PI HEALTH SCIENCES LIMITED

Annual Report 2025-2026

PI HEALTH SCIENCES LIMITED

Corporate Information

Board of Directors

Mr. Narayan K Seshadri, Non-Executive, Non-Independent Chairperson
Mr. Arunabha Raychaudhuri, Whole Time Director
Mr. Mayank Singhal, Non-Executive, Non-Independent Director
Mr. Rajnish Sarna, Non-Executive, Non-Independent Director
Dr. T.S. Balganesh, Non-Executive, Non-Independent Director
Dr. Atul Kumar Gupta, Non-Executive, Non-Independent Director
Ms. Suman Gopalan, Non-Executive, Non-Independent Director

Bankers

AXIS Bank Limited

Citi Bank

ICICI Bank Limited

State Bank of India

Auditors

SS Kothari Mehta & Co. LLP
Chartered Accountants

Corporate Identity Number (CIN)

U24290RJ2021PLC076803

Registered Office

Udaisagar Road, Udaipur, Rajasthan- 313001 Phone: +91-294-6651100,

Website: www.pihealthsciences.com

Board's Report

Dear Members,

The Directors present the 5th Annual Report on the business and operations of PI Health Sciences Limited ('the Company') together with the audited standalone and consolidated financial statements for the financial year ended March 31, 2026.

1. FINANCIAL SUMMARY

(₹ in Million)

Particulars	Standalone		Consolidated	
	FY 2026	FY 2025	FY 2026	FY 2025
Revenue from Operations	580.49	355.61	3004.95	2150.96
Other Income	79.07	397.98	100.90	316.01
Loss before Depreciation, Finance Costs and Tax Expense	(544.54)	(428.96)	(1332.39)	(1632.72)
Less: Depreciation and Amortization	307.18	263.66	604.42	609.48
Less: Finance Costs	759.40	559.18	806.75	802.66
Loss before Exceptional items and Tax Expense	(1611.12)	(1251.80)	(2743.56)	(3044.86)
Add/(less): Exceptional items	2.79	-	1258.23	-
Profit / (loss) before Tax Expense	(1613.91)	(1251.80)	(1485.33)	(3044.86)
Less: Current Tax	-	-	3.26	-
Less: Deferred Tax	(271.54)	(354.20)	(308.47)	(564.13)
Less: Income Tax of earlier years	-	(25.61)	-	(25.61)
Loss for the year (1)	(1342.37)	(871.99)	(1180.12)	(2455.12)
Other Comprehensive income / (loss) (2)	2.51	4.21	667.34	97.37
Total Comprehensive income / (loss) (1+2)	(1339.86)	(867.78)	(512.78)	(2357.75)
Balance of retained earnings brought forward from previous year	(464.65)	225.76	(2718.92)	(538.55)
Earnings Per Share — Basic (in ₹)	(3.04)	(1.98)	(2.68)	(5.57)
Earnings Per Share — Diluted (in ₹)	(3.04)	(1.98)	(2.68)	(5.57)

The total income of the Company for the financial year ended March 31, 2026, is ₹ 659.56 million on a standalone basis and ₹ 3105.85 million on a consolidated basis. The net loss after tax for the financial year ended March 31, 2026, is ₹ 1342.37 million on a standalone basis and ₹ 1180.12 million on a consolidated basis.

2. STATE OF COMPANY'S AFFAIRS

The Company is evolving into a fully integrated solutions platform spanning Discovery to Commercialization, positioning itself as a CRDMO player. It operates a state-of-the-art R&D Center in Hyderabad focused on integrated drug discovery (chemistry and biology), along with manufacturing facilities in Jaipur and Italy that combine the strengths of both Eastern and Western practices for development and production.

During the financial year, the Company strengthened customer engagement and increased site visits across all facilities, enabling the onboarding of new clients, including leading pharma and biotech companies. It also initiated key process improvements in business development and operations, including the standardization of S&OP procedures.

In addition, strategic infrastructure investments were undertaken, such as the construction of a new kilo lab in Italy, the establishment of a biology facility in Hyderabad for discovery, and modernization initiatives across all manufacturing sites. These efforts represent important steps toward building a scalable and sustainable growth platform for the future.

3. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to the General Reserve.

4. DIVIDEND

During the year under review, the Board of Directors ('the Board') has not declared any interim dividend. Further, the Board does not recommend declaration of any dividend for the financial year ended on March 31, 2026. Further, the Company does not have any amounts of dividend due or outstanding or lying unpaid as of the date of the Balance Sheet, to be credited to Investor Education and Protection Fund under the provisions of the Companies Act, 2013 ('the Act').

5. SHARE CAPITAL AND OTHER SECURITIES

During the year, the Board of Directors, with the approval of the shareholders at the Extraordinary General Meeting held on August 12, 2025, has resolved to increase the Authorised Share Capital of the Company from ₹ 6,255,500,000/- (Rupees Six Thousand Two Hundred and Fifty-Five Million Five Hundred Thousand only) comprising of 625,550,000 (Six Hundred and Twenty-Five Million Five Hundred and Fifty Thousand) equity shares of ₹ 10.00/- (Rupees Ten only) each to ₹ 20,000,000,000/- (Rupees Twenty Thousand Million only) comprising of 2,000,000,000 (Two Thousand Million) equity shares of ₹ 10.00/- (Rupees Ten only). Consequently, Clause V of the Memorandum of Association of the Company has been amended to reflect the revised Authorised Share Capital in accordance with the provisions of the Companies Act, 2013.

As on March 31, 2026, the authorised share capital of the Company stood at ₹ 20,000,000,000/- (Rupees Twenty Thousand Million only) comprising of 2,000,000,000 (Two Thousand Million) equity shares of ₹ 10.00/- (Rupees Ten only). The issued, subscribed and paid-up share capital of the Company stood at ₹ 4,409,999,460/- (Rupees Four Thousand Four Hundred and Nine Million Nine Hundred and Ninety-Nine Thousand Four Hundred and Sixty only) comprising of 440,999,946 (Four Hundred and Forty Million Nine Hundred and Ninety-Nine Thousand Nine Hundred and Forty Six) equity shares of ₹ 10.00/- (Rupees Ten only) each fully paid.

The Company had on January 15, 2024, issued 1,000,000,000 (One Thousand Million) Optionally Fully Convertible Debentures ('OFCDs') at the face value of ₹ 10 (Rupees Ten) each per debenture aggregating to issue size of ₹ 10,000,000,000 (Rupees Ten Thousand Million), at an interest of 0.50% on a non-cumulative basis per annum, through private placement on a preferential basis to PI Industries Limited, holding company. As on March 31, 2026, Out of the aforesaid issue, 880,000,000 (Eight Hundred and Eighty Million) OFCDs of ₹ 10 each aggregating to ₹ 8800,000,000/- (Rupees Eight Thousand Eight Hundred Million), were allotted by the Company to PI Industries Limited, pursuant to the offer made through private placement on a preferential basis.

Except as mentioned above, there was no further issue of shares/ securities by way of rights issue, bonus issue or preferential issue, etc., during the year under review. Further, the Company has not undertaken any reduction of share capital, buy back of shares, issue of sweat equity shares or shares with differential voting rights as to dividend, voting or otherwise during the year under review.

6. SUBSIDIARY, JOINT VENTURES & ASSOCIATE COMPANIES

As on March 31, 2026, the Company has three (3) subsidiary companies and does not have any joint venture / associate company(ies) within the meaning of Section 2(6) of the Act. During the year under review, none of the companies became / ceased to be subsidiary / joint venture / associate company of the Company.

In accordance with Section 129(3) of the Act read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing salient features of the subsidiary companies in the prescribed format under Part A of the Form AOC-1 is enclosed as Annexure A to this Report. The Company has prepared consolidated financial statements consisting of the financials of all its Subsidiary companies.

The key highlights of the subsidiary companies are as under:

(a) PI Health Sciences Netherlands B.V. ("PIHS NL BV")

The Company owns a 100% stake in PIHS NL BV. PIHS NL BV has reported a net loss of ₹ 13.34 million during the financial year ended March 31, 2026, as against the net loss of ₹ 68.91 million for the period ended March 31, 2025. Due to the size of the operations and local laws, the annual accounts of this Company are not required to be audited. The same has been certified by the management of PIHS NL BV for the purpose of consolidation.

(b) PI Health Sciences USA LLC ('PIHS USA LLC')

PIHS NL BV owns a 100% stake in PIHS USA LLC. PIHS USA LLC has reported a net profit of ₹ 1218.52 million during the financial year ended March 31, 2026, as against the net loss of ₹ 292.05 million for the period ended March 31, 2025. Due to the size of the operations and local laws, the annual accounts of this Company are not required to be audited. The same has been certified by the management of PIHS USA LLC for the purpose of consolidation.

(c) Archimica S.p.A. ('Archimica')

PIHS NL BV owns a 100% stake in Archimica. Archimica has reported a net loss of ₹ 998.67 million during the financial year ended March 31, 2026, as against the net loss of ₹ 1,197.37 million for the period ended March 31, 2025.

7. ANNUAL RETURN

Pursuant to the provisions of Section 92(3), read with Section 134(3)(a) of the Act, a copy of the Annual Return, in the prescribed form, as on March 31, 2026, which will be filed with Registrar of Companies, Ministry of Corporate Affairs, has been uploaded on the Company's website and can be accessed at https://pihealthsciences.com/.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report.

9. DEPOSITS

The Company has not accepted any public deposits under Chapter V of the Act during the financial year under review.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The operations of the Company were not energy intensive nor required adoption of technology. Hence, the information on the conservation of energy, technology absorption in terms of Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is not provided in this report. Further, the information on foreign exchange inflow or outflow during the year under review is given as below:

(₹ in million)

Particulars	2025-26	2024-25
Foreign Exchange Earned	477.05	604.39
Outgo of Foreign Exchange	458.08	220.21

11. RISK MANAGEMENT

The Company, being a wholly owned subsidiary of PI Industries Limited, holding company, follows the Risk Management Policy as adopted and implemented by the holding company. This policy framework is uniformly applicable across the group, including all subsidiaries and affiliates, and covers the identification, assessment, management, monitoring and reporting of various risks and related internal controls. The Risk Management Policy enables the Company to proactively address potential risks that could affect its business operations, financial operations, compliance and reputation. The policy also provides a structured process for the periodic review of the risk exposures and mitigation strategies to ensure effective governance and sustainable growth.

12. INTERNAL CONTROLS SYSTEMS AND ADEQUACY

The Company has in place adequate Internal Financial Controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. The Company has identified and documented all key internal financial controls as part of its Internal Financial Control reporting framework. The Company uses SAP ERP to process financial transactions and maintain its books of accounts to ensure its adequacy, integrity and reliability. The Internal Auditor performs the internal audit and assess the internal controls and statutory compliances in various areas and provide suggestions for improvement. Independence of internal auditors is ensured through direct reporting to the Board. Internal Auditors independently evaluate the adequacy of internal controls and review the various business processes. Internal Audit reports are placed before the Board. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective as on March 31, 2026.

13. AUDITORS

Statutory Auditor

In accordance with section 139(2) of the Act, M/s. SS Kothari Mehta & Co. LLP, Chartered Accountants, (firm registration number 000756N/N1500441) were appointed as Statutory Auditors by the members of the Company at the first Annual General Meeting ('AGM') held on August 22, 2022 for a term of five consecutive years, to hold office from the conclusion of the first AGM till the conclusion of the sixth AGM to be held in the calendar year 2027.

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark on the financial statements for the financial year ended March 31, 2026. The notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Makarand M. Joshi & Co., Practicing Company Secretaries (Firm Registration No. P2009MH007000), as the Secretarial Auditor of the Company. The Secretarial Audit Report is annexed as Annexure B and forms an integral part of this Report. The Secretarial Audit Report for the financial year ended March 31, 2026, does not contain any qualification, reservation or adverse remark.

Internal Auditor

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, the Board had appointed Mr. Umesh Jadhav, a qualified Chartered accountant as the Chief Internal Auditor of the Company, who has conducted the internal audit of the Company for the financial year ended on March 31, 2026.

14. COST RECORDS

As per Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly, such accounts and records are maintained. The cost audit does not apply to the Company as its export revenue exceeds 75% of the total revenue.

15. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board is in line with the applicable provisions of the Act. As on March 31, 2026, the Board comprised of seven Directors, viz., one Executive Director and six Non-Executive Directors.

in accordance with the provisions of Section 152(6) of the Act and Articles of Association of the Company, Mr. Mayank Singhal (DIN: 00006651) and Mr. Rajnish Sarna (DIN: 06429468) will retire by rotation at the ensuing AGM. Mr. Rajnish Sarna has intimated to the Board his decision not to seek re-appointment and shall retire at the ensuing AGM. Mr. Mayank Singhal, being eligible, has offered himself for re-appointment. The Board of Directors recommends the re-appointment of Mr. Mayank Singhal for the approval of the members of the Company at the ensuing AGM.

The Company has not appointed an Independent Director as the Company is not mandatorily required to appoint an Independent Director in accordance with the applicable provisions of the Act.

16. EVALUATION OF THE BOARD'S PERFORMANCE

An evaluation of the performance of all Directors is undertaken annually. The Company has implemented a system of performance evaluation whereby the performance of the Board of Directors as a whole and of its Committees and Individual Directors is evaluated based on a structured questionnaire which is comprised of evaluation criteria. The Board of Directors discussed the feedback and expressed its satisfaction with the evaluation process.

17. NUMBER OF MEETINGS OF THE BOARD

During the year under review, five Board Meetings were held on May 12, 2025, August 4, 2025, November 1, 2025, December 17, 2025, and February 9, 2026. The interval between two Board meetings did not exceed the maximum gap of one hundred and twenty days.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees, investments and securities provided covered under the provisions of Section 186 of the Act have been disclosed in notes to the financial statements forming part of the Annual Report.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all contracts/ arrangements/ transactions entered into by the Company with its related parties were in the ordinary course of business and on an arm's length basis. The disclosure of Related Party Transactions in Form AOC - 2 is enclosed as Annexure C. The details of the Related Party Transactions have been included in the notes to the financial statements forming part of this Annual Report.

20. SECRETARIAL STANDARDS

The Company has complied with all the applicable provisions of the Secretarial Standard - 1 on

'Meeting of the Board of Directors' and Secretarial Standard — 2 on 'General Meetings'.

21. DIRECTORS' RESPONSIBILITY STATEMENT

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

i. in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed with no material departures;

ii. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026, and of the loss of the Company for the year ended on that date;

iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. the Directors have prepared annual accounts on a going concern basis; and

v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

22. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT THE WORKPLACE

The Company is committed towards creating a safe and dignified working environment free from sexual harassment and has a zero-tolerance policy towards any sexual harassment at the workplace. The Company has formulated and implemented a policy for Prevention of Sexual Harassment of Women at workplace. The Company has constituted Internal Complaints Committee to enquire into complaints of Sexual Harassment and to perform duties as prescribed under the Policy of the Company. During the year under review, one complaint was reported to the Internal Complaints Committee and was duly addressed and resolved in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act").

23. GENERAL

The Directors state that no disclosure or reporting is required in respect to the following items as there were no transactions relating to these items during the period under review or were not applicable: -

a. No changes are made in the nature of business of the Company.

b. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

c. The Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act.

d. The provisions relating to Corporate Social Responsibility as specified under Section 135 of the Act, read with rules made thereunder, are not applicable to the Company.

e. Neither any application was made, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 against the Company.

f. There were no instances of one-time settlement with any Bank or Financial Institutions.

24. ACKNOWLEDGEMENT

The Directors take this opportunity to thank all the stakeholders for their support and co-operation.

On behalf of the Board of Directors
For **PI Health Sciences Limited**

Sd/-
Narayan K Seshadri
Chairperson
DIN: 00053563

Date: May 7, 2026
Place: Mumbai

Annexure - A

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) - Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part A — Subsidiaries (Information in respect of each subsidiary to be presented with amounts in Mn.)

(₹ in million)

S. No.	Particulars	Name of the subsidiaries		
		PI Health Sciences Netherlands B.V.	PI Health Sciences USA LLC	Archimica S.p.A.
1.	The date since when subsidiary was acquired	April 7, 2023	April 24, 2023	April 27, 2023
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	EUR; 1 = [108.99]	USD; 1 = [94.84]	EUR; 1 = [108.99]
4.	Share capital	5344.02	814.74	908.26
5.	Reserves & surplus	821.21	987.66	850.12
6.	Total assets	6167.33	1870.97	5688.42
7.	Total Liabilities	2.10	68.57	3930.04
8.	Investments	6127.15	-	6.70
9.	Turnover	0.0	-	2424.45
10.	Profit / (Loss) before taxation	(13.34)	1221.78	(1019.44)
11.	Provision for taxation	-	3.26	20.77
12.	Profit / (Loss) after taxation	(13.34)	1218.52	(998.67)
13.	Proposed Dividend	-	-	-
14.	Extent of shareholding (In %)	100%	100% by PIHS NL B.V.	100% by PIHS NL B.V.

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - None.
2. Names of subsidiaries which have been liquidated or sold during the year: None

On behalf of the Board of Directors
For **PI Health Sciences Limited**

Sd/-
Narayan K Seshadri
Chairperson
DIN: 00053563

Date: May 07, 2026
Place: Mumbai

Annexure B

FORM NO. MR.3
SECRETARIAL AUDIT REPORT
for the Financial Year ended March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PI Health Sciences Limited
Udaisagar Road, Udaipur-313001,
Rajasthan, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PI Health Sciences Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:
Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment **(Foreign Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company during the Audit Period)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the Audit Period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client; **(Not Applicable to the Company during the Audit Period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **(Not Applicable to the Company during the Audit Period)**

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations') (Not Applicable to the Company during the Audit Period)

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following law applicable specifically to the Company:

a) The Indian Boilers Act, 1923; and

b) Hazardous Waste Management Rules, 2016

We further report that

The Board of Directors of the Company is duly constituted. During the audit period, no changes took place in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (where meeting is convened at a shorter notice necessary approvals have been obtained as per applicable provisions) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period, the Company has:

a) issued 25,00,00,000 unlisted unsecured optionally fully convertible debentures of ₹ 10 each, aggregating to ₹ 250,00,00,000/- through private placement on a preferential basis to its holding company, PI Industries Limited. Out of this 10,00,00,000 optionally fully convertible debentures having a face value of ₹ 10 each, aggregating to ₹ 100,00,00,000/- were allotted on June 26, 2025 and 300,00,000 optionally fully convertible debentures having a face value of ₹ 10 each, aggregating to ₹ 30,00,00,000/- were allotted on January 5, 2026.

b) obtained shareholder approval in Extra Ordinary General Meeting dated August 12, 2025 for increasing the Authorized share capital of the Company from existing ₹6,25,55,00,000/- to ₹ 20,00,00,00,000/- and consequently, altered its clause V of Memorandum of Association of the Company.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Deepti Joshi
Partner
FCS: 8167
CP No.: 8968
UDIN: F008167H000306168

Date: May 07, 2026
Place: Mumbai

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

‘Annexure A’

To,
The Members,
PI Health Sciences Limited
Udaisagar Road, Udaipur-313001,
Rajasthan, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Deepti Joshi
Partner
FCS: 8167
CP No.: 8968
UDIN: F008167H000306168

Date: May 07, 2026
Place: Mumbai

Annexure 'C'

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis —** Not Applicable, During the financial year 2025-26, all Related Party Transactions entered into by the Company were in the ordinary course of business and on an arm's length basis.
2. **Details of material contracts or arrangement or transactions at arm's length basis —**

S.No.	Particulars	
1.	Name(s) of the related party and nature of relationship	PI Health Sciences USA LLC (wholly owned subsidiary)
2.	Nature of contracts / arrangements/ transactions	Sale of Services
3.	Duration of the contracts / arrangements/transactions	FY 2025-26
4.	Salient terms of the contracts or arrangements or transactions including actual/expected contractual amount	Arm length basis and in the ordinary course of business - Value: Rs. 245.45 Mn
5.	Date of approval by the Board	May 12, 2025
6.	Amount paid as advances, if any	NA

On behalf of the Board of Directors
For **PI Health Sciences Limited**

Sd/-
Narayan K Seshadri
Chairperson
DIN: 00053563

Date: May 07, 2026
Place: Mumbai

Independent Auditors' Report

To the Members of PI Health Sciences Limited

Report on the Audit of the financial statements

Opinion

We have audited the standalone financial statements of **PI Health Sciences Limited** ("the Company"), which comprise the balance sheet as at March 31, 2026, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flow statement for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information. (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

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

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 Board of Directors and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. 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 certain matters in respect of audit trail as stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014 (as amended);

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

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder;

(e) On the basis of the written representations received from the directors from April 16, 2026 to May 05, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements;

(g) In our opinion, and according to the information and explanations given to us, the Company has not paid/ provided any managerial remuneration during the year. Accordingly reporting requirement under the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2026;

(h) The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements — refer note 40 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 is no amount required to be transferred to the Investor Education and Protection Fund by the Company;

   iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 48 of the standalone financial statement, no funds have been advanced or loaned or invested by the Company to or in any other person or entity, including foreign entity ("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, other than as disclosed in the note 48 of the standalone financial statement, no funds have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above, contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination ,which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that the audit log is not maintained in case of modification, if any, by users with specific access rights . Further, during the course of our audit, we did not notice any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **S S KOTHARI MEHTA & CO. LLP**
Chartered Accountants
Firm registration number: 000756N/N500441

Sd/-
AMIT GOEL
Partner
M. No: 500607

Place: New Delhi
Dated: May 07, 2026
UDIN: 26500607MCGFOW3142

Annexure A to the Independent Auditor's Report

to the Members of PI Health Sciences Limited dated May 07, 2026 on its standalone financial statements

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (the "Act") as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

i. (a)(A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work in progess and relevant details of right of use assets.

(a)(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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, certain 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company and the title deeds provided to us, we report that, the title deeds of the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements are held in the name of the Company as at the balance sheet date.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its property, plant and equipment including right of use assets and intangible assets during the year. Accordingly reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1998) and rules made thereunder.

ii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate and no discrepancies were noticed on verification between physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has made investment and has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the term and condition of investment made during the year is not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case loans given, schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days .

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties falling due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investment made by the Company, in our opinion, the provisions of Section 185 and 186 of the Act, have been complied with. However, the Company has not granted any loan, given any security or provided any guarantee during the year.

v. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Further, we are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard. Accordingly, the requirement to report on Clause 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the central government for the maintenance of the cost records under section 148(1) of the Act and are of the opinion that prime facie, the specified accounts and records have been 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, customs duty, excise duty, cess and other statutory dues which have not been deposited on account of any dispute except as given below :-

Name of the statute	Nature of dues	Amount demand (₹ in Millions)	Amount paid under protest (₹ In Millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act	Income Tax	0.89	0.89	AY 19-20	CIT (Appeals)
Income Tax Act	Income Tax	0.23	0.23	AY 20-21	CIT (Appeals)
Income Tax Act	Income Tax	0.91	0.91	AY 21-22	CIT (Appeals)
Income Tax Act	Income Tax	0.64	0.64	AY 22-23	CIT (Appeals)

viii. In our opinion, based on audit procedures and according to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority. Accordingly, the provisions of clause 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has taken funds from following entities on account of or to meet the obligations of its subsidiaries including step-down subsidiaries as per details below:

Amount in INR Millions

Nature of fund taken	Name of lender	Amount involved	Name of the subsidiary	Relation	Nature of Transaction for which funds utilized	Remarks, if any
Optionally Fully Convertible Debenture	PI Industries Limited	361.32	PI Health Sciences Netherland B.V.	Wholly owned subsidiary	Investment	

(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. The Company does not have joint venture or associates.

x. (a) According to the information and explanations given to us and procedures performed by us, the Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and procedures performed by us the Company has complied with provisions of sections 42 and 62 of the Act, in respect of the preferential allotment of optionally fully convertible debenture during the current financial year. The funds raised, have been used for the purposes for which the funds were raised.

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us and procedures performed by us, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable Indian accounting standards. The provisions of section 177 of the Act are not applicable to the Company and hence not commented upon.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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

xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on 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 Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group (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 incurred cash losses amounting to ₹ 1,306.73 Million in the current financial year and ₹ 988.14 Million in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone 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. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not fulfill the threshold criteria for applicability of section 135 of the Act, hence requirement to report on clause 3(xx)(a) and 3(xx) (b) of the order is not applicable to the Company.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of the standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **S S KOTHARI MEHTA & CO. LLP**
Chartered Accountants
Firm registration number: 000756N/N500441

Sd/-
AMIT GOEL
Partner
M. No: 500607

Place: New Delhi
Dated: May 07, 2026
UDIN: 26500607MCGFOW3142

Annexure B to the Independent Auditor's Report

to the Members of PI Health Sciences Limited dated May 07, 2026 on its standalone financial statements

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act") as referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

We have audited the internal financial controls with reference to standalone financial statements of the **PI Health Sciences Limited** (the 'Company') as of March 31, 2026, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013 (the "Act"), to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to standalone financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **S S KOTHARI MEHTA & CO. LLP**
Chartered Accountants
Firm registration number: 000756N/N500441

Sd/-
AMIT GOEL
Partner
M. No: 500607

Place: New Delhi
Dated: May 07, 2026
UDIN: 26500607MCGFOW3142

Balance Sheet

as at March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,881.67	1,777.48
Right of use assets	5	485.92	527.44
Capital work-in-progress	6	72.88	111.63
Goodwill	7	871.61	871.61
Other intangible assets	8	1,441.17	1,523.01
Financial assets			
(i) Investments	9	6,328.17	5,793.77
(ii) Loans	10	-	21.37
(iii) Other financial assets	11	10.55	11.09
Deferred tax assets (net)	12	381.34	149.46
Other non-current assets	13	5.00	6.86
Non-Current tax assets (net)	14	17.95	2.94
Total non-current assets		**11,496.26**	**10,796.67**
Current assets			
Inventories	15	130.45	100.26
Financial assets			
(i) Trade receivables	16	140.77	73.07
(ii) Cash and cash equivalents	17	8.93	298.46
(iii) Bank balances other than (ii) above	18	-	11.48
(iv) Other financial assets	19	2.58	4.45
Contracts assets	20	8.45	122.62
Other current assets	13	509.06	395.82
Total current assets		**800.24**	**1,006.15**
Total assets		**12,296.50**	**11,802.82**
EQUITY & LIABILITIES			
Equity			
Equity share capital	21	4,410.00	4,410.00
Other equity		(1,689.12)	(464.65)
Total equity		**2,720.88**	**3,945.35**
Liabilities			
Non current liabilities			
Financial liabilities			
(i) Borrowings	22	9,085.28	7,225.69
(ii) Lease liabilities	23	37.39	63.88
Provisions	27	19.95	34.78
Total non current liabilities		**9,142.62**	**7,324.35**
Current Liabilities			
Financial liabilities			
(i) Lease liabilities	23	4.59	12.59
(ii) Trade payables	24		-
(a) total outstanding dues of micro enterprises and small enterprises		16.90	7.26
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		206.02	67.68
(iii) Other financial liabilities	25	140.19	384.20
Other current liabilities	26	41.45	58.06
Provisions	27	23.85	3.33
Total current liabilities		**433.00**	**533.12**
Total liabilities		**9,575.62**	**7,857.47**
Total equity and liabilities		**12,296.50**	**11,802.82**

Notes to accounts 1 to 49

The accompanying notes referred to to above forms the integral part of these standalone financial statements.

As per our report of even date

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Reg. No.: 000756N/N500441

Sd/-
AMIT GOEL
Partner
M. No. 512497
Place: New Delhi
Date: May 7, 2026

For and on behalf of the Board of Directors of
PI Health Sciences Limited

Sd/-
Arunabha Raychaudhuri
Director
DIN: 10685547
Place: Mumbai
Date: May 7, 2026

Sd/-
Rajnish Sarna
Director
DIN: 06429468
Place: Gurgaon
Date: May 7, 2026

Sd/-
Ankit Nayyar
Chief Financial Officer
Place: Mumbai
Date: May 7, 2026

Sd/-
Ruchi Jayesh Sheth
Company Secretary
Place: Mumbai
Date: May 7, 2026

Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	28	580.49	355.61
Other income	29	79.07	397.98
Total Income		**659.56**	**753.59**
Expenses:			
Cost of materials consumed		255.68	129.59
Changes in inventories of finished goods, work in progress	30	(28.00)	10.61
Employee benefit expense	31	449.45	397.70
Finance costs	32	759.40	559.18
Depreciation and amortisation expenses	33	307.18	263.66
Other expenses	34	526.97	644.65
Total expenses		**2,270.68**	**2,005.39**
Loss before exceptional items and tax for the year		**(1,611.12)**	**(1,251.80)**
Exceptional Items	44	2.79	-
Loss before tax for the year		**(1,613.91)**	**(1,251.80)**
Income tax expense	35		
Current tax		-	-
Deferred tax		(271.54)	(354.20)
Income tax of earlier years		-	(25.61)
Total tax expense for the year		**(271.54)**	**(379.81)**
Loss after tax for the year		**(1,342.37)**	**(871.99)**
Other comprehensive income for the year			
(i) Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans		3.35	5.62
Income tax relating to the above item		(0.84)	(1.41)
Total comprehensive loss for the year		**(1,339.86)**	**(867.78)**
Earnings per equity share	46		
1) Basic (in ₹)		(3.04)	(1.98)
2) Diluted (in ₹)		(3.04)	(1.98)
Face value per share (in ₹)		10.00	10.00

Notes to accounts 1 to 49

The accompanying notes referred to above forms the integral part of these standalone financial statements

As per our report of even date

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Reg. No.: 000756N/N500441

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Place: Mumbai
Date: May 7, 2026

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Ruchi Jayesh Sheth
Company Secretary
Place: Mumbai
Date: May 7, 2026

Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax for the year	**(1,613.92)**	**(1,251.80)**
Adjustments for :-		
Depreciation and amortisation expense	307.18	263.66
Provision for inventories	21.87	-
Finance costs	759.40	549.40
Profit on sale of PPE	0.12	
Loss on Fire	1.61	-
Provision for bad and doubtful debts & advances	(0.04)	2.66
Interest income on loans and bank deposits	(20.20)	(111.94)
Interest income on unwinding of security deposits	(0.05)	(0.04)
Assets wriiten* off	3.32	
Liabilities written back	(206.40)	(264.70)
Lease income	(45.68)	(15.29)
Exceptional item for the year	2.79	-
Unrealised (gain)/loss on foreign currency transactions (net)	7.96	(14.87)
Operating loss before working capital changes	**(782.03)**	**(842.92)**
(Increase) / decrease in trade receivables	(77.22)	241.15
(Increase) / decrease in inventories	(52.06)	33.89
(Increase) / decrease in financial assets	2.41	58.03
(Increase) / decrease in contract and other assets	1.29	(73.66)
Increase / (decrease) in trade payables	149.53	27.07
Increase / (decrease) in provisions	2.90	19.35
Increase / (decrease) in financial liabilities	(37.61)	179.17
Increase / (decrease) in other liabilities	(16.61)	19.44
Cash used from operations before tax	**(809.41)**	**(338.48)**
Income taxes (Paid)/ Refund	(15.01)	120.72
Net cash used in operating activities	**(824.42)**	**(217.76)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment including capital work in progress, intangible assets, capital advances and creditors	(310.59)	(484.89)
Proceeds from sale of property, plant & equipment	3.44	-
Proceeds from maturity of / (invesment) in bank deposits	11.48	0.08
Equity investment in wholly owned subsidiaries	(534.40)	(657.64)
Loan (provided to) / repayment by wholly owned subsidiaries	21.37	(811.11)
Interest received	20.20	87.63
Rent received	45.68	25.74
Net cash used in investing activities	**(742.82)**	**(1,840.19)**

Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of OFCD	1,300.00	2,000.00
Change in lease liabilities	26.95	-
Principle Payment of lease liabilities	(7.52)	(18.27)
Interest paid (net)	(41.72)	(2.06)
Net cash inflow from financing activities	**1,277.71**	**1,979.67**
D. Net cash inflow /(Outflow) from operating, investing & financing activities (A+B+C)	**(289.53)**	**(78.28)**
Opening balance of cash & cash equivalents	**298.46**	**376.74**
Closing balance of cash & cash equivalents	**8.93**	**298.46**

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

	As at March 31, 2026	As at March 31, 2025
i) Cash on hand	-	0.08
ii) Balance with banks :		
- In current accounts	7.71	266.32
- In fixed deposits	1.22	32.06
Total	**8.93**	**298.46**

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

Figures in brackets indicate cash outflows.

The accompanying notes referred to above forms the integral part of these standalone financial statements

As per our report of even date

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Reg. No.: 000756N/N500441

AMIT GOEL
Partner
M. No. 512497

Place: New Delhi
Date: May 7, 2026

For and on behalf of the Board of Directors of
PI Health Sciences Limited

Arunabha Raychaudhuri
Director
DIN: 10685547

Place: Mumbai
Date: May 7, 2026

Rajnish Sarna
Director
DIN: 06429468

Place: Gurgaon
Date: May 7, 2026

Ankit Nayyar
Chief Financial Officer

Place: Mumbai

Date: May 7, 2026

Ruchi Jayesh Sheth
Company Secretary

Place: Mumbai

Date: May 7, 2026

Statement of Changes in Equity

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

a. Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	44,09,99,946	4,410.00	44,09,99,946	4,410.00
Changes in equity share capital during the year	-	-		
Balance at the end of the year	**44,09,99,946**	**4,410.00**	**44,09,99,946**	**4,410.00**

b. Other Equity (Refer Note 21)

Particulars	Retained earnings	Equity component of compound financial instrument	Total other equity
Balance as at April 01, 2024	**(261.63)**	**487.39**	**225.76**
Loss for the year	(871.99)	-	**(871.99)**
Other comprehensive income for the year	4.21	-	**4.21**
Total comprehensive loss for the year	**(867.78)**	**-**	**(867.78)**
Transaction with owners in their capacity as owners:			
Issue of optionally fully convertible debentures (OFCD)- Equity component	-	237.02	**237.02**
Deferred tax created	-	(59.65)	**(59.65)**
Transaction with owners in their capacity as owners:	**-**	**177.37**	**177.37**
Balance as at March 31, 2025	**(1,129.41)**	**664.76**	**(464.65)**
Loss for the year	(1,342.37)	-	**(1,342.37)**
Other comprehensive income for the year	2.51	-	**2.51**
Total comprehensive loss for the year	**(1,339.86)**	**-**	**(1,339.86)**
Transaction with owners in their capacity as owners:			
Issue of optionally fully convertible debentures (OFCD)- Equity component	-	154.22	**154.22**
Deferred tax created	-	(38.81)	**(38.81)**
Transaction with owners in their capacity as owners:	**-**	**115.41**	**115.41**
Balance as at March 31, 2026	**(2,469.27)**	**780.17**	**(1,689.12)**

Refer note 21 for nature and purpose of reserves

The accompanying notes referred to above forms the integral part of these standalone financial statements

As per our report of even date

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Reg. No.: 000756N/N500441

AMIT GOEL
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Ruchi Jayesh Sheth
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Place: Mumbai
Date: May 7, 2026

Notes to the Financial Statements

for the year ended March 31, 2026

1 Corporate information

PI Health Sciences ("the Company") is a public iimited company and has its registered office at Udaisagar Road, Udaipur -313001 (Rajasthan). The principal activities of the Company are research, preparation, manufacture, distribution and sale of active pharmaceutical ingredients ("APIs") and intermediates.

2 Basis of preparation

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

a) Statement of compliance

These financial statements have been prepared in all material aspects, in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (' Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act to the extent applicable. These financial statements were approved and adopted by the board of directors of the Company in their meeting dated May 07, 2026, and are subject to shareholder approval at the forthcoming Annual General Meeting of shareholders.

b) Basis of measurement

The financial statements have been prepared on the historical cost convention, except for the following:

- Certain financial assets and liabilities (including OFCD' s) are measured at fair value;
- Net defined benefit plan assets/ (liability) are measured at fair value of plan assets less the present value of defined benefit obligations;
- Share-based payments measured at fair value.

c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('₹'), which is the Company's functional and presentation currency.

These financial statements are presented in ₹and all values are rounded to the nearest million (₹000,000), except when otherwise indicated.

e) Use of judgements and estimates

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('₹'), which is the Company's functional and presentation currency.

These financial statements are presented in ₹and all values are rounded to the nearest million (₹000,000), except when otherwise indicated.

i) Provision for expected credit losses (ECL} on trade receivables

The Company uses a provision matrix to calculate ECL for trade receivables. The ECL provision matrix is based on the Company's historical observed default rates. The Company adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The amount of ECL is sensitive to changes in circumstances and accordingly Company's actual default in the future may be different.

ii) Recognition of deferred tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realisable, however, could reduce in the near term if estimates of future taxable income during the carry-forward period are reduced.

Notes to the Financial Statements

for the year ended March 31, 2026

iii) Impairment test of financial assets (Investment in wholly-owned subsidiary) and non-financial assets (Goodwill and Intangible assets)

The Company assesses at each reporting date whether there is an indication that goodwill and intangible assets recognized on business combination may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU' S fair value less cost of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are estimated based on past trends and discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

3 Material accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification considering an operating cycle of 12 months being time elapsed between deployment of resources and the realization/settlement in cash and cash equivalents thereagainst.

b) Property, plant and equipment

i) Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress are measured at cost less accumulated impairment losses, if any.

ii) Depreciation

Depreciation on property, plant and equipment is depreciated on the straight-line method based on the useful life of assets estimated by the Management which coincide with the life specified under Schedule II of the Companies Act, 2013.

The Company has estimated the useful lives as prescribed in schedule II of Companies Act, 2013, as follows:

Plant and machinery	4-15 years
Computer	3-6 years
Electrical installations and equipment	4-10 years
Furniture and fixtures	10 years
Office equipment	4 - 5 years
Vehicles	8 - 10 years

Leasehold land is being amortised over the lease period and Cost of improvement on leasehold building is being amortised over the lease period or useful life whichever is lower, unless the entity expects to use the assets beyond the lease term.

Based on assessment made by technical experts, the Management believes that the useful lives as given above best represent the period over which it expects to use these assets.

c) Intangible assets

i) Recognition and measurement

Goodwill

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

Intangible assets acquired separately

Intangible assets that are acquired by the Company on initial recognition are measured at cost Subsequently, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Notes to the Financial Statements

for the year ended March 31, 2026

Internally generated intangible assets - Research and development

Research costs are expensed as incurred. Development costs are capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditures to be capitalized include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditures are recognized in profit or loss as incurred.

ii) Amortisation

Amortization is recognized in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The estimated useful lives are as follows:

Customer Contracts Computer Software

20 years

6 years

d) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

e) Financial instruments

i) Initial recognition

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables (which do not contain a significant financing component) which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii) Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset (which includes loans and advances, security deposits, deposits with banks and financial institutions, cash and cash equivalents, bank balance other than cash and cash equivalents, and trade receivables) is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

(ii) Financial assets at fair value through profit or loss (FVTPL)

Financial financial asset (which includes investments in mutual funds) which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iii) Financial liabilities

Financial liabilities (which includes borrowings, trade payables and other financial liabilities (other than derivative financial instruments)) are subsequently carried at amortised cost using the effective interest method.

(iv) Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment, if any, in the separate financial statements. Where an indication of impairment exists, the carrying amount of the investment

Notes to the Financial Statements

for the year ended March 31, 2026

is assessed and written down to its recoverable amount.

(v) **Offsetting**

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

f) Revenue Recognition

i) Sale of goods

The Company manufactures and sells a range of products to various customers. Revenue is recognised over the period of time for contracts wherein the Company's performance does not create an asset with alternative use to the Company and the entity has an enforceable right to payment for performance completed till date. Management has determined that it is highly probable that there will be no rescission of the contract and a significant reversal in the amount of revenue recognised will not occur. Accordingly, revenue is recognised for these contracts based on Input method wherein amount of revenue to be recognised is determined based on

the actual cost incurred till date and the estimated margin on the contract because there is a direct relationship between the Company's effort (i.e., based on the material consumed and labour hours incurred) and the enforceable right to payment for performance completed till date. For remaining contracts, Revenue is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Accumulated experience is used to estimate and provide for the discounts and returns using the expected value method and revenue is recognized only to the extent that it is highly probable that a significant reversal will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date. A refund liability (included in other current liabilities) and a right to recover the returned goods (included in other current assets) are recognised for the products expected to be returned. Liability (included in other financial liabilities) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

Contract assets are recognised when there is excess of revenue earned over billings on contracts.

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

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

ii) Sale of services

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

iii) Export Incentives

Incentives on exports are recognised in books after due consideration of certainty of utilisation/ receipt of such incentives.

3.2 Other Accounting Policies

a) Foreign currency transactions

i) Initial recognition

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

Notes to the Financial Statements

for the year ended March 31, 2026

ii) Conversion

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

iii) Exchange difference

Exchange differences on settlement of foreign currency transactions and translation of foreign currency monetary assets and liabilities are recognised in statement of profit and loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments designated at fair value through OCI (FVTOCI); and
- qualifying cash flow hedges to the extent that the hedges are effective

b) Derecognition of property, plant and equipment and Intangible assets

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

c) Lease

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

i) Asa lessee

The company leases various offices, warehouses, IT equipment and vehicles.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

ii) Short-term lease and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leased and leases of low value assets. The payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis in statement of profit and loss.

d) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred using effective interest method. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

e) Cash and cash equivalents

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

i) Cash flow statement

Cash flow statements are prepared in accordance with "Indirect Method" as

Notes to the Financial Statements

for the year ended March 31, 2026

explained in the Indian Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated.

f) Inventories

Cost of Raw Materials, Packing Materials, Stores and Spares and other products are determined on weighted average basis and are net of Goods and Service Tax credit.

Cost of Work in progress and Finished Goods is determined on weighted average basis considering direct material cost and appropriate portion of manufacturing overheads based on normal operating capacity.

The Company recognises provision against obsolete/ slow and non-moving inventory items which are identified as no longer suitable for sale or use. Obsolete and slow-moving items are valued at cost or estimated net realisable value, whichever is lower. Any write-down of inventory is recognised as an expense during the year.

g) Provisions, Contingent Liabilities and Contingent Assets

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

Contingent liability is not recognised but disclosed in notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent asset are disclosed in the standalone financial statements.

h) Other Income Interest Income

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

Interest income is included in other income in the statement of profit and loss.

i) Employee Benefits

i) Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. Under a defined contribution plan, the Company's sole obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks are borne by the employee. The Company recognises contribution payable to these schemes as an expense, when employees provide services.

ii) Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks are borne by the Company. The Company's net obligation in respect of defined benefit plans is calculated by present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Notes to the Financial Statements

for the year ended March 31, 2026

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an actuary. The Company contributes to the gratuity fund, which are recognised as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognised in the Balance Sheet.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest}, are recognised in the period in which they occur, directly in other comprehensive income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss under employee benefit expense.

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

iii) Compensated absence

The Company provides for accumulation of compensated absences, employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services.

j) Share-based payment transaction

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee benefit expense, with a corresponding increase in equity. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied and is adjusted to reflect the actual number of share options that vest.

The total amount to be expensed is determined by reference to the fair value of the options granted including any market performance conditions and the impact of any non-vesting conditions and excluding the impact of any service and non-market performance vesting conditions.

k) Income tax

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

i) Current tax

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

ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes.

Company also considers decisions of appropriate authorities and legal advice for recognising taxes.

l) Segment Reporting

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

Notes to the Financial Statements

for the year ended March 31, 2026

the Chief Operating Decision Maker (CODM).

The Management Advisory Committee of the Company has been identified as the CODM by the Company.

m) Earnings per share

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

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

n) Compliance with new and amended standards

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

i) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

The Company has evaluated the amendments to Ind AS 1 relating to the classification of liabilities as current or non-current, including the guidance on non-current liabilities with covenants. As the Company does not have any long-term borrowings or loan arrangements with covenants as at the reporting date, these amendments do not have any impact on the classification of liabilities or the financial statements of the Company.

ii) Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS107

As the Company does not have any supplier finance arrangements as at the reporting date, these amendments do not have any impact on the financial statements and no additional disclosures are required.

iii) International Tax Reform - Pillar Two Model Rules -Amendments to Ind AS 12

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdictions in which the Company operates.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Buildings	Leasehold land*	Furniture and fixtures	Office equipments	Plant and Machinery	Vehicles	Computer	Total
Gross carrying amount									
As at beginning of April 01, 2024	5.45	134.38	191.80	47.71	11.87	1,039.08	12.54	23.97	**1,466.80**
Additions	-	16.49	-	11.23	18.36	470.79	-	14.18	**531.05**
Disposals	-	-	-	(0.02)	(0.05)	(0.43)	(0.04)	(0.01)	**(0.55)**
As at March 31, 2025	**5.45**	**150.87**	**191.80**	**58.92**	**30.18**	**1,509.44**	**12.50**	**38.14**	**1,997.30**
Additions	-	20.03	-	1.59	5.52	277.71	0.00	9.50	**314.35**
Disposals	-	-	-	-	-	(6.06)	(0.01)	(0.19)	**(6.26)**
As at March 31, 2026	**5.45**	**170.90**	**191.80**	**60.51**	**35.70**	**1,781.09**	**12.49**	**47.45**	**2,305.40**
Accumulated depreciation									
As at beginning of April 01, 2024	-	4.77	2.06	1.68	0.72	53.69	2.05	1.00	**65.97**
Depreciation charge during the year	-	5.79	2.94	5.29	3.67	129.80	1.56	5.17	**154.21**
Disposals	-	-	-	(0.01)	-	(0.35)	(0.01)	-	**(0.37)**
As at March 31, 2025	**-**	**10.56**	**5.00**	**6.96**	**4.39**	**183.14**	**3.60**	**6.17**	**219.81**
Depreciation charge during the year	-	6.57	2.48	6.12	6.33	175.04	1.55	8.76	**206.86**
Disposals	-	-	-	-	-	(2.94)	(0.00)	-	**(2.94)**
As at March 31, 2026	**-**	**17.13**	**7.48**	**13.08**	**10.72**	**355.24**	**5.15**	**14.93**	**423.73**
Net carrying amount									
As at March 31, 2025	**5.45**	**140.31**	**186.80**	**51.96**	**25.79**	**1,326.30**	**8.90**	**31.97**	**1,777.48**
As at March 31, 2026	**5.45**	**153.77**	**184.32**	**47.43**	**24.98**	**1,425.85**	**7.34**	**32.52**	**1,881.67**

*Company has acquired leasehold land on acquisition of "Therachem Research Medilab (India) Private Limited (TRM)" and "Solis Pharmachem Private Limited" amounting to ₹ 160.80 and ₹ 31.00 respectively. Out of the above land amounting to ₹ 160.80 were pending for registration in the name of the Company as on March 31, 2025. During the current year registration has been completed successfully in the name of the Company as on March 31, 2026.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

5 RIGHT OF USE ASSETS

Gross carrying amount	Land	Building	Office Equipment	Total
As at beginning of April 01, 2024	157.03	413.90	-	**570.94**
Additions	-	-	6.52	**6.52**
Disposals	-	(3.36)	-	**(3.36)**
As at March 31, 2025	**157.03**	**410.54**	**6.52**	**574.09**
Additions	-	11.56	-	**11.56**
Disposals	-	(55.69)	-	**(55.69)**
As at March 31, 2026	**157.03**	**366.41**	**6.52**	**529.96**
Accumulated amortisation				
As at beginning of April 01, 2024	5.31	18.87	-	**24.18**
Amortisation charge during the year	7.10	16.88	1.84	**25.83**
Disposals	-	(3.36)		**(3.36)**
As at March 31, 2025	**12.41**	**32.39**	**1.84**	**46.65**
Amortisation charge during the year	7.10	5.54	1.84	**14.48**
Disposals	-	(17.09)	-	**(17.09)**
As at March 31, 2026	**19.51**	**20.84**	**3.68**	**44.04**
Net Carrying Amount				
As at March 31, 2025	**144.62**	**378.16**	**4.67**	**527.44**
As at March 31, 2026	**137.52**	**345.57**	**2.83**	**485.92**

6 CAPITAL WORK-IN-PROGRESS

(a)

Cost	Amount
As at beginning of April 01, 2024	95.21
Additions	541.22
Disposal	-
Amount transferred from CWIP	(524.80)
As at March 31, 2025	**111.63**
Additions	299.89
Disposal	-
Amount transferred from CWIP	(338.64)
As at March 31, 2026	**72.88**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

(b) Ageing of capital work-in progress

Particulars	Amount in capital work-in progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2026					
Projects in progress	72.88	-	-	-	72.88
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2025					
Projects in progress	111.63	-	-	-	111.63
Projects temporarily suspended	-	-	-	-	-

"Note: There are no project as on March 31, 2026 and March 31, 2025 where the project timeline is overdue.

7 GOODWILL

Cost	Amount
As at beginning of April 01, 2024	871.61
Additions	-
As at March 31, 2025	**871.61**
Additions	-
As at March 31, 2026	**871.61**

Goodwill of ₹ 871.61 was generated on account of business combination.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or group of CGUs, which are benefited from the synergies of the acquisition. Goodwill is reviewed for any impairment at the operating segment , which is represented through group of CGUs , being lowest level at which goodwill is monitored for internal management purposes. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

The recoverable amount of CGU has been determined from a value in use calculation which require the use of assumptions. The value in use calculation uses cash flow forecasts based on the most recently approved financial budgets and business projections by the management, which cover a period of five years. Key assumptions underlying the value in use calculation are those regarding expected revenues, a post-tax discount rate of 13% per annum. Sales growth projections considers managements' expectation of market development, current industry trends and post-tax discount rate based on the relevant risks. 5% growth rate has been used to extrapolate the cash flow projections beyond the five-year period of the approved financial budgets. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

8 OTHER INTANGIBLE ASSETS

Gross carrying amount	Customer contracts	Software	Total
As at beginning of April 01, 2024	1,661.00	-	1,661.00
Additions	-	14.62	14.62
Disposals	-	-	-
As at March 31, 2025	**1,661.00**	**14.62**	**1,675.62**
Additions	-	3.98	3.98
Disposals	-	-	-
As at March 31, 2026	**1,661.00**	**18.60**	**1,679.60**
Acumulated amortisation			-
As at beginning of April 01, 2024	68.98	-	68.98
Amortisation charge during the year	83.06	0.56	83.63
Disposals	-	-	-
As at March 31, 2025	**152.04**	**0.56**	**152.60**
Amortisation charge during the year	83.06	2.77	85.83
Disposals	-	-	-
As at March 31, 2026	**235.10**	**3.33**	**238.43**
Net Carrying Amount			
As at March 31, 2025	**1,508.96**	**14.06**	**1,523.01**
As at March 31, 2026	**1,425.90**	**15.27**	**1,441.17**

9 INVESTMENTS

	As at March 31, 2026	As at March 31, 2025
Investment in equity instruments (fully paid up)		
Unquoted shares		
Investment in equity instruments of wholly-owned subsidiary company at cost		
PI Health Sciences Netherlands B.V.	6,328.17	5,793.77
58,802,733 (March 31, 2025: 54,928,092) equity shares of € 1 each fully paid		
TOTAL	**6,328.17**	**5,793.77**
Aggregate amount of unquoted investment	**6,328.17**	**5,793.77**
Aggregate amount of impairment in value of investment	**-**	**-**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

10 LOANS

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Loans to related parties (Refer Note 41)	-	21.37
TOTAL	**-**	**21.37**

11 OTHER NON-CURRENT FINANCIAL ASSETS

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good unless stated otherwise		
Security deposits	10.55	11.09
TOTAL	**10.55**	**11.09**

12 DEFERRED TAX (ASSETS)/LIABILITIES

	As at March 31, 2026	As at March 31, 2025
The balance comprises temporary differences attributable to:		
(a) Deferred tax liabilities		
Plant, property and equipment	228.41	165.66
Lease assets	111.73	113.50
- Impact on deemed equity on OFCD	262.44	223.62
Sub- Total (a)	**602.59**	**502.78**
(b) Deferred tax assets		
Provision for employee benefits	13.13	10.86
Other provisions	0.99	1.00
OFCDs	334.20	154.55
Unabsorbed depreciation and losses	625.09	472.39
Unabsorbed loss on account of acquisition	0.69	0.69
Other comprehensive items		
- Remeasurement of defined benefit plans	(2.11)	(1.26)
Others	11.94	14.02
Sub- Total (b)	**983.93**	**652.24**
Net deferred tax (assets)/liabilities (a)-(b)	**(381.34)**	**(149.46)**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Movement in deferred tax:		As at March 31, 2025	Recognised in P&L	Recognised in OCI	As at March 31, 2026
(c)	**Deferred tax liabilities**				
	Plant, property and equipment	165.66	62.76	-	228.41
	Lease assets	113.50	(1.77)	-	111.73
	Deferred purchase consideration	-	-	-	-
	Sub- Total (c)	**279.16**	**60.98**	**-**	**340.15**
(d)	**Deferred tax assets**				
	Provision for employee benefits	10.86	(2.28)	-	13.13
	Other provisions	1.00	0.01	-	0.99
	OFCDs	154.55	(179.65)	-	334.20
	Unabsorbed depreciation and losses	472.39	(152.70)	-	625.09
	Unabsorbed loss on account of acquisition	0.69	-	-	0.69
	- Remeasurement of defined benefit plans	(1.26)	-	0.84	(2.11)
	Others	14.02	2.09	-	11.94
	Sub- Total (d)	**652.24**	**(332.53)**	**0.84**	**983.93**
(e)	**Net deferred tax (assets)/liabilities (a)-(b)**	**(373.08)**	**(271.54)**	**0.84**	**(643.78)**
(f)	**Other adjustments:**				
	- Impact on deemed equity on OFCD	223.62	-	38.81	262.44
	Net deferred tax (assets)/liabilities (e)-(f)	**(149.46)**	**(271.54)**	**39.66**	**(381.34)**

Movement in deferred tax:		As at March 31, 2024	Recognised in P&L	Recognised in OCI	As at March 31, 2025
(c)	**Deferred tax liabilities**				
	Plant, property and equipment	68.87	96.79	-	165.66
	Lease assets	116.49	2.99	-	113.50
	Deferred purchase consideration	3.26	(3.26)		-
	Sub- Total (c)	**188.62**	**96.52**	**-**	**279.16**
(d)	**Deferred tax assets**				
	Provision for employee benefits	5.99	(4.87)	-	10.86
	Other provisions	0.48	(0.51)	-	1.00
	Optionally fully convertible debenture (OFCD)	22.41	(132.14)	-	154.55

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

	Movement in deferred tax:	As at March 31, 2024	Recognised in P&L	Recognised in OCI	As at March 31, 2025
	Unabsorbed depreciation and losses	177.75	(294.64)	-	472.39
	Unabsorbed loss on account of acquisition	0.71	0.03	-	0.69
	- Remeasurement of defined benefit plans	0.15	-	1.41	(1.26)
	Others	1.42	(12.61)	-	14.02
	Sub- Total (d)	**208.91**	**(444.75)**	**1.41**	**652.24**
(e)	**Net deferred tax (assets)/liabilities (a)-(b)**	**(20.29)**	**(348.23)**	**1.41**	**(373.08)**
(f)	**Other adjustments:**				
	- Impact on OFCD equity portion, netted off from other equity	163.97	-	59.65	223.62
	Net deferred tax (assets)/liabilities (e)-(f)	**143.68**	**(348.23)**	**61.06**	**(149.46)**

13 OTHER ASSETS

	Non- Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Unsecured unless stated otherwise				
Capital advances				
- Considered good	4.85	6.35	-	-
- Doubtful	-	-	-	-
- Less: Allowance for doubtful advances	-	-	-	-
SUB-TOTAL	**4.85**	**6.35**	**-**	**-**
Advances to vendors - considered good				
- Considered good	-	-	10.57	11.07
- Doubtful	-	-	3.83	3.72
- Less: Allowance for doubtful advances	-	-	(3.83)	(3.72)
SUB-TOTAL	**-**	**-**	**10.57**	**11.07**
Prepayments	0.15	0.51	23.71	14.34
Balance with government authorities	-	-	459.13	366.25
Export incentives	-	-	1.68	3.99
Other receivable	-	-	13.97	0.17
TOTAL	**5.00**	**6.86**	**509.06**	**395.82**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

14 NON-CURRENT TAX ASSETS

	As at March 31, 2026	As at March 31, 2025
TDS receivable/Advance tax(net of Provision ₹ 167.59 Mn)	17.95	2.94
TOTAL	**17.95**	**2.94**

15 INVENTORIES

	As at March 31, 2026	As at March 31, 2025
Raw materials	46.57	72.67
Semi-finished goods	1.67	0.14
Finished goods	35.64	9.17
Stores & spares	46.57	18.28
TOTAL	**130.45**	**100.26**

The cost of inventories recognised as an expenses/(reversal) on account of provisions of obsolete/slow and non moving inventories amounting to ₹ 21.87 Millions (March 31,2025: Nil)

16 TRADE RECEIVABLES

	As at March 31, 2026	As at March 31, 2025
Trade receivables	137.37	62.87
Receivable from related parties (refer note 41)	3.40	10.20
Less: Allowance for doubtful debts	-	-
TOTAL	**140.77**	**73.07**
Break up of security details		
Trade receivables considered good, secured	-	-
Trade receivables considered good, unsecured	140.77	73.07
TOTAL	**140.77**	**73.07**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Ageing of trade receivables as at March 31, 2026:

	Outstanding for following periods from due date							
	Unbilled	Not Due	Less than 6 months	6 months -1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivable								
Considered good	31.32	-	109.45	-	-	-	-	140.77
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivable								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Sub-total	**31.32**	**-**	**109.45**	**-**	**-**	**-**	**-**	**140.77**
Less allowance for doubtful debts								-
TOTAL	**31.32**	**-**	**109.45**	**-**	**-**	**-**	**-**	**140.77**

Ageing of trade receivables as at March 31, 2025:

	Outstanding for following periods from due date							
	Unbilled	Not Due	Less than 6 months	6 months -1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivable								
Considered good	-	-	73.07	-	-	-	-	73.07
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivable								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Sub-total	**-**	**-**	**73.07**	**-**	**-**	**-**	**-**	**73.07**
Less allowance for doubtful debts	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**73.07**	**-**	**-**	**-**	**-**	**73.07**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

17 CASH AND CASH EQUIVALENTS

	As at March 31, 2026	As at March 31, 2025
Cash on hand	-	0.08
Balance with banks		
-Balances in current account	7.71	249.25
-Balances in EEFC account	-	17.07
-Deposits with original maturity of less than 3 months	1.22	32.06
TOTAL	**8.93**	**298.46**

18 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2026	As at March 31, 2025
Deposits with original maturity of more than 3 months but upto 12 Months	-	11.48
TOTAL	**-**	**11.48**

19 OTHER CURRENT FINANCIAL ASSETS

	As at March 31, 2026	As at March 31, 2025
Receivable from related parties (Refer Note 41)	-	0.61
Interest accrued but not due	-	0.36
Other receivables	2.58	3.48
TOTAL	**2.58**	**4.45**

20 CONTRACT ASSETS

	As at March 31, 2026	As at March 31, 2025
Contract assets*	8.45	122.62
TOTAL	**8.45**	**122.62**

* Recoverable from customer under contract for supply of goods manufactured exclusively for customers

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

21 EQUITY

(i) Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
2,000,000,000 (March 31, 2025: 625,550,000) Equity Shares of ₹10 each	20,000.00	6,255.50
Issued share capital		
440,999,946 (March 31, 2025: 440,999,946) Equity Shares of ₹10 each	4,410.00	4,410.00
Subscribed and fully paid up share capital		
440,999,946 (March 31, 2025: 440,999,946) Equity Shares of ₹10 each	4,410.00	4,410.00

(a) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share (March 31, 2025 - ₹10 per share). Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Opening balance at the beginning of the year	44,09,99,946	4,410.00	44,09,99,946	4,410.00
Issued during the year	-	-		
Outstanding at the end of the year	44,09,99,946	4,410.00	44,09,99,946	4,410.00

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	% holding	Number	% holding
PI Industries Limited and its nominees	44,09,99,946	100%	44,09,99,946	100%

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

(d) Details of equity shares held by promoter : PI Industries Limited along with its nominees

Particulars	As at March 31, 2026	As at March 31, 2025
Number of shares at the beginning of the year	44,09,99,946	44,09,99,946
Change during the year	-	-
Number of shares at the end of the year	**44,09,99,946**	**44,09,99,946**
% of total shares	100%	100%
% change during the year	0%	0%

(e) Approval of ESOP

During the financial year ended March 31, 2025, Members of the Company approved an Employee Stock Option Plan (ESOP) viz. PI Health Sciences Employee Stock Option Plan 2025, in accordance with provisions of the Companies Act,2013 read with rule made thereunder and other applicable laws and regulations, in Extra-ordinary General meeting held on dated Jaunary, 29 2025. As at March 31, 2025, no stock options have been granted under the approved scheme. Accordingly, no expense or liability has been recognised in the financial statements for the year under Ind AS 102 — Share-based Payment.

The Company intends to initiate the grant of options in accordance with the approved scheme in subsequent financial periods.

(ii) Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings (a)	(2,469.27)	(1,129.42)
Equity component of compound financial instrument (b)	780.17	664.76

(a) Retained earnings*

Particulars	Amount
As at April 01, 2024	(261.63)
Net profit/(loss) for the year	(871.99)
-Items of other comprehensive income recognised directly in retained earnings	
Remeasurements gains/(losses) on defined benefit plans	4.21
As at March 31, 2025	**(1,129.42)**
Net profit/(loss) for the year	(1,342.37)
-Items of other comprehensive income recognised directly in retained earnings	
Remeasurements gains/(losses) on defined benefit plans	2.51
As at March 31, 2026	**(2,469.29)**

*Retained earnings are the profits that the Company has earned till end of reporting date, less any transfers to general reserve if any, dividend or other distributions paid to shareholders.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

(b) Equity component of compound financial instrument

During the year company has issued 130 million unlisted unsecured Optionally Fully Convertible Debentures (“”OFCDs””), having a face value of ₹ 10 each, aggregating to ₹ 1,300 million, at an interest of 0.50% on a non-cumulative basis per annum to PI Industries Limited (PI), holding company through private placement on a preferential basis.

OFCDs shall be repaid for a maximum period of 10 years, repayable on demand by PI with a moratorium of 5 years.The company has issued OFCD cumulating to ₹ 8,800 million as on 31st March 2026.

Conversion rights: PI shall have the right to convert, in whole or in part, the OFCDs into fully paid-up equity shares of ₹ 10 each of the Company, at PI’s sole discretion, at the fair value on the date of issue, which shall be determined by the valuation report obtained by a registered valuer acceptable to the parties.

Redemption: PI shall be entitled to exercise the option for redemption of the OFCDs, during the term of the OFCDs. At maturity, or earlier if PI exercises its redemption option, OFCDs to be redeemed at a premium calculated as the average interest on Government Securities of an equivalent term for the period from the date of issuance of the OFCDs until the date of redemption, subject to an overall cap of 9% per annum subject to moratorium of 5 years.

Premium payable on exercise of redemption option has been estimated at 7.15%

Until conversion, OFCDs will rank higher than the Equity Shares for repayment of the principal amount and interest accrued there, and rank pari passu with other unsecured creditors.

OFCDs issued by the Company are classified as compound financial instruments. The carrying amount of OFCDs is split into liability and equity components based on the terms of the contract. The liability component has been measured based on the present value of contractual obligation to pay cash as the Company doesn’t have the discretionary right to avoid these obligation. The difference between the fair value of OFCDs on the date of issue and liability component measured is presented as equity component. Interest on liability component is recognised as finance cost using the effective interest rate method.

22 BORROWINGS

Particulars	Non- Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Unsecured				
Liability component of OFCDs (Refer Note 21)	9,085.28	7,225.69	-	-
TOTAL	**9,085.28**	**7,225.69**	-	-

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Changes in liabilities arising from financing activities - Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	7,225.69	4,937.69
Add: Issuance of OFCDs during the year	1,300.00	2,000.00
Add: Interest cost (includes interest cost capitalized)	755.52	557.89
Less: Interest accrued/paid during the year	(41.72)	(32.86)
Less: Principal repayment during the year	-	-
Less: Equity component of OFCDs transferred to reserves	(154.22)	(237.02)
Closing balance	**9,085.28**	**7,225.69**

Terms and Conditions

a) Kindly refer other equity note for terms of OFCDs.(Note no 21)

b) As on the Balance sheet date, there is no default in repayment of loans and interest.

23 LEASE LIABILITIES

Particulars	Non- Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Lease liabilities	37.39	63.88	4.59	12.59
TOTAL	**37.39**	**63.88**	**4.59**	**12.59**

Changes in liabilities arising from financing activities - Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	76.47	83.89
Interest expenses	3.51	6.73
Addition-lease liabilities	11.56	6.52
Deletion-lease liabilities	(42.02)	(2.42)
Lease Rental Paid	(7.52)	(18.26)
Balance as at the end of the year	**41.98**	**76.47**

The Company incurred ₹ 10.11 million for the years ended March 31, 2026 (for the year ended March 31, 2025: ₹ 5.42) towards expenses relating to short term leases.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

25 OTHER FINANCIAL LIABILITIES

Particulars	Non- Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Employee payables	-	-	39.88	34.08
Creditors for capital purchases	-	-	20.50	83.68
Security deposits	-	-	10.50	2.60
Other payables**	-	-	69.31	263.84
TOTAL	**-**	**-**	**140.19**	**384.20**

** Includes due to related party amounting to ₹ 37.54 (March 31, 2025 ₹ 94.05).

26 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	10.47	8.39
Advance from customers	30.98	49.67
TOTAL	**41.45**	**58.06**

27 PROVISIONS

Particulars	Non- Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits				
Gratuity (Refer note 38)	19.95	21.26	4.13	2.06
Compensated absences	-	-	19.72	14.79
TOTAL	**19.95**	**21.26**	**23.85**	**16.85**

Compensated absences

The entire amount of provision of ₹ 19.72 is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

24 TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
-Due to micro enterprise and small enterprises	16.90	7.26
-Others	206.02	67.68
TOTAL	**222.92**	**74.94**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

(a) Trade payable ageing as at March 31, 2026:

Particulars	Outstanding for following periods from due date						
	Unbilled dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payable							
Micro and small enterprises	-	16.32	0.58	-	-	-	**16.90**
Others	-	86.04	116.87	2.83	0.28	-	**206.02**
Disputed trade payable							
Micro and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**-**	**102.36**	**117.45**	**2.83**	**0.28**	**-**	**222.92**

Trade payable ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date						
	Unbilled dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payable							
Micro and small enterprises	-	6.00	1.26	-	-	-	**7.26**
Others	-	33.87	33.54	0.28	-	-	**67.68**
Disputed trade payable							
Micro and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**-**	**39.87**	**34.80**	**0.28**	**-**	**-**	**74.94**

(b) Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act):

Particular	As at March 31, 2026	As at March 31, 2025
Principal amount due to supplier registered under the MSMED Act and remaining unpaid at the year end*	0.58	1.26
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amount paid to supplier registered under the MSMED Act, beyond the appointed day during the year	24.12	12.85
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.31	0.16
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Particular	As at March 31, 2026	As at March 31, 2025
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
Interest accrued and remaining unpaid at the end of the year	0.03	0.03
Amount of further interest remaining due and payable in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act.	-	-

* Does not include principal amount outstanding but not due of ₹ 16.32 million (March 31, 2025: ₹ 6.00) as the balance is not dues as on the reporting date.

28 REVENUE FROM OPERATIONS

	Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Sale of products		265.91	136.67
b)	Sale of services		307.16	201.09
c)	Other operating revenues:			
	Scrap sales		2.32	9.64
	Export incentives		5.10	8.21
	Revenue from operations (Net)	TOTAL	**580.49**	**355.61**

Disclosure under Ind AS 115,revenue from contract with customer

a) Timing of revenue recognition:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Point in time	80.53	49.74
Over the Period	494.86	297.66
Export incentives	5.10	8.21
	580.49	355.61

(i) The Company disaggregates revenue from contract with customer by geography as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
America	305.53	284.77
Europe	53.58	35.56
Rest of world	221.38	35.28
Total	**580.49**	**355.61**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

(ii) Reconciliation of revenue recognised with the contract price is as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract Price	580.49	355.61
Adjustments for:		
Refund liabilities	-	-
Discount/Incentives	-	-
Revenue recognised	**580.49**	**355.61**

(iii) Changes in contract assets are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	122.62	316.21
Add: Increase due to revenue recognised during the year, excluding amounts billed during the year	8.45	133.70
Less: Invoices raised related to exclusive customer contracts	(122.62)	(327.29)
Closing balance	**8.45**	**122.62**

29 OTHER INCOME

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income from financial assets at amortized cost	20.20	111.94
- Financial assets at amortised cost	19.40	11.76
- Others	0.80	100.18
Interest income on unwinding of security deposits	0.05	0.04
Net gain/ loss on sale of Plant, property and equipment ;	0.12	-
Rental income	45.68	15.29
Miscellaneous income	13.02	264.72
TOTAL	**79.07**	**397.98**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

30 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS

		For the year ended March 31, 2026	For the year ended March 31, 2025
Closing balance			
Finished Goods		35.64	9.17
Work in Progress		1.67	0.14
	A	37.31	9.31
Opening balance			
Finished Goods		9.17	1.73
Work in Progress		0.14	18.19
	B	9.31	19.92
Total changes in inventories of work-in-progress and finished goods	**TOTAL (A-B)**	**(28.00)**	**10.61**

31 EMPLOYEE BENEFIT EXPENSE

	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	410.23	353.72
Contribution to provident and other funds (refer note 38)	18.92	17.08
Gratuity	5.95	23.68
Compensated absences	4.93	(3.35)
Employees welfare expenses	9.42	6.57
TOTAL	**449.45**	**397.70**

32 FINANCE COST

Interest on financial liabilities measured at amortised cost”	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on OFCD	755.52	542.67
Interest on lease liabilities	3.51	6.73
Other interest	0.37	9.78
TOTAL	**759.40**	**559.18**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

33 DEPRECIATION & AMORTISATION

	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (refer note - 4)	206.86	154.21
Amortisation- right of use (refer note - 5)	14.49	25.83
Amortization of intangible assets (refer note - 8)	85.83	83.63
TOTAL	**307.18**	**263.66**

34 OTHER EXPENSES

	For the year ended March 31, 2026	For the year ended March 31, 2025
Power, fuel & water	48.45	39.04
Consumption of stores & spares	21.90	24.56
Repairs & maintenance		
- Buildings	2.31	2.63
- Plant and machinery	9.60	8.73
- Others	18.03	13.31
Environment & pollution control expenses	9.95	3.94
Laboratory & testing charges	62.29	59.90
Freight & cartage	10.31	8.05
Travelling and conveyance	41.53	43.06
Rental charges	10.11	5.42
Rates and taxes*	(83.97)	166.11
Insurance	13.65	7.82
Advertisement & sales promotion	24.28	10.23
Payment to auditors (Refer note 31(a) below)	2.56	2.97
Telephone and communication charges	21.83	13.80
Foreign exchange loss (net)	14.49	-
Provision for bad and doubtful debts & advances	(0.04)	2.66
Director sitting fees and commission	0.39	0.39
Legal & professional fees**	(15.24)	128.45
Bank charges	1.12	1.83
Business support services	263.30	71.46
IT infra services	19.87	10.33
Miscellaneous expenses	30.25	19.78
TOTAL	**526.97**	**644.65**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

a. Auditor's remuneration

	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditor:		
- Audit fee	1.25	0.95
- Limited review	0.90	0.90
- Tax audit	0.15	0.15
In other capacity:		
- Certificates & Other matters	0.04	0.26
- Reimbursement of expenses	0.22	0.71
	2.56	**2.97**

*Includes impact of 88 million related to write back of expenses of previous year.

**Includes impact of 109.35 million related to write back of expenses of previous year.

35 INCOME TAX EXPENSE

a) Income tax expense recognized in statement of profit and loss

	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax expense		
Current tax on profits for the year	-	-
Adjustment of current tax for prior year	-	(25.61)
Total current tax expense	**-**	**(25.61)**
Deferred tax expense		
Origination and reversal of temporary differences	-	-
(Decrease) / increase in deferred tax liability	60.98	93.53
Decrease / (increase) in deferred tax assets	(332.53)	(447.73)
Net deferred tax expense	**(271.54)**	**(354.20)**
Total Income tax expense	**(271.54)**	**(379.81)**

b) Deferred tax related to items recognised in Other comprehensive income during the year

	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement of defined benefit plans	0.84	1.41
Income tax charged to Other comprehensive income	**0.84**	**1.41**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	For the year ended March 31, 2026	For the year ended March 31, 2025
Accounting profit before tax	(1,613.91)	(1,251.80)
Tax at India's statutory income tax rate @ 25.168% (previous year @25.168%)	**(406.19)**	**(315.05)**
Adjustments:		
- Utilisation/credit of unrecognised tax losses, unabsorbed depreciation	0.04	3.54
- Effect of Ind AS adjustments in financial statements	(0.00)	(0.01)
- Effect of non-deductible expenses	0.72	22.59
- Effect of reversal of non-deductible expense of prior year	(22.17)	-
- Deferred tax asset not recognized on unabsorbed losses of current year	156.00	-
- Adjustment of current tax for prior year	-	(25.61)
- Effect of liability no longer payable	-	(66.95)
- Others	0.07	1.67
Income Tax Expense	**(271.54)**	**(379.81)**

*The Company has chosen to exercise the option of lower tax rate of 25.168% (inclusive of surcharge and tax) under section 115BAA of the Income Tax Act, 1961 effective April 01, 2019. Accordingly Company has taken the Impact on current tax liability and deferred tax.

36 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to PI foundation *	-	4.11

* The Company acquired unspent CSR liability on acquition of therachem research medilab private limited amounting to ₹ 4.11 milliom which has been paid to PI Foundation during FY 2024-25.

Details of CSR expenditure u/s 135(5) of the act in respect of other than ongoing projects

	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance unspent as at the start of the year	-	3.49
Amount deposited in Specified fund of Schedule VII of the act within 6 month	-	3.49
Balance unspent as at the end of the year	-	-

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

37 CAPITAL MANAGEMENT

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

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents and other bank balances.

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings	9,085.28	7,225.69
Less: Cash and cash equivalent and other bank balances	8.93	309.94
Net Debt	9,076.34	6,915.76
Total Equity Capital	2,720.88	3,945.35
Equity Capital and Net Debt	11,797.22	10,861.11
Gearing ratio	77%	64%

No changes were made in the objectives, policies or processes for managing capital of the Company during the current or previous year.

38 EMPLOYEE BENEFITS

The Company participates in defined contribution and benefit schemes, the assets of which are not funded in separately administered funds for defined benefit scheme. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

Defined Contribution plan

Employees benefits in the form of the Company's contribution to Provident Fund and Employees State Insurance are defined contribution schemes. Under a defined contribution plan, the Company's sole obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks are borne by the employee. The Company recognises contribution payable to these schemes as an expense, when employees provide services."

Defined Benefit Plan

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

Compensated absences

The liabilities for compensated absence namely earned and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit and loss.

a) Defined Contribution Plans: -

The Company has recognised an expense of ₹ 18.92 (previous year ₹ 17.08) towards the defined contribution plan.

b) Defined benefits plans - as per actuarial valuation

		Year ended March 31, 2026	Year ended March 31, 2025
		Gratuity Funded	Gratuity Unfunded
I	**Change in present value of obligation during the year**		
	Present value of obligation at the beginning of the year	**23.32**	**6.25**
	Total amount included in profit and loss:*		
	- Current Service Cost	3.67	6.77
	- Interest Cost	1.63	0.45
	- Past Service Cost	3.43	16.67
	Total amount recognised in profit or loss (refer note below)	**8.73**	**23.90**
	Total amount included in OCI:		
	Actuarial losses/(gains) arising from:		
	- Demographic Assumption	(2.02)	-
	- Financial assumption	(3.42)	0.35
	- Experience Judgement	2.06	(5.97)
	Total amount recognised in OCI	**(3.38)**	**(5.62)**
	Benefits Paid	(2.13)	(1.21)
	Present Value of obligation as at year-end	**26.55**	**23.32**

*Includes impact of new labour code recognised as exceptional item.

		Year ended March 31, 2026	Year ended March 31, 2025
II	**Change in Fair Value of Plan Assets during the year**		
	Plan assets at the beginning of the year	-	-
	Included in profit and loss:		
	Expected return on plan assets	-	-
	Included in OCI:		
	Actuarial Gain/(Loss) on plan assets	(0.03)	-
	Others:		
	Employer's contribution	2.49	-
	Benefits paid	-	-
	Claim received during the year from fund manager	-	-
	Pending claim with fund manager	-	-
	Plan assets at the end of the year	2.46	-

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
	Gratuity Funded	Gratuity Unfunded
III Reconciliation of present value of defined benefit obligation and fair value of plan assets		
Present Value of obligation as at year-end	26.55	23.32
Fair value of plan assets at yearend	2.46	-
Net Asset/(Liability)	(24.09)	(23.32)

	Year ended March 31, 2026	Year ended March 31, 2025
IV Bifurcation of present value of obligation at the end of the year		
Current Liability	4.13	2.06
Non-Current Liability	22.42	21.26

	Year ended March 31, 2026	Year ended March 31, 2025
V Actuarial Assumptions		
Discount Rate	7.78%	6.99%
Expected rate of return on plan assets	N.A.	N.A.
Mortality Table	100% of IALM (2012-14)	100% of IALM (2012-14)
Salary Escalation	9.00%	10.00%

VI Sensitivity Analysis @ 0.5% change	Year ended March 31, 2026		Year ended March 31, 2025	
	Increase	Decrease	Increase	Increase
Discount rate	(0.69)	0.73	(0.77)	0.82
Future salary growth	0.72	(0.69)	0.80	(0.76)

VII Maturity profile of defined benefit obligation

	Year ended March 31, 2026	Year ended March 31, 2025
	Gratuity Funded	Gratuity Unfunded
Within the next 12 months	4.13	2.06
Between 1-5 years	10.35	9.47
Beyond 5 years	12.06	11.79

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Major Categories of Plan Asset

The plan assets are managed by the Gratuity Trust formed by the Group. The management of 100% of the funds is entrusted with the HDFC Standard Life Insurance Company Limited and Kotak Mahindra Life Insurance Limited. Refer Below for major categories of plan assets invested where available.

HDFC Standard Life Insurance Company Limited.:- 50.20% (March 31, 2025 Nil) of the funds are in Defensive Manager Fund II.

Kotak Mahindra Life Insurance Company Limited — 49.80 (March 31, 2025 Nil) of the funds are in Kotak Group Prudent Fund.

Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such the Group is exposed to various risks as follow:

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk — If Plan is funded then the mismatch between assets and liabilities and actual return on assets being lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability — Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals — Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

39 CAPITAL & OTHER COMMITMENT

	Year ended March 31, 2026	Year ended March 31, 2025
Estimated Amount of Contracts remaining to be executed on capital account and not provided for {Net of advances of ₹ 4.85 million (March 31, 2025: ₹ 6.35 million)}	8.77	24.50

40 CONTINGENT LIABILITIES

	Year ended March 31, 2026	Year ended March 31, 2025
Claims against the company not acknowldged as debt		
-Income tax	1.92	1.92
Total	**1.92**	**1.92**

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

41 RELATED PARTY DISCLOSURES

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

List of Related Parties:-

I. Enterprises which control the entity

(a) PI Industries Limited

II. ENTERPRISES WHERE CONTROL EXISTS

Wholly owned subsidiary

(a) PI Health Sciences Netherlands B.V

(b) PI Health Sciences USA LLC

(c) Archimica S.P.A

III. Fellow Subsidiaries

(a) PI Innoventures Limited (Formerly know as PILL Finance and Investment Limited)

(b) PI Life Science Research Limited

(c) PI Japan Co. Limited

(d) Jivagro Limited

(e) PI Fermachem Private Limited

(f) PI Bioferma Private Limited

(g) PI Industries Management Consultancies LLC

(h) PI Agsciences LLC

IV. Key Managerial Personnel :-

a) Mr. Narayan Keelveedhi Seshadri Director

b) Mr. Arunabha Raychaudhuri Whole Time Director (w.e.f. 05/07/2024)

c) Mr. Mayank Singhal Director

d) Mr. Rajnish Sarna Director

e) Dr. Tanjore Soundararajan Balganesh Director

f) Dr. Atul Kumar Gupta Director (w.e.f. 03/08/2024)

g) Ms. Suman Gopalan Director (w.e.f. 03/08/2024)

i) Mr. Ankit Nayyar Chief financial officer

j) Mrs. Ruchi Sheth Company Secretary

V. Entities controlled by KMP with whom transactions have taken place:

a) PI Foundation

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

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

Nature of Transaction	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Transaction during the year	Balance outstanding Dr / (Cr)	Transaction during the year	Balance outstanding Dr / (Cr)
Compensation to KMP				
- Short term employee benefits	**0.56**	**-**	23.63	-
- Post employment benefits	**0.99**	**-**	1.80	-
- Director sitting fees	**0.39**	**-**	0.39	-
- Reimbursement on account of expenses incurred	**0.05**	**-**	2.97	-
- Salary and other perquisites	**13.28**	**-**	17.91	-
Transactions with PI Industries Limited				
- Issue of OFCD	**1,300.00**	**(8,800.00)**	2,000.00	(7,500.00)
- Interest paid on OFCD	**41.72**	**(37.54)**	32.86	(27.51)
- Rent paid	**0.56**	**-**	0.71	-
- Purchase of goods	**3.94**	**-**	3.77	(1.60)
- Cross charge	**5.17**	**(1.43)**	4.92	-
- Reimbursement on account of expenses incurred	**17.95**	**5.00**	0.12	-
- Sale of capital asset	**2.24**	**-**	-	-
- Purchase of capital asset	**-**	**-**	0.22	(0.03)
- Security Deposit	**8.41**	**(8.41)**	-	-
- Sale of services	**29.85**	**3.07**	18.57	10.20
- Rent received	**33.83**	**-**	**1.99**	**2.35**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Nature of Transaction	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Transaction during the year	Balance outstanding Dr / (Cr)	Transaction during the year	Balance outstanding Dr / (Cr)
Transactions with PI Health Sciences Netherlands B.V				
- Investments in equity shares	534.40	-	657.64	-
- Investments (Loan & interest conversion)	-	-	3,072.60	-
- Repayment of loan	21.87	-	814.70	21.10
- Interest received on loan	0.63	0.63	94.58	0.61
Transactions with Archimica S.P.A				
-Cross charge	8.76	-	-	-
-Business support services cross charge	12.68	(5.49)	5.99	(5.99)
Transactions with PI Health Sciences USA LLC		-		
-Business support services cross charge	245.45	(146.27)	60.55	(60.55)
Transactions with PI Agsciences,LLC				
- Sale of services	0.33	0.33	-	-
Transactions with PI Foundation				
- Contribution towards CSR activities	-	-	4.11	-

Terms and conditions of transactions with related parties

The sales and purchases / services rendered to and from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

42 FINANCIAL INSTRUMENTS

Financial instruments – Fair values and risk management

A. Financial instruments by category

Particulars	As at March 31, 2026			As at March 31, 2025		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Non-current assets*						
Loan	-	-	-	-	-	21.37
Other financial assets	-	-	10.55	-	-	11.09
Current assets						
Trade receivables			140.77	-	-	73.07
Cash and cash equivalents	-	-	8.93	-	-	298.46
Bank balance other than cash and cash equivalents	-	-	-	-	-	11.48
Other financial assets	-	-	2.58	-	-	4.45
TOTAL	**-**	**-**	**162.83**	**-**	**-**	**419.91**
Financial liabilities						
Non-current liabilities**						
Borrowings	-	-	9,085.28	-	-	7,225.69
Current liabilities**						
Trade payables	-	-	222.92	-	-	74.94
Other financial liabilities	-	-	140.19	-	-	384.20
TOTAL	**-**	**-**	**9,448.39**	**-**	**-**	**7,684.83**

* Excluding Investment in subsidiaries measured at cost in accordance with Ind AS 27

** Excluding lease liabilities measured in accordance with Ind AS 116

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

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

Particulars	As at March 31, 2026			As at March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Security deposits	-	-	10.55	-	-	11.09
Financial liabilities						
Security Deposit	-	-	10.50	-	-	2.60
TOTAL	**-**	**-**	**21.05**	**-**	**-**	**13.69**

The fair value of cash and cash equivalents, bank balances other than Cash and cash equivalents, trade receivables, contract assets, current financial assets, trade payables and current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments. Optionally fully convertible debentures issues to parent which resonates to its fair value as on reporting date. Fair value for security deposits (other than perpetual security deposits) and lease liabilities has been presented in the above table.

Fair value hierarchy

The table shown above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

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

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

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

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments includes:

- the use of quoted market prices
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

43 FINANCIAL RISK MANAGEMENT

Risk management framework

The Company's activities expose it to a variety of financial risks - credit risk, market risk and liquidity risk. The Company's board of directors has the overall responsibility for the management of these risks

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

As at the reporting date, the Management is of the opinion that the Company is not exposed to any substantial credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises from the operating activities primarily (trade receivables) and from its financing activities including cash and cash equivalents, deposits with banks and other financial instruments.

(i) Trade receivables and contract assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate including the past trends on recoverability.

The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's credit terms are offered. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Credit limits are established for each customer and reviewed periodically.

Credit risk exposure

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared risk characteristics and the days past due. The contract assets relates to unbilled work in progress and have substantially the same risk characterisitcs as trade receivables for the same type of contracts.

The allowance for lifetime expected credit loss on customer balances recognized for the years ended March 31, 2026 is "Nil' and (March 31, 2025 :"Nil').

The exposure to credit risk and expected credit loss on contract assets as at March 31, 2026 is insignificant and hence no loss allowance has been made.

Cash and cash equivalents, deposits with banks:

Credit risk from balances with banks and other financial instruments is managed by Company in accordance with its policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management and may be updated throughout the year.

Impairment on cash and cash equivalents, deposits and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. For financial assets which are long term in nature, the expected credit loss is insignificant.

Accordingly, based on the assessment there is no material allowance in the above financial assets.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses (if any) recognized represent the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2025 was as follows:

Particular	As at March 31, 2026	As at March 31, 2025
Loans	-	21.37
Trade receivables	140.77	73.07
Contract assets	8.45	122.62
Cash and cash equivalents	8.93	298.46
Bank balances other than above	-	11.48
Other financial assets	2.58	4.45
Other non-current financial asset	10.55	11.09
Total	**171.28**	**542.52**

ii. Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecast of Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

(a) Maturities of financial liabilities

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

As at March 31, 2026	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
Financial liabilities						
Borrowing	11,807.10	-	44.00	44.00	11,719.10	-
Lease liabilites	142.20	1.27	6.40	6.75	8.02	119.76
Trade payables	222.92	222.92	-	-	-	-
Other financial liabilities	140.19	140.19	-	-	-	-
Total	**12,312.42**	**364.38**	**50.40**	**50.75**	**11,727.13**	**119.76**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

As at March 31, 2025	Contractual cash flows					
	Total	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years
Financial liabilities						
Borrowings	10,369.00	-	37.50	37.50	10,294.00	-
Lease liabilities	184.28	3.59	14.70	18.79	24.88	122.32
Trade payables	74.94	74.94	-	-	-	-
Other financial liabilities	384.20	384.20	-	-	-	-
Total	**11,012.42**	**462.72**	**52.20**	**56.29**	**10,318.88**	**122.32**

iii. Market risk

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

The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk) and interest rate risk. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign Currency risk

The company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and Euro. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹).

Foreign currency risk exposure -

The currency profile of financial assets and financial liabilities as at March 31, 2026 and March 31, 2025 expressed in Indian Rupees (₹) are as below:

	As at March 31, 2026			As at March 31, 2025		
	USD	EURO	CHF	USD	EURO	CHF
Financial assets						
Trade receivables	116.91	-	-	62.87	-	10.20
Contract assets	-	-	-	-	-	-
Loans	-	-	-	21.37	-	-
Cash and cash equivalent (EEFC account)	-	-	-	17.07	-	-
Interest receivable on loan to subsidiaries	-	-	-	0.61	-	-
	116.91	**-**	**-**	**101.92**	**-**	**10.20**

	As at March 31, 2026			As at March 31, 2025		
	USD	EURO	CHF	USD	EURO	CHF
Financial liabilities						
Trade payables	148.46	2.15	0.20	16.24	-	-
Creditors for capital purchases	-	0.49	2.52	1.59	-	-
	148.46	**2.64**	**2.72**	**17.83**	**-**	**-**
Spot exchange rate on reporting date	94.84	109.00	118.57	85.48	92.09	-

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currency at March 31 would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, interest rates, remain constant and ignores any impact of forecast sales and purchases. 5% increase or decrease is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign currency rate.

Effect in INR	Profit or loss, net of tax		Impact on other components of equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2026				
5% movement				
USD	(1.18)	1.18	-	-
EURO	(0.10)	0.10	-	-
CHF	(0.10)	0.10	-	-
March 31, 2025				
5% movement				
USD	9.26	(9.26)	-	-
EURO	17.93	(17.93)	-	-
CHF	-	-	-	-

Interest rate risk

The Company's has taken loan from holding Company carrying a fixed interest rate, hence there is no interest rate risk at the reporting date.

Exposure to interest rate risk

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

Particular	As at March 31, 2026	As at March 31, 2025
Fixed-rate instruments		
Financial laibilities	9,085.28	7,225.69
Total	**9,085.28**	**7,225.69**

Fair value sensitivity analysis for fixed-rate instruments

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

Price risk

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

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

44 EXCEPTIONAL ITEM

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impact of New Labour Code*	(2.79)	-
Total	**(2.79)**	**-**

* Pursuant to the notification issued by the Ministry of Labour and Employment, multiple existing labour legislations have been consolidated into a unified framework comprising four Labour Codes, collectively referred to as the 'New Labour Codes' which became effective from November 21, 2025. The Group has reassessed its employee benefit obligations in accordance with the revised definition of "Wages". Considering that this impact is driven by a regulatory change and is non-recurring in nature, accordingly, an additional liability off ₹ 2.79 Million was recorded during the year.

45 RATIO ANALYSIS

S. No.	Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason
1	Current ratio (times)	Current asset	Current Liabilites	1.85	1.89	(2)%	Decrease in Cash & Cash equivalent balance
2	Debt-Equity ratio (times)	Borrowing	Total Equity	3.34	1.83	82%	New funding through OFCD in the current year leading to higher debt equity ratio
3	Debt Service Coverage ratio (times)	Earnings before interest, taxes, depreciation & amortization	Debt Serive = Interest and Principal payments including lease payments	(0.72)	(0.77)	(7)%	Not Required
4	Return on Equity ratio (%)	Profit after tax	Average Equity	(40.27)%	(20.32)%	(98)%	Due to increase in loss during the year
5	Inventory Turnover ratio (times)	Cost of Goods sold	Average Inventory	1.97	1.20	65%	Increase in sales resulted into this improvement
6	Receivables Turnover ratio (times)	Sales	Average Receivable	5.43	3.96	37%	Improved collection efficiency
7	Payables Turnover ratio (times)	Cost of Goods sold	Average Payable	1.53	2.26	(32)%	Due to better negotiation in credit terms

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

45 RATIO ANALYSIS (Contd.)

S. No.	Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason
8	Net Capital Turnover ratio (times)	Sales	Working Capital	1.58	0.75	110%	Due to better working capital managemnet
9	Net Profit ratio (%)	Profit after tax	Sales	(231.25)%	(245.21)%	6%	Reversal in other expenses due to full and final settlement with ex-promoters of Therachem (Refer Note-34)
10	Return on Capital Employed (%)	Earnings before interest and taxes	Total Equity + Borrowings	(7.21)%	(6.20)%	(16)%	Not Required
11	Return on Investment (%)	Earnings before interest and taxes	Total Assets	(7.07)%	(6.27)%	(13)%	Not Required

46 EARNING PER SHARE (EPS)

		For the year ended	
		March 31, 2026	March 31, 2025
(i)	**Net Loss for Basic EPS**	(1,342.37)	(871.99)
	Add: Finance cost on OFCDs	755.52	542.67
	Net Loss for Diluted EPS	(586.85)	(329.32)
(ii)	Number of Equity Shares at the beginning of the year	44,09,99,946	44,09,99,946
	Add: Number of shares issued during the year	-	-
	Total number of Shares outstanding during the year	44,09,99,946	44,09,99,946
	Weighted average number of equity shares outstanding during the year - basic	44,09,99,946	44,09,99,946
	Weighted average number of equity shares outstanding during the year - basic	44,09,99,946	44,09,99,946
	Add: Weighted average number of equity shares to be issued on conversion of OFCDs	47,69,00,196	37,56,55,577
	Weighted average number of equity shares outstanding during the year - diluted	91,79,00,142	81,66,55,523
	Earning per share - Basic (₹)	(3.04)	(1.98)
	Earning per share - Diluted (₹)	(3.04)	(1.98)

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

	For the year ended	
	March 31, 2026	March 31, 2025
Face value per share (₹)	10.00	10.00

Note: OFCDs are anti-dilutive in nature during the year ended March 31, 2026 and March 31,2025

47A Leases - Company as lessor

Operating lease

The lease rentals recognised as income in these statements as per the rentals stated in the respective agreements:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lease rentals recognised as income during the year		
- Variable lease rentals	-	-
- Others	**45.68**	**15.29**

These assets relate to building subleased on account of idle space utilisation by subleasing it to respective customers.

Undiscounted Lease Payments to be received after the reporting date is ₹ 83.89 Million.(As on March 31,2025:108.91 Million)

47B OPERATING SEGMENT

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

The Company has evaluated the applicability of segment reporting and has concluded that since the principal activities of the group are Manufacturing and/or trading, research and development of all kinds of Pharmaceuticals products, Pharma intermediates and related products accordingly the Company has one reportable business segment viz. Pharma Products.

Geographical Areas

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Europe	53.58	35.56
USA	305.53	284.77
Rest of the World	221.38	35.28
Total	**580.49**	**355.61**

There is one customers having revenue of ₹ 176.71 (March 31, 2025 one customer having revenue of ₹ 111.18) exceeds 10% of the total revenue of the company for the year.

Geographical information

All non current assets of the company are located in india

48 OTHER STATUTORY INFORMATION

(i) The Company does not have any transactions and balances with companies struck off.

(ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has advanced or loaned or invested funds to following entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The details are as follows:

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

For the year ending March 31,2026

Name of the intermediary to which the funds are loaned or invested	Type	Date of transaction	Amount	Ultimate beneficiaries
PI Health Sciences Netherland B.V.	Loan Repaid	June 26, 2025	(12.22)	Archimica s.p.a and PI Health Sciences USA, LLC
	Investment	December 23, 2025	346.45	
	Loan Repaid	January 01, 2026	(9.65)	
	Investment	March 27, 2026	187.95	

Name of the ultimate beneficiary to which the funds are further loaned or invested by intermediary disclosed above	Type	Date of transaction	Amount in absolute*
Archimica s.p.a	Investment	December 23, 2025	€ 15,00,000
PI Health Sciences USA, LLC	Investment	April 14, 2025	$ 1,60,000
	Investment	December 24, 2025	$ 20,00,000
	Investment	March 27, 2026	$ 18,00,000

* The Currency in € Denotes EUR

* The Currency in $ Denotes USD

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

For the year ending March 31,2025

Name of the intermediary to which the funds are loaned or invested	Type	Date of transaction	Amount	Ultimate beneficiaries
PI Health Sciences Netherland B.V.	Loan	April 05, 2024	90.48	Archimica s.p.a and PI Health Sciences USA, LLC
	Loan	June 05, 2024	90.70	
	Loan	June 28, 2024	89.25	
	Loan	July 31, 2024	135.82	
	Loan	August 12, 2024	91.71	
	Loan	September 10, 2024	20.16	
	Loan	September 26, 2024	107.22	
	Loan	October 30, 2024	168.26	
	Conversion of loan	October 31, 2024	(2,620.23)	
	Conversion of loan	October 31, 2024	(452.37)	
	Loan	November 13, 2024	21.10	
	Investment	December 05, 2024	89.17	
	Investment	December 23, 2024	353.56	
	Investment	January 30, 2025	180.60	
	Investment	March 25, 2025	34.31	

Name of the ultimate beneficiary to which the funds are further loaned or invested by intermediary disclosed above	Type	Date of transaction	Amount in absolute
Archimica s.p.a	Investment	April 09, 2024	€ 10,00,000
	Investment	June 05, 2024	€ 10,00,000
	Investment	June 28, 2024	€ 10,00,000
	Investment	August 02, 2024	€ 15,00,000
	Investment	August 19, 2024	€ 10,00,000
	Investment	September 27, 2024	€ 11,50,000
	Investment	October 30, 2024	€ 18,00,000

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

Name of the ultimate beneficiary to which the funds are further loaned or invested by intermediary disclosed above	Type	Date of transaction	Amount in absolute
	Conversion of loan	October 31, 2024	€ 1,64,15,000
	Investment	December 06, 2024	€ 10,00,000
	Investment	December 24, 2024	€ 32,50,000
	Investment	January 30, 2025	€ 10,00,000
	Investment	February 17, 2025	€ 10,00,000

Name of the ultimate beneficiary to which the funds are further loaned or invested by intermediary disclosed above	Type	Date of transaction	Amount in absolute
PI Health Sciences USA, LLC	Loan repaid	April 05, 2024	$ (50,000)
	Loan repaid	June 12, 2024	$ (2,30,000)
	Loan	September 12, 2024	$ 2,00,000
	Loan	September 12, 2024	$ 2,00,000
	Loan	October 28, 2024	$ 35,000
	Loan	November 14, 2024	$ 2,50,000
	Conversion of loan	November 30, 2024	$ (26,23,015)
	Investment	December 31, 2024	$ 5,50,000
	Loan repaid	February 11, 2025	$ (2,50,000)
	Investment	February 05, 2025	$ 2,50,000
	Investment	February 28, 2025	$ 1,00,000
	Investment	March 19, 2025	$ 40,000
	Investment	March 26, 2025	$ 1,00,000

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

(vi) The Company has received fund from following entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

The details are as follows: for the year ended March 31,2026

Name of the funding party	Type	Date of transaction	Amount	Intermediate beneficiaries
PI Industries Limited	OFCDs	June 24,2025	1,000.00	PI Health Sciences Netherland B.V.
	OFCDs	January 02,2026	300.00	

The details are as follows: for the year ended March 31,2025

Name of the funding party	Type	Date of transaction	Amount	Intermediate beneficiaries
PI Industries Limited	OFCDs	July 23, 2024	250.00	PI Health Sciences Netherland B.V.
	OFCDs	July 24, 2024	500.00	
	OFCDs	July 24, 2024	250.00	
	OFCDs	November 11, 2024	1,000.00	

(vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(ix) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, wherein the audit log at the application level, will not get generated in case of modification, if any performed by the users with certain specific privileged access. For such instances, we have disabled the specific privileged access for all users, thereby the situation of users performing modifications at application level with no audit trail getting generated, will not arise.

(x) The Company is maintaining its books of account in electronic mode and these books of account are accessible in India at all times and the back-up of books of account has been kept in servers physically located in India on a daily basis from the applicability date of the Companies (Accounts) Rules, 2014.

(xi) As at March 31, 2026 , the Company has not granted any loans or advances in the nature of Loans to the promoters, directors and KMPs (as defined under Companies Act, 2013), either severally or jointly with any other person which are repayable on demand or without specifying any terms or period of repayment (March 31, 2025: Nil).

(xii) Compliance with approved scheme(s) of arrangements: The Company has not entered into a scheme of arrangement during the year.

(xiii) The Group has not been declared wilful defaulter any bank or financial institution or any other lender.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Million, unless otherwise stated)

(xiv) The Group has not revalued its property, plant and equipment (including right-of -use assets) or intangible assets or both during the current year except for asset acquired from business combination.

49 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorisation of these financial statements.

As per our report of even date

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm Reg. No.: 000756N/N500441

Sd/-
AMIT GOEL
Partner
M. No. 512497

Place: New Delhi
Date: May 7, 2026

For and on behalf of the Board of Directors of
PI Health Sciences Limited

Sd/-
Arunabha Raychaudhuri
Director
DIN: 10685547

Place: Mumbai
Date: May 7, 2026

Sd/-
Rajnish Sarna
Director
DIN: 06429468

Place: Gurgaon
Date: May 7, 2026

Sd/-
Ankit Nayyar
Chief Financial Officer

Place: Mumbai
Date: May 7, 2026

Sd/-
Ruchi Jayesh Sheth
Company Secretary

Place: Mumbai
Date: May 7, 2026