI Health Sciences Limited, the carrying value of which is INR 2,783 Million as on March 31, 2024.</p> <p>The Group has performed an impairment assessment of the carrying value of Goodwill as on the balance sheet date by estimating the recoverable value of the related cash generating unit ('CGU') using the discounted cash flow model with the involvement of a valuation expert engaged by the management. Based on its assessment, the management has concluded that no provision for impairment of goodwill was necessary as at March 31, 2024.</p> <p>We have considered this to be a key audit matter as the assessment of recoverable value using discounted cash flow forecast required significant management judgement in respect of certain key inputs like determining on appropriate discount rate, future cash flows and terminal growth rate.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood and evaluated the design and tested the operating effectiveness of controls around assessment of impairment to the carrying value of Goodwill.</li> <li>• Evaluated whether the Group's determination of CGU was consistent with our understanding and knowledge of its operations.</li> <li>• Evaluated the independence, competence, capabilities and objectivity of the valuation expert engaged by the Management.</li> <li>• Examined the report prepared by the external valuation expert engaged by the management and understood and evaluated the projections thereon by testing key inputs and assumptions made in the value in use calculations and performed sensitivity analysis.</li> <li>• With the involvement of the auditor's expert, assessed the key assumptions considered in forecasting the cash flows for assessment of recoverable value of the CGU.</li> <li>• Read the auditor's report on the consolidated financial statements of PI Health Science Limited to identify any information/ disclosure which may have an impact on the assessment of Goodwill impairment.</li> <li>• Verified the adequacy and appropriateness of the disclosures made in the consolidated financial statements.</li> </ul> <p>Based on the above procedures performed, the management's assessment of impairment of goodwill is considered reasonable.</p>



### Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Integrated Report, including Management Discussion and Analysis, Board's Report, Business Responsibility and Sustainability Report (BRSR) and Corporate Governance report but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the assurance report on BRSR and selected GRI Indicators, which is expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), that we have obtained prior to the date of the auditor's report, 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. When we read the assurance report on BRSR and on selected GRI Indicators, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its controlled trust, its associate company and joint venture entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group, controlled trust and of its associate company and joint venture entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, controlled trust and of its associate company and joint venture entity are responsible for assessing the ability of the Group, controlled trust and of its associate company and joint venture entity 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 Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group, controlled trust and of its associate company and joint venture entity are responsible for overseeing the financial reporting process of the Group, controlled trust and of its associate company and joint venture entity.



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

9. Our objectives are to obtain reasonable assurance about whether the 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.
10. 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 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 Holding company has adequate internal financial controls with reference to consolidated 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 ability of the Group, controlled trust and its associate company and joint venture entity 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 Group, controlled trust and its associate company and joint venture entity 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 Group, controlled trust and its associate company and joint venture entity 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 of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.
12. 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.
13. 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 Matters

14. We did not audit the consolidated financial statements of two subsidiaries (including three step-down subsidiaries, one associate and one joint venture) whose financial statements reflect total assets of Rs 13,948 Mn and net assets of Rs 4,530 Mn as at March 31, 2024, total revenue of Rs. 3,217 Mn, total comprehensive loss (comprising of profit and other comprehensive loss) of Rs 774 Mn and net cash flows amounting to Rs 474 Mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries (including three step-down subsidiaries, one associate and one joint venture) and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
15. We did not audit the financial statements of four subsidiaries and one controlled trust whose financial statements reflect total assets of Rs 3,041 Mn and net assets of Rs 2,394 Mn as at March 31, 2024, total revenue of Rs. 2,434 Mn, total comprehensive income (comprising of profit and other comprehensive income) of Rs 187 Mn and net cash flows amounting to Rs 15 Mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and one controlled trust company and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and controlled trust, is based solely on the reports of the other auditors.
16. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs 37 Mn and net assets of Rs 23 Mn as at March 31, 2024, total revenue of Rs. 51 Mn, total comprehensive income (comprising of profit and other comprehensive income) of Rs 1 Mn and net cash flows amounting to Rs 2 Mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 including Rule 11 of the Companies (Audit and Auditors) Rules, 2014 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely



on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

### **Report on Other Legal and Regulatory Requirements**

17. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

In our opinion, and according to the information and explanation given to us, Caro 2020 is not applicable to one subsidiary and controlled trust included in the Consolidated Financial Statements, hence this report doesn't contain a statement on the matter specified in paragraph 3(xxi) of Caro 2020 in relation to that subsidiary company and controlled trust.

18. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (c) The Consolidated Balance Sheet, 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 dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company and joint venture entity incorporated in India, none of the directors of the Group companies, its associate company and joint venture entity incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.



(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, controlled trust, its associate company and joint venture entity – Refer Note 33 to the consolidated financial statements.
- ii. The Group, controlled trust, its associate company and joint venture entity did not have any long-term contracts including derivative contracts as at March 31, 2024 for which there were no material foreseeable losses.
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, controlled trust, associate company and joint venture entity incorporated in India during the year.
- iv. (a) The respective managements of the Company and its subsidiaries, its associate company and joint venture entity which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, its associate company and joint venture entity respectively that, to the best of their knowledge and belief, other than as disclosed in Note 42(x) to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries, its associate company and joint venture entity to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries, its associate company and joint venture entity ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries, its associate company and joint venture entity which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, its associate company and joint venture entity respectively that, to the best of their knowledge and belief, other than as disclosed in the Notes 42(xi) to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries, its associate company and joint venture entity from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries, its associate company and joint venture entity shall, 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.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries, its associate company and joint venture entity which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. The dividend declared and paid during the year by the Holding Company and one subsidiary company, is in compliance with Section 123 of the Act. The other subsidiary companies,



INDEPENDENT AUDITOR'S REPORT  
To the Members of PI Industries Limited  
Report on the Consolidated Financial Statements

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controlled trust, its associate company and joint venture entity, has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries, associate and joint venture entity which are companies incorporated in India whose financial statements have been audited under the Act:

(a) the Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log (a) is not maintained at the application level in case of modification, if any, by IT administrator with debug access rights to find and fix errors; and (b) was not enabled to record any direct changes at the database level. During the course of performing our procedures, in respect of the audit trail feature enabled, we did not notice any instance of the audit trail feature being tampered with. Also, refer note 45 to the consolidated financial statements.

(b) the following remarks were included in the audit reports dated May 15, 2024, April 26, 2024, April 25, 2024 and April 23, 2024 containing an unmodified opinion issued by other auditors on the consolidated financial statements for two subsidiaries; and on the standalone financial statements of four subsidiaries, which is reproduced as under :

Name of subsidiary	Remarks in Audit report
1. PI Health Science Limited 2. Jivagro Limited 3. PI Bio Ferma Private Limited 4. PI Fermachem Private Limited 5. PILL finance and Investments Limited	Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log was not enabled to record any direct changes at the database level. During the course of our audit, we did not notice any instance of audit trail feature being tampered with.
1. PI Life Sciences Research Limited	Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log was not enabled to record any direct changes at the database level. During the course of our audit, we did not notice any instance of audit trail feature being tampered with. In case of an associate company incorporated in India, based on the auditor's report, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, the auditor did not notice any instance of audit trail feature being tampered with.

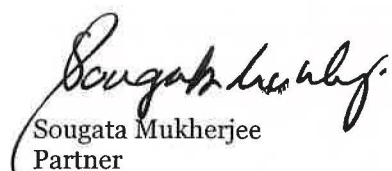


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19. The Holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act and for six subsidiaries and one associate based on the report of their respective statutory auditors, no managerial remuneration has been paid. Further, reporting under section 197(16) of the Act is not applicable to one subsidiary, controlled trust, and one joint venture as per the reports of their respective statutory auditors and to one subsidiary incorporated outside India.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Sougata Mukherjee  
Partner

Membership Number: 057084  
UDIN: 24057084BKFOBE9371  
Date: May 21, 2024  
Place: Mumbai

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of PI Industries Limited on the consolidated financial statements for the year ended March 31, 2024  
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### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of PI Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate Company and a joint venture entity, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to one subsidiary incorporated outside India namely PI Japan Co. Limited and a controlled trust.

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

2. The respective Board of Directors of the Holding Company, its subsidiary companies and a joint venture entity, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("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**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing 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 ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.



## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of PI Industries Limited on the consolidated financial statements for the year ended March 31, 2024

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5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

### **Meaning of Internal Financial Controls with reference to financial statements**

6. A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Holding Company, its subsidiary companies, associate company and a Joint venture entity, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.



## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of PI Industries Limited on the consolidated financial statements for the year ended March 31, 2024

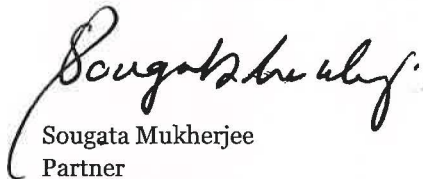
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### **Other Matter**

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to six subsidiary companies (including step-down subsidiaries), its associate company and one joint venture entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Sougata Mukherjee

Partner

Membership Number: 057084

Date: May 21, 2024

UDIN: 24057084BKFOBE9371

Place: Mumbai

## Annexure B to Independent Auditors' Report


Referred to in paragraph 16 of the Independent Auditors' Report of even date to the members of PI Industries Limited on the consolidated financial statements as of and for the year ended March 31, 2024

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following Companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies in the Consolidated Financial Statements of the Holding Company.

### Cash loss reported by Subsidiaries

S. No.	Name of the Company	CIN	Relationship with the Holding Company	Paragraph Number and comment in their respective CARO report reproduced below
1	PI BioFerma Private Limited (Formerly known as PI Enzachem Private Limited)	U24290RJ2020PTCo70948	Subsidiary	(xvii) The Company has incurred cash losses amounting to INR 0.08 million in the current financial year and INR 0.12 million in the preceding financial year respectively.
2	PI FERMACHEM Private Limited	U24233RJ2020PTCo70968	Subsidiary	(xvii) The Company has incurred cash losses amounting to INR 0.08 million in the current financial year and INR 0.09 million in the preceding financial year respectively.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Sougata Mukherjee  
Partner  
Membership Number: 057084  
UDIN: 24057084BKFOBE9371  
Date: May 21, 2024  
Place: Mumbai

## STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2024

(In ₹ Million)

S.No.	Particulars	Quarter ended			Year ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited**	Un-Audited	Audited**	Audited	Audited
I	Revenue from operations	17,410	18,975	15,656	76,658	64,920
II	Other Income	579	561	495	2,077	1,590
III	<b>Total income (I+II)</b>	<b>17,989</b>	<b>19,536</b>	<b>16,151</b>	<b>78,735</b>	<b>66,510</b>
IV	<b>Expenses</b>					
	Cost of materials Consumed	8,497	7,799	8,493	35,787	34,343
	Purchases of stock -in- trade	381	424	350	2,629	1,881
	Changes in inventories of finished goods, work in progress and stock in trade	(844)	590	(204)	(40)	(697)
	Employee Benefit expense	1,784	1,856	1,345	7,013	5,266
	Finance Cost	109	70	33	300	371
	Depreciation and amortisation expense	799	783	577	3,082	2,265
	Net impairment losses on financial assets	19	26	(29)	168	129
	Other Expense	3,155	2,744	2,273	10,954	8,577
	<b>Total Expenses</b>	<b>13,900</b>	<b>14,292</b>	<b>12,838</b>	<b>59,893</b>	<b>52,135</b>
V	Share of Profit of associate and Joint venture	24	14	12	105	68
VI	<b>Profit before exceptional items and tax (III-IV+V)</b>	<b>4,113</b>	<b>5,258</b>	<b>3,325</b>	<b>18,947</b>	<b>14,443</b>
VII	Exceptional items	-	-	-	-	-
VIII	<b>Profit before tax (VI-VII)</b>	<b>4,113</b>	<b>5,258</b>	<b>3,325</b>	<b>18,947</b>	<b>14,443</b>
IX	<b>Income tax expense</b>					
	Current tax	761	976	613	3,562	2,592
	Deferred tax	(348)	(204)	(94)	(1,525)	(502)
	Income tax of earlier years	5	-	(0)	95	58
	<b>Total Tax Expense</b>	<b>418</b>	<b>772</b>	<b>519</b>	<b>2,132</b>	<b>2,148</b>
X	<b>Profit for the period/ year (VIII - IX)</b>	<b>3,695</b>	<b>4,486</b>	<b>2,806</b>	<b>16,815</b>	<b>12,295</b>
XI	<b>Other Comprehensive Income / (Loss) after tax (OCI)</b>					
A	Item that will not be reclassified to profit or loss					
	Remeasurements gain/(loss) on defined benefits plans	(117)	7	53	(96)	44
	Income tax relating to the above item	40	(2)	(17)	33	(14)
B	Item that will be reclassified to profit or loss					
	Effective portion of gain/(loss) on cash flow hedges	251	132	165	524	(636)
	Exchange difference on translation of foreign operations	(68)	102	(1)	(33)	0
	Income tax relating to above item	(87)	(47)	(58)	(183)	222
	<b>Total Other Comprehensive Income/(Loss) for the period/ year</b>	<b>19</b>	<b>192</b>	<b>142</b>	<b>245</b>	<b>(384)</b>
XII	<b>Total Comprehensive Income for the period/ year (X+XI)</b>	<b>3,714</b>	<b>4,678</b>	<b>2,948</b>	<b>17,060</b>	<b>11,911</b>
XIII	<b>Paid-up equity share capital</b> (Face value of ₹ 1/- each (Previous Year ₹ 1/- each))	152	152	152	152	152
XIV	<b>Other Equity excluding Revaluation Reserves as per Balance sheet</b>				87,158	71,833
XV	<b>Earning per Share * (in ₹)</b>					
	(a) Basic	24.36	29.59	18.49	110.85	81.06
	(b) Diluted	24.35	29.58	18.50	110.83	81.04
	See accompanying notes to the financial results					

\* Actuals for the quarter, not annualised

\*\* Refer Note 4



## STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT 31ST MARCH 2024

(In ₹ Million)

S.No.	Particulars	As at	
		31.03.2024	31.03.2023
		Consolidated	
I	<b>ASSETS</b>		
1	<b>Non Current Assets</b>		
	Property, Plant & Equipment	29,543	24,944
	Capital work-in-progress	1,731	625
	Goodwill	3,611	828
	Other Intangible assets	2,129	283
	Intangible asset under development	1,050	699
	Investments accounted for using the equity method	335	258
	Financial Assets		
	(i) Investments	568	55
	(ii) Other financial assets	581	245
	Deferred tax assets	469	-
	Non-Current Tax Assets	294	49
	Other non-current assets	544	188
	<b>Total non-current assets</b>	<b>40,855</b>	<b>28,174</b>
2	<b>Current Assets</b>		
	Inventories	13,012	13,976
	Financial Assets		
	(i) Investments	12,460	9,843
	(ii) Trade receivables	9,299	7,720
	(iii) Cash and cash equivalents	8,865	8,727
	(iv) Bank balances other than (iii) above	18,174	13,702
	(v) Loans	37	83
	(vi) Other financial assets	187	21
	Contract assets	1,612	661
	Other current assets	3,139	1,890
	<b>Total current assets</b>	<b>66,785</b>	<b>56,623</b>
	<b>Total assets</b>	<b>1,07,640</b>	<b>84,797</b>
II	<b>EQUITY &amp; LIABILITIES</b>		
1	<b>Equity</b>		
	Equity Share Capital	152	152
	Other Equity	87,158	71,833
	<b>Total equity</b>	<b>87,310</b>	<b>71,985</b>
2	<b>Liabilities</b>		
	<b>Non Current Liabilities</b>		
	Financial Liabilities		
	(i) Borrowings	617	-
	(ii) Lease Liabilities	438	324
	(iii) Other financial liabilities	1,603	354
	Provisions	364	103
	Deferred tax liabilities	202	213
	<b>Total Non current liabilities</b>	<b>3,224</b>	<b>994</b>
	<b>Current Liabilities</b>		
	Financial Liabilities		
	(i) Borrowings	662	-
	(ii) Lease Liabilities	189	141
	(iii) Trade payables		
	a) total outstanding dues of micro enterprises and small enterprises	306	804
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	11,178	7,576
	(iv) Other financial liabilities	3,355	2,230
	Provisions	366	278
	Current Tax Liabilities	62	54
	Other current liabilities	988	735
	<b>Total current liabilities</b>	<b>17,106</b>	<b>11,818</b>
	<b>Total Liabilities</b>	<b>20,330</b>	<b>12,812</b>
	<b>Total equity and liabilities</b>	<b>1,07,640</b>	<b>84,797</b>



## STATEMENT OF CONSOLIDATED AUDITED CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2024

Annexure I

(In ₹ Million)

PARTICULARS	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before Income Tax</b>	<b>18,947</b>	<b>14,443</b>
<b>Adjustments for :-</b>		
Depreciation and amortisation expense	3,082	2,265
Finance costs	300	371
Net impairment losses on financial assets	168	129
Interest Income on financial assets at amortised cost	(1,249)	(848)
Unwinding of discount on security deposits	(4)	(0)
(Gain)/Loss on sale/retirement of property, plant & equipment (Net)	18	1
(Gain) on sale of investments (Net)	(11)	(68)
(Gain) on financial assets measured at fair value through profit or loss (Net)	(659)	(354)
Share of (profit) of associate and joint venture	(105)	(68)
Unrealised (Gain)/Loss on foreign currency transactions (Net)	(49)	(349)
<b>Operating Profit before Working Capital changes</b>	<b>20,438</b>	<b>15,522</b>
(Increase) / Decrease in trade receivables	(276)	1,100
(Increase) / Decrease in current financial assets - Loans	10	(59)
(Increase) / Decrease in current contract assets	(228)	669
(Increase) / Decrease in other current financial assets	(349)	79
(Increase) / Decrease in other non-current financial assets	307	(36)
(Increase) / Decrease in other current assets	(897)	364
(Increase) / Decrease in other non-current assets	1	(0)
(Increase) / Decrease in other bank balances	-	44
(Increase)/Decrease in inventories	2,045	257
Increase / (Decrease) in trade payables	2,398	(600)
Increase / (Decrease) in current provisions	(176)	1
Increase / (Decrease) in non-current provisions	112	24
Increase / (Decrease) in other current financial liabilities	995	108
Increase / (Decrease) in other non-current financial liabilities	(41)	63
Increase / (Decrease) in other current liabilities	(230)	36
<b>Cash generated from Operations before tax</b>	<b>24,109</b>	<b>17,572</b>
Income Taxes paid (Includes TDS)	(3,750)	(2,558)
<b>Net cash inflow from Operating Activities</b>	<b>20,359</b>	<b>15,014</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for purchase of property, plant & equipment including capital work in progress, intangible assets and capital advances	(6,204)	(3,263)
Proceeds from sale of property, plant & equipment	14	38
Consideration paid for acquisition of subsidiary, net of cash acquired	(6,337)	-
Purchase of Current Investments	(5,117)	(2,100)
Sale of current investments	3,171	1,159
Investment in Fixed Deposits with remaining maturity of more than 12 months	(536)	1,410
Investment in Fixed Deposits having more than 3 months original maturity and less than 12 months remaining maturity	(4,528)	(3,054)
Interest Received	1,532	848
<b>Net cash used in Investing Activities</b>	<b>(18,005)</b>	<b>(4,962)</b>
<b>Net cash inflow (outflow) from Operating and Investing Activities</b>	<b>2,354</b>	<b>10,052</b>



## STATEMENT OF CONSOLIDATED AUDITED CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2024

Annexure I

(In ₹ Million)

PARTICULARS	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings- Repayments	-	(2,669)
Borrowings- Term Loan	248	-
Principal elements of Deferred lease payments	(267)	(683)
Interest paid	(453)	(342)
Dividends paid (including Tax)	(1,744)	(1,137)
<b>Net Cash inflow (outflow) from Financing Activities</b>	<b>(2,216)</b>	<b>(4,831)</b>
<b>Net Cash inflow (outflow) from Operating, Investing &amp; Financing Activities</b>	<b>138</b>	<b>5,221</b>
Effect of exchange differences on translation of foreign currency Cash & Cash equivalents	-	-
<b>Net increase (decrease) in Cash &amp; Cash equivalents</b>	<b>138</b>	<b>5,221</b>
<b>Opening balance of Cash &amp; Cash equivalents</b>	<b>8,727</b>	<b>3,506</b>
<b>Closing balance of Cash &amp; Cash equivalents</b>	<b>8,865</b>	<b>8,727</b>
Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following :		
i) Cash on Hand	0	1
ii) Balance with Banks :		
-In Current Accounts	4,399	3,771
-In Fixed Deposits	4,466	4,955
<b>Total</b>	<b>8,865</b>	<b>8,727</b>

The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7.

1 .Figures in brackets indicate cash outflows.

2.The sign '0' in these consolidated audited financial results indicates that the amounts involved are below ₹ five lacs and the sign '-' indicates that the amounts are nil.



**Notes:**

- 1 The above Consolidated financial results were reviewed and recommended by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on May 21, 2024.
- 2 Consolidated Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 3 The Consolidated financial results include the results of the following entities namely, Parent Company a) PI Industries Limited; Subsidiaries (including step down subsidiaries): b) PILL Finance and Investments Limited c) PI Life Science and Research Limited d) PI Japan Co. Limited e) Jivagro Limited f) PI BIOFERMA Private Limited g) PI FERMACHEM Private Limited h) PI Health Sciences Limited i) PI Health Sciences USA, LLC j) PI Health Sciences Netherlands BV k) Archimica S.p.A Italy; Controlled trust: l) PI ESOP Trust; m) PI Kumiai Private Limited (Joint Venture) n) Solinnos Agro Sciences Private Limited (Associate).
- 4 The Figures for the March quarter are the balancing figures between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of respective financial year.
- 5 Consolidated statement of Cash Flow is attached in Annexure I.
- 6 The Company raised ₹ 20,000 Mn during the quarter ended September 30, 2020 through Qualified Institutional Placement (QIP) of equity shares. Out of the funds received of ₹ 19,750 Mn (net of expense of ₹ 250 Mn), the Company invested ₹ 9,840 Mn in one of its subsidiary, PI Health Sciences Limited. Balance funds of ₹ 9,910 Mn received pursuant to QIP remain invested in fixed deposits, liquid and other debt mutual funds.
- 7 During the June 2023 quarter, PI Health Sciences Limited has entered into a share purchase agreement dated April 27, 2023 for the acquisition of 100% shareholding of "Therachem Research Medilab (India) Private Limited" and "Solis Pharmachem Private Limited". Further, PI Health Sciences USA, LLC has entered into an asset purchase agreement dated April 27, 2023 for the acquisition of business of Therachem Research Medilab LLC, USA. These agreements were subject to satisfactory completion of conditions precedents as set out in the respective agreement, which were completed on June 02, 2023 end of business hours.  
  
PI Health Sciences Netherlands BV has entered into a share purchase agreement dated April 26, 2023 for the acquisition of 100% shareholding of "Archimica S.p.A, Italy" and acquired 100% shares on April 27, 2023.  
  
These transactions have been accounted for in accordance with the acquisition method specified in Ind AS 103 "Business Combination" and the purchase consideration in excess of the fair value of the net assets acquired has been recognised as goodwill.
- 8 During the year, Material lost in transit amounting to ₹ 401 Mn was recovered, out of which, ₹ 351 Mn has been re-processed and sold to the customer. Balance material is under evaluation.
- 9 Segment information as per Ind AS 108 "Operating Segments" is as per annexure II.
- 10 The Board of Directors at their meeting held on May 21, 2024 have recommended final dividend of ₹ 9 per equity share, subject to the approval of the shareholders in the ensuring Annual General Meeting. With this, total dividend for the year (including interim dividend of ₹ 6 per equity share paid during the year) is ₹ 15 per share.
- 11 The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.

Place: Mumbai  
Date: May 21, 2024

Regd. Office: Udaisagar Road, Udaipur - 313001 (Raj)  
Phone: 0294 2492451-55 Fax: 0294 2491946  
CIN: L24211RJ1946PLC000469

For PI Industries Limited



Mayank Singhal  
Vice Chairman & Managing Director  
DIN : 00006651



## PI Industries Ltd.

### Consolidated Segment-Wise Revenue, Results, Assets, Liabilities and Capital Employed for the Quarter and Year ended 31st March 2024

(In ₹ Million)

S.No	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Un-Audited	Audited	Audited	Audited
1	<b>Segment Revenue</b>					
	a. Agro chemicals	16,695	17,702	15,656	73,509	64,920
	b. Pharma	715	1,273	-	3,149	-
	<b>Total</b>	<b>17,410</b>	<b>18,975</b>	<b>15,656</b>	<b>76,658</b>	<b>64,920</b>
	Less : Inter Segment Revenue	-	-	-	-	-
	<b>Segment Revenue</b>	<b>17,410</b>	<b>18,975</b>	<b>15,656</b>	<b>76,658</b>	<b>64,920</b>
2	<b>Segment Results</b>					
	<b>Profit/(Loss) before tax</b>					
	a. Agro chemicals	4,503	5,441	3,363	20,051	14,554
	b. Pharma	(390)	(183)	(38)	(1,104)	(111)
	<b>Profit before Tax</b>	<b>4,113</b>	<b>5,258</b>	<b>3,325</b>	<b>18,947</b>	<b>14,443</b>
3	<b>Segment Assets</b>					
	a. Agro chemicals	94,353	90,730	83,866	94,353	83,866
	b. Pharma	13,287	13,381	931	13,287	931
	<b>Segment Assets</b>	<b>1,07,640</b>	<b>1,04,111</b>	<b>84,797</b>	<b>1,07,640</b>	<b>84,797</b>
4	<b>Segment Liabilities</b>					
	a. Agro chemicals	16,016	14,806	12,713	16,016	12,713
	b. Pharma	4,314	4,797	99	4,314	99
	<b>Segment Liabilities</b>	<b>20,330</b>	<b>19,603</b>	<b>12,812</b>	<b>20,330</b>	<b>12,812</b>
5	<b>Capital Employed</b>					
	<b>(Segment Assets-Segment Liabilities)</b>					
	a. Agro chemicals	78,337	75,924	71,153	78,337	71,153
	b. Pharma	8,973	8,584	832	8,973	832
	<b>Capital Employed</b>	<b>87,310</b>	<b>84,508</b>	<b>71,985</b>	<b>87,310</b>	<b>71,985</b>

**Notes :**

The business of the Group is divided into two segments as below:

**1) Agro chemicals**

Agro chemicals includes Agchem exports (CSM) and Domestic Agri Brands.

**2) Pharma**

Pharma comprises Contract Research & Development, Contract Development and Manufacturing of Active, key starting materials and intermediates used in pharmaceutical industry.

3) The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.





May 21, 2024

BSE Limited Corporate Relationship Deptt. PJ Towers, 25 <sup>th</sup> Floor, Dalal Street, Mumbai – 400 001  <b>Code No.523642</b>	National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai – 400 051  <b>Code No. PIIND</b>
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Dear Sir/Madam,

**Sub: Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of audit reports with unmodified opinion for the financial year ended March 31, 2024**

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016, it is hereby declared that the statutory auditors of the Company, M/s Price Waterhouse Chartered Accountants LLP (FRN: 012754N / N500016), have issued the audit reports with unmodified opinion(s) on the audited financial statements (both standalone and consolidated) for the financial year ended March 31, 2024.

This is for your information and record.  
Thanking you,

Yours faithfully,  
For **PI Industries Limited**

  
**Manikantan Viswanathan**  
Chief Financial Officer