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Argee & Co

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of **Peerless Biotech Private Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Peerless Biotech Private Limited, Plot #99/100, 2nd Link St, Nehru Nagar Industrial , Estate, Kottivakkam, Chennai - 600041** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matter is not applicable to the company as it is an unlisted company.

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 Director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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 Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

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 sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) During the year the Company has not paid any managerial remuneration. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended: is not applicable to the company.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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 (1) and (2) above, contain any material mis-statement.
- v. The dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company has used software applications "Tally Prime Gold" for revenue, billing and receivables, purchases and payables, inventory management and maintaining its books of accounts during the year-ended March 31, 2025, which has a feature of recording the audit trail (edit log) facility. The same has been enabled at application as well as database level. Further, audit trail was enabled in September 2024 and audit trail feature has operated throughout the relevant period for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software.

UDIN: 25028161BMIGEV3673

For Argee & Co.

Chartered Accountants

Firm Registration No.: 0002175



CA Mathew Varghese FCA

Partner

Membership No: 028161



Place: Kochi

Date: 24-05-2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF PEERLESS BIOTECH PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

UDIN: 25028161BMIGEV3673

For Argee & Co.

Chartered Accountants

Firm Registration No.: 0002175



CA Mathew Varghese FCA

Partner

Membership No: 028161



Place: Kochi

Date: 24-05-2025

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PEERLESS BIOTECH PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of right-of-use assets.

B. The company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant, and Equipment have been physically verified by the management at reasonable intervals. According to the information provided, no material discrepancies were found.

(c) According to the information and explanations given to us, there are no immovable properties. Accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii.

(a) The Company has a system of physical verification of inventory whereby all items of inventory are physically verified over a period of time at regular intervals during the year. Discrepancies, if any between physical inventory and book records are adjusted in the books as and when the verifications and corresponding reconciliations are carried out. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate. No discrepancies of 10% or more in



the aggregate for each class of inventories were noticed on such physical verification of inventories.

- (b) The company does not have any working capital limits on the basis of security of current assets as on 31st March, 2025.
- iii. According to the information and explanations provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any Loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties. Hence, the requirements under paragraph 3(iii) of the order are not applicable to the company.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order are not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2025, which are in the nature of deposits.
- vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessments of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.



ix.

- (a) The Company has taken loans or borrowings from financial institutions, banks and government or has not issued any debentures. The company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans during the year. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate, or joint venture. Hence reporting under the Clause 3(ix)(e) of the order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate, or joint venture. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.

x.

- (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3(x)(b) of the Order are not applicable to the Company.

xi.

- (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the year in the course of our audit.



- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act.
- xiv.
- (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors, for the period under audit, issued till the date of our audit report.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.
- xvi.
- (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated in paragraph 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated in paragraph 3(xvi)(b) of the Order are 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. Hence, the reporting under paragraph 3(xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not



have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.

- xvii. Based on the overall review of the financial statements, The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 42 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.
- xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under Clause 3(xxi) of the Order is not applicable.

UDIN: 25028161BMIGEV3673

For Argee & Co.

Chartered Accountants

Firm Registration No.: 0002175


CA Mathew Varghese FCA
Partner
Membership No: 028161



Place: Kochi

Date: 24-05-2025

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PEERLESS BIOTECH PRIVATE LIMITED

[Referred to in paragraph 2(e) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Peerless Biotech Private Limited on the Financial Statements for the year ended March 31, 2025]

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

We have audited the internal financial controls with reference to financial statements of Peerless Biotech Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial



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

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 with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

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

UDIN: 25028161BMIGEV3673

For Argee & Co.

Chartered Accountants

Firm Registration No.: 0002175

CA Mathew Varghese FCA

Partner

Membership No: 028161



Place: Kochi

Date: 24-05-2025

Peerless Biotech Private Limited
Balance Sheet as at 31 March 2025
(Amount in millions, except stated otherwise)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
ASSETS				
Non-current assets				
Property, plant and equipment	5 (A)	118.88	118.09	115.20
Right to Use Asset	5 (B)	37.23	16.12	0.19
Other intangible assets	6	2.16	2.71	3.96
Financial assets				
Investments	7	317.97	71.79	75.26
Other Financial Asset	8	12.04	15.19	20.85
Deferred tax asset (net)	9	7.72	7.56	3.59
Total non-current assets		496.00	231.46	219.05
Current assets				
Inventories	10	343.05	346.69	250.17
Financial assets				
Trade receivables	11	424.76	382.67	457.77
Cash and cash equivalents	12	39.74	18.50	0.41
Bank balances other than cash and cash equivalent	13	101.52	109.21	4.20
Other current financial assets	11	3.18	7.07	0.00
Other current assets	14	22.31	16.16	1.73
Total current assets		934.56	880.30	744.08
Total assets		1,430.56	1,111.76	963.13
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	5.00	5.00	5.00
Other equity	16	927.04	800.67	626.33
Total equity		932.04	805.67	631.33
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	19	-	5.52	11.61
Lease Liabilities	17	25.05	15.97	9.20
Provisions	18	6.96	11.56	10.15
Total non-current liabilities		32.01	32.95	21.96
Current liabilities				
Financial liabilities				
Borrowings	19	5.52	6.10	59.34
Lease Liabilities	17	14.01	-	-
Trade payables	20	-	-	-
i) Total outstanding dues of micro enterprises and small enterprises		13.43	5.90	15.38
ii) Total outstanding dues of creditors other than micro enterprise and small enterprise		303.55	187.49	177.48
Other financial liabilities	21	103.88	58.86	45.29
Provisions	18	1.28	-	-
Current tax liabilities (net)	22	16.44	0.19	0.35
Other current liabilities	23	8.40	14.60	12.90
Total current liabilities		466.51	273.14	309.84
Total liabilities		498.52	306.09	331.80
Total equity and liabilities		1,430.56	1,111.76	963.13

See accompanying notes to the financial statements

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

As per our report of even date
For Argee & Co.
Chartered Accountants
Firm Registration No.: 0002175

CA Matthew Varghese, FCA
Partner
Membership No: 028161
Place: Kochi
Date: 24 May 2025



For and on behalf of the Board of Directors
Peerless Biotech Private Limited
CIN: U51397TN2001PTCD47094

Vinayak Vaikunth Bhat
Managing Director
DIN: 00895491
Place: Chennai
Date: 24 May 2025

Sasidharan Mohankumar
Whole Time Director
DIN: 06931860
Place: Chennai
Date: 24 May 2025

Peerless Biotech Private Limited
Statement of Profit and Loss for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	24	1,878.48	1,709.33
Other income	25	18.51	19.98
Total income		1,896.99	1,729.31
Expenses			
Cost of materials consumed	26	30.54	121.39
Purchase of Stock-in-trade	27	1,233.66	1,130.88
Changes in inventories of Stock-in-trade	28	38.96	(80.90)
Employee benefits expense	29	201.11	149.49
Finance costs	30	4.79	3.45
Depreciation and amortization expense	31	20.82	9.10
Other expenses	32	162.37	159.02
Total expenses		1,692.24	1,492.42
Profit before tax		204.75	236.89
Tax expense			
Current tax	33	63.44	63.20
Deferred tax credit		(1.30)	(3.96)
Total income tax expense/(income)		62.14	59.24
Profit for the year		142.61	177.65
Other comprehensive income			
Items that will not be reclassified to profit & loss			
Remeasurement gain / (loss) on defined benefit plan		4.91	1.69
Income tax effect		(1.14)	-
Other comprehensive income for the year, net of tax		3.77	1.69
Total comprehensive income for the year		146.38	179.34
Earning per share			
Basic (Rs.)	34	2,852.10	3,552.93
Diluted (Rs.)		2,852.10	3,552.93

See accompanying notes to the financial statements


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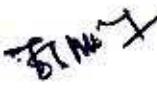
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Argee & Co.
Chartered Accountants
Firm Registration No.: 0002175

For and on behalf of the Board of Directors of
Peerless Biotech Private Limited
CIN: US1397TN2001PTC047094


CA Mathew Varghese, FCA
Partner
Membership No: 02B161
Place: Kochi
Date: 24 May 2025


Vinayak Vaikunth Bhat
Managing Director
DIN: 00895491
Place: Chennai
Date: 24 May 2025


Sasidharan Mohankumar
Whole Time Director
DIN: 06931860
Place: Chennai
Date: 24 May 2025



Peerless Biotech Private Limited
Statement of cash flows for the period ended 31 March 2025
(Amount in millions, except stated otherwise)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	204.75	236.89
Adjustments for:		
Depreciation and amortization expenses	20.82	9.10
Interest on Bank Loan	0.76	2.08
Interest on Lease liability	3.58	0.93
Interest income	(5.14)	(6.56)
Loss of stock due to flood (unclaimable)	-	3.36
Fair value impact on mutual fund	(5.33)	(0.03)
Provision for expected credit loss	7.29	16.50
	226.72	262.27
Changes in working capital		
Increase in trade payables	123.59	0.53
(Increase) in inventories	3.64	(99.87)
(Increase) in trade receivables	(49.39)	88.40
(Decrease)/Increase in other current liabilities	(6.20)	1.70
Increase in other financial liabilities	45.02	15.07
Decrease/(Increase) in other financial assets	7.56	(1.32)
Increase in provisions and employee benefits	1.59	3.10
Increase/(Decrease) in other current assets	(6.15)	(14.39)
Cash generated in operations	346.38	255.49
Income tax paid (includes advance tax)	(47.20)	(63.35)
Net cash flows (used)/generated in operating activities (A)	299.18	192.14
Cash flow from Investing activities		
Payment for purchase of property, plant and equipment and intangible assets	(7.97)	(8.52)
Net fixed deposit having maturity more than three months with bank placed	7.69	(105.02)
Purchase/Sale of Investment	(240.85)	3.50
Interest received	4.62	6.46
Net cash flows generated/(used) in Investing activities (B)	(236.52)	(103.58)
Cash flow from Financing activities		
Repayment of Borrowings	(6.10)	(62.02)
Principal paid on lease liabilities	(14.57)	(3.41)
Dividend Paid	(20.00)	(5.00)
Finance cost paid	(0.76)	-
Net cash flows generated/(used) in financing activities (C)	(41.42)	(70.43)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	21.24	18.13
Cash and cash equivalents at the beginning of the year	18.50	0.41
Cash and cash equivalents at the end of the year	39.74	18.54
Cash and cash equivalents comprise		
Balances with banks		
In current accounts	29.73	18.48
Fixed deposits with maturity of less than 3 months	10.00	-
Cash on hand	0.01	0.02
Total cash and bank balances at the end of the year	39.74	18.50



Peerless Biotech Private Limited

Statement of cash flows for the period ended 31 March 2025

(Amount in millions, except stated otherwise)

Reconciliation of the movements of liabilities to cash flows arising from financing activities

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance		
Cash credit facility	11.62	17.19
Loan from Related Parties	-	221.44
Interest accrued and due on borrowings	-	45.63
Total	11.62	284.26
Movement		
Cash flows-Cash Credit facility	(6.10)	(5.57)
Cash flows-Related Party Loan	-	(221.44)
Interest paid	(0.41)	(47.72)
Interest expenses	0.41	2.08
Closing Balance		
Cash credit facility	5.52	11.62
Loan from Related Parties	-	-
Interest accrued and due on borrowings	-	-
Total	5.52	11.62

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows as specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended).

2. Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of deposits).

See accompanying notes to the financial statements

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

As per our report of even date

For Argee & Co.

Chartered Accountants

Firm Registration No.: 0002175

For and on behalf of the Board of Directors

Peerless Biotech Private Limited

CIN: US1397TN2001PTC047094

CA Mathew Varghese, FCA

Partner

Membership No: 028161

Place: Kochi

Date: 24 May 2025

Vinayak Vaikunth Bhat

Managing Director

DIN: 00895491

Place: Chennai

Date: 24 May 2025

Sasidharan Mohankumar

Whole Time Director

DIN: 06931860

Place: Chennai

Date: 24 May 2025



Peerless Biotech Private Limited
Statement of changes in equity for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

(A) Equity share capital

Particulars	Amount
Balance as at 1 April 2023	5.00
Add: Issued during the year	
Balance as at 31 March 2024	5.00
Balance as at 1 April 2024	5.00
Add: Issued during the year	
Balance as at 31 March 2025	5.00

(B) Other equity

Particulars	Reserve and surplus	Total
	Retained earnings	
As at 1 April 2023	646.51	646.51
Add: Adjustments pursuant to implementation of Ind AS	(20.18)	(20.18)
Restated balance as at 01 April 2023	626.33	626.33
Changes during the year		
Profit for the year	177.65	177.65
Other comprehensive income	1.69	1.69
Dividend	(5.00)	(5.00)
Total comprehensive income for the year	174.34	174.34
Balance as at 31 March 2024	800.67	800.67
As at 1 April 2024	800.67	800.67
Changes during the year		
Profit for the year	142.61	142.61
Other comprehensive income	3.77	3.77
Dividend	(20.00)	(20.00)
Total comprehensive income for the year	126.37	126.37
Balance as at 31 March 2025	927.05	927.05

See accompanying notes to the financial statements

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

As per our report of even date
For Argee & Co.
Chartered Accountants
Firm Registration No.: 0002175

For and on behalf of the Board of Directors
Peerless Biotech Private Limited
CIN: U51397TN2001PTC047094


CA Matthew V. Ghose, FCA
Partner
Membership No: 028161
Place: Kochi
Date: 24 May 2025


Vinayak Vaikunth Bhat
Managing Director
DIN: 00895491
Place: Chennai
Date: 24 May 2025


Sasidharan Mohankumar
Whole Time Director
DIN: 06931860
Place: Chennai
Date: 24 May 2025



Peerless Biotech Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

5 (A) Property, plant and equipment

Particulars	Gross block			Depreciation			Net block	
	As at 1 April 2024	Additions/ Adjustments	Deductions As at 31 March 2025	As at 1 April 2024	For the year	Deductions As at 31 March 2025	As at 31 March 2025	As at 31 March 2025
Owned assets								
Land	50.37	-	-	-	0.70	-	50.37	50.37
Building	28.41	-	-	0.70	2.14	1.41	27.00	27.00
Plant and machineries	27.21	5.61	-	1.77	0.91	3.91	28.91	28.91
Furniture and fixtures	7.48	0.31	-	0.67	1.04	1.58	6.21	6.21
Office equipment	4.20	0.39	-	1.14	0.63	2.18	2.41	2.41
Computer and peripherals	1.37	0.68	-	0.60	0.77	1.23	0.82	0.82
Vehicles	4.41	-	-	0.50	1.27	1.27	3.15	3.15
Total	123.46	6.99	-	5.37	6.20	11.37	118.88	118.88

Particulars	Gross block			Depreciation			Net block	
	As at 1 April 2023 (Deemed cost)	Additions/ Adjustments	Deductions/ Adjustments As at 31 March 2024	As at 1 April 2023	For the year	Deductions/ Adjustments As at 31 March 2024	As at 31 March 2024	As at 31 March 2024
Owned assets								
Land	50.37	-	-	-	0.70	-	50.37	50.37
Building	28.41	-	-	-	1.84	0.70	27.70	27.70
Plant and machineries	24.72	2.66	0.17	-	0.67	1.77	25.44	25.44
Furniture and fixtures	4.86	2.62	-	-	1.14	0.67	6.81	6.81
Office equipment	3.91	0.29	-	-	0.60	1.14	3.06	3.06
Computer and peripherals	0.95	0.42	-	-	0.50	0.60	0.78	0.78
Vehicles	1.97	2.44	-	-	5.44	0.50	3.92	3.92
Total	115.20	8.43	0.17	-	5.44	0.07	118.09	118.09



Peerless Biotech Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2025

(Amount in millions, except stated otherwise)

5 (B) Right of use assets

Particulars	Gross block			Depreciation			Net block
	As at 1 April 2024	Additions/ Adjustments	Deductions As at 31 March 2025	As at 1 April 2024	For the year	Deductions As at 31 March 2025	As at 31 March 2025
Leased assets							
Right of Use Asset - Building	18.34	34.19 ⁹	52.53	2.22	13.08	15.30	37.23
Total	18.34	34.19	52.53	2.22	13.08	15.30	37.23

Particulars	Gross block			Depreciation			Net block
	As at 1 April 2023 (Deemed cost)	Additions/ Adjustments	Deductions/ Adjustments As at 31 March 2024	As at 1 April 2023	For the year	Deductions/ Adjustments As at 31 March 2024	As at 31 March 2024
Leased assets							
Right of Use Asset - Building	0.19	18.15	18.34	-	2.22	2.22	16.12
Total	0.19	18.15	18.34	-	2.22	2.22	16.12

6 Intangible Assets

Particulars	Gross block			Depreciation			Net block
	As at 1 April 2024	Additions/ Adjustments	Deductions As at 31 March 2025	As at 1 April 2024	For the year	Deductions As at 31 March 2025	As at 31 March 2025
Software	1.64		1.64	0.82	0.82	1.64	0.00
Licences	2.51	0.98	3.48	0.62	0.70	1.32	2.16
Total	4.15	0.98	5.13	1.44	1.53	2.96	2.16

Particulars	Gross block			Depreciation			Net block
	As at 1 April 2023 (Deemed cost)	Additions/ Adjustments	Deductions/ Adjustments As at 31 March 2024	As at 1 April 2023	For the year	Deductions/ Adjustments As at 31 March 2024	As at 31 March 2024
Software	1.64		1.64		0.82	0.82	0.82
Licences	2.32	0.19	2.51		0.62	0.62	1.89
Total	3.96	0.19	4.15	-	1.44	1.44	2.71

Note: There is neither capital work-in-progress nor Intangible asset under development as at 31 March 2025, 31 March 2024 and 1 April 2023.



Peerless Biotech Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

7 Investments

Particulars

	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Non current	Current	Non current	Current	Non current	Current
Investment in Mutual Funds (Quoted)	317.97	-	0.51	-	3.98	-
Investment in Equity shares of Subsidiary Company(unquoted)	-	-	71.28	-	71.28	-
Total	317.97	-	71.79	-	75.26	-

8 Other Financial Asset

Particulars

	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Non current	Current	Non current	Current	Non current	Current
(Unsecured, considered good)						
Security Deposits (at amortised cost)	12.04	-	7.96	-	6.26	-
In Deposit accounts with original maturity for more than 12 months	-	0.90	-	-	-	-
Other receivable	-	-	7.23	7.07	14.59	0.00
Income Accrued	-	2.28	-	-	-	-
Total	12.04	3.18	15.19	7.07	20.85	0.00

9 Deferred tax assets/(liabilities) (net)

Particulars

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Deferred tax asset on account of:			
Right of use asset and lease liability adjustment	0.46	0.16	0.00
Provision for employee benefits	2.07	2.96	2.91
Expected Credit Loss	9.98	8.16	4.00
Fair Value of deposits	0.38	-	-
Expenses provided but allowable in Income Tax on payment basis	0.02	-	-
Fair valuation through profit and loss of mutual fund	(1.23)	-	-
Deferred tax liability on account of:			
Property, plant and equipment	(3.96)	(3.72)	(3.32)
Net deferred tax assets	7.72	7.56	3.59
Deferred tax assets/(liabilities) recognized	7.72	7.56	3.59

9.1 Note (a): Summary of deferred tax assets/(liabilities)

Particulars

	As at 1 April 2024	(Charged)/ Credited to P & L	(Charged)/ Credited to OCI	As at 31 March 2025
Property, plant and equipment	(3.72)	(0.24)	-	(3.96)
Right of use asset and lease liability adjustment	0.16	0.30	-	0.46
Expenses provided but allowable in Income Tax on payment basis	-	0.02	-	0.02
Provision for employee benefits	2.96	0.26	(1.14)	2.07
Expected Credit Loss	8.16	1.82	-	9.98
Fair Value of deposits	-	0.38	-	0.38
Fair valuation through profit and loss of mutual fund	-	(1.23)	-	(1.23)
Net deferred tax assets/(liability)*	7.56	1.51	(1.14)	7.72

Particulars

	As at 1 April 2023	(Charged)/ Credited to P & L	(Charged)/ Credited to OCI	As at 31 March 2024
Property, plant and equipment	(3.32)	(0.40)	-	(3.72)
Right of use asset and lease liability adjustment	0.00	0.16	-	0.16
Provision for employee benefits	2.91	0.05	-	2.96
Expected Credit Loss	4.00	4.15	-	8.16
Net deferred tax assets/(liability)*	3.59	3.96	-	7.56

10 Inventories

Particulars

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
At lower of cost or net realizable value			
Raw materials	61.21	25.89	10.27
Trading goods	281.84	320.80	239.90
Total	343.05	346.69	250.17



Peerless Biotech Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

11 Trade receivable

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Unsecured			
-Considered good	424.76	382.67	487.57
-Considered doubtful	39.66	32.41	15.91
	464.42	415.08	503.48
Less: Expected loss allowances	(39.66)	(32.41)	(15.91)
Total Trade receivables	424.76	382.67	487.57
Further classified as:			
Receivable from related parties (Refer Note 40)	4.94	5.40	-
Receivable from others	459.22	409.68	415.08
	464.16	415.08	415.08
The movement in allowance for expected credit loss is as follows:-			
Opening Balance	32.41	15.91	-
Change in allowance for expected credit loss during the year	7.25	16.50	15.91
Write off during the year	-	-	-
Closing Balance	39.66	32.41	15.91

Trade receivables ageing schedule

As at 31 March 2025

Particulars/ Period	Less Than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivable - Considered Good	309.72	56.22	56.22	2.60	-	424.76
(ii) Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	39.66
(v) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(vi) Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	(39.66)
Less: Expected loss allowances	-	-	-	-	-	(39.66)
Total	309.72	56.22	56.22	2.60	-	424.76

*There are no unbilled and not due receivables

As at 31 March 2024

Particulars/ Period	Less Than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivable - Considered Good	379.41	13.87	19.92	-	1.89	415.08
(ii) Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
(v) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(vi) Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	(32.41)
Less: Expected loss allowances	-	-	-	-	-	(32.41)
Total	379.41	13.87	19.92	-	1.89	382.67

*There are no unbilled and not due receivables

As at 01 April 2023

Particulars/ Period	Less Than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivable - Considered Good	382.55	29.18	91.74	-	-	503.48
(ii) Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
(v) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(vi) Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	(15.91)
Less: Expected loss allowances	-	-	-	-	-	(15.91)
Total	382.55	29.18	91.74	-	-	487.57

*There are no unbilled and not due receivables

12 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Balances with banks			
Fixed deposits with maturity of less than 3 months	10.00	-	-
Balances with banks	29.73	18.48	0.37
cash on hand	0.01	0.02	0.04
Total	39.74	18.50	0.41

13 Bank balances other than Cash and cash equivalent

In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	101.52	109.21	4.20
Total	101.52	109.21	4.20



Peerless Biotech Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

14 Other current assets			
Advance to supplier	20.17	-	-
Balance with Government Authority	-	0.05	-
Income Accrued	-	4.26	0.04
Prepaid Expenses	1.57	2.19	0.91
Advance to staff	0.57	1.21	0.51
Advance for Expenses	-	8.45	0.27
Total	<u>22.31</u>	<u>16.16</u>	<u>1.73</u>



15 Equity share capital

Particulars

a. Authorised Share Capital

50,000 Number of Equity shares of Rs. 100 each
Total

As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
5.00	5.00	5.00
5.00	5.00	5.00

b. Issued, Subscribed and Paid-up:

50,000 Number of Equity shares of Rs. 100 each
Total

5.00	5.00	5.00
5.00	5.00	5.00

c. Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars

Outstanding at the beginning of the year
Add: Issued during the year
Outstanding at the end of the year

As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
No of shares	Amount	No of shares	Amount	No of shares	Amount
50,000	5.00	50,000	5.00	50,000	5.00
50,000	5.00	50,000	5.00	50,000	5.00

d. Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of Rs. 100 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. 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 shareholder.

e. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder

Vinayak Valkunth Bhat
Entero Healthcare Solutions Ltd

As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
No of shares	%	No of shares	%	No of shares	%
18,700	37%	41,500	83%	41,500	83%
30,000	60%	-	0%	-	0%

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

f. Shareholding of Promoters at the end of the year.

Name of the Promoter

Vinayak Valkunth Bhat
Sasidharan Mohankumar
Priyanka Vinayak Bhat
Sachin Vinayak Bhat
Entero Healthcare Solutions Ltd

As at 31 March 2025			As at 31 March 2024			As at 1 April 2023		
No. of Share	% of Total Shares	% Change During the Period	No. of Share	% of Total Shares	% Change During the Period	No. of Share	% of Total Shares	% Change During the Period
18,700	37%	-46%	41,500	83%	-	41,500	83%	-
1,300	3%	-2%	2,500	5%	-	2,500	5%	-
-	-	-5%	2,500	5%	-	2,500	5%	-
-	-	-5%	2,500	5%	-	2,500	5%	-
30,000	60%	60%	-	-	-	-	-	-

g. No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the year of five years immediately preceding the current year end.

h. No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

16 Other equity

Particulars

Retained Earnings

Balance at the beginning of the year
Adjustments pursuant to implementation of Ind AS
Balance at the beginning of the year
Add: Profit for the year
Add: Re-measurement gain/(loss) on post employment benefit obligation (net of tax)
Dividend paid during the year
Closing Balance

As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
800.67	626.33	646.51
-	-	(20.18)
800.67	626.33	626.33
142.61	177.65	-
3.77	1.69	-
(20.00)	(5.00)	-
927.04	800.67	626.33

Nature and purpose of reserve

Retained earnings:

This reserve represents undistributed losses of the company as on the balance sheet date. Retained earnings includes re-measurement gain/(loss) on defined benefit obligations, net of taxes that will not be reclassified to Profit and Loss.



Peerless Biotech Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

17 Lease Liability

Particulars

	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Long term	Short term	Long term	Short term	Long term	Short term
At amortised cost						
Lease liability (refer note 42)	15.05	14.01	15.87	-	0.10	-
Total	15.05	14.01	15.87	-	0.10	-

18 Provisions

Particulars

	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Long term	Short term	Long term	Short term	Long term	Short term
Provision for employee benefits (Refer note 33)	6.96	1.28	11.56	-	10.15	-
Total	6.96	1.28	11.56	-	10.15	-

19 Borrowings

Particulars

	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Non Current	Current	Non Current	Current	Non Current	Current
Secured						
Term Loan from Banks	-	5.52	5.52	6.10	11.61	5.57
Cash Credit from Banks	-	-	-	-	-	54.37
Total	-	5.52	5.52	6.10	11.61	59.94

20 Trade payables

Particulars

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Total outstanding dues of micro enterprises and small enterprises	13.43	5.90	15.38
Total outstanding dues of creditors other than micro enterprises and small enterprises**	303.55	187.49	177.48
Total	316.98	193.39	192.86

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises**

Total

Trade payables ageing schedule

As at 31 March 2025

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	13.43	-	-	-	13.43
Disputed Dues - MSME	-	-	-	-	-
Other	303.55	-	-	-	303.55
Disputed Dues - Others	-	-	-	-	-

As at 31 March 2024

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	5.90	-	-	-	5.90
Disputed Dues - MSME	-	-	-	-	-
Other	187.49	-	-	-	187.49
Disputed Dues - Others	-	-	-	-	-

As at 1 April 2023

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	15.38	-	-	-	15.38
Disputed Dues - MSME	-	-	-	-	-
Other	177.48	-	-	-	177.48
Disputed Dues - Others	-	-	-	-	-



Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:			
Principal	13.43	5.90	15.38
Total	13.43	5.90	15.38
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 28 of the MSMED Act.	-	-	-

** Refer Note 43 for trade payables to related parties

21 Other financial liabilities

Particulars

Other financial liabilities at amortised cost

Advance from Customer

Employee liabilities

Security Deposits of customers

Other payables

Total

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Advance from Customer	-	1.34	0.69
Employee liabilities	16.73	13.16	8.23
Security Deposits of customers	-	36.85	28.28
Other payables	87.15	7.51	6.59
Total	103.88	58.86	43.79

22 Current tax liability (net)

Particulars

Provision for tax

Total

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Provision for tax	16.44	0.19	0.35
Total	16.44	0.19	0.35

23 Other current liabilities

Statutory dues payable

Emarked Funds towards CSR Expenditure

Total

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Statutory dues payable	8.40	14.60	9.52
Emarked Funds towards CSR Expenditure	-	-	3.38
Total	8.40	14.60	12.90



Peerless Biotech Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2025

(Amount in millions, except stated otherwise)

24 Revenue from operations

Particulars

	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of traded goods	1,818.61	1,536.17
Manufactured goods	57.81	170.62
Sale of Services	2.06	2.40
Other operating income	-	0.14
Total Revenue from operations	1,878.48	1,709.33

Analysis of revenues by segments:

Manufacturing and Trading of Medical Devices, Lab Equipments, Healthcare products and IVD * including related service	1,878.48	1,709.33
Total	1,878.48	1,709.33

Revenue based on Geography

Domestic	1,878.48	1,707.60
Export	-	1.73
Total	1,878.48	1,709.33

Revenue based on timing of recognition

Revenue recognition at a point in time	1,878.48	1,707.57
Revenue recognition at point over time	-	1.76
Total	1,878.48	1,709.33

25 Other income

Interest on fixed deposit	4.62	6.46
Interest income	-	-
- Interest on unwinding of security deposits	0.52	0.09
Gain on sale of mutual funds	1.16	3.92
Excess provision written back	-	1.21
Exchange fluctuation gains	1.72	8.27
Fair value impact on mutual fund	5.33	0.03
Profit on sale of investment in subsidiaries	3.71	-
Damages recovered	1.13	-
Miscellaneous income	0.32	-
Total	18.51	19.98

26 Cost of materials consumed

Particulars

	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw materials consumed	30.54	121.39
Total	30.54	121.39

27 Purchase of Stock-in-trade

Particulars

	For the year ended 31 March 2025	For the year ended 31 March 2024
Purchases of Stock-in-trade	1,233.66	1,130.88
Total	1,233.66	1,130.88

28 Changes in inventories of stock-in-trade

Inventories at the beginning of the year	-	-
- Stock in trade opening	320.80	239.90
Inventories as at the date of acquisition of subsidiary / business	-	-
Total	320.80	239.90
Less: Inventories at the end of the year	-	-
- Stock in trade	-281.84	-320.80
Total	-281.84	-320.80
Net decrease/ (increase)	38.96	-80.90



Peerless Biotech Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2025

(Amount in millions, except stated otherwise)

29 Employee benefits expense		
Salaries, bonus and other allowances	189.82	138.11
Contribution to Provident Fund and ESI	6.38	5.56
Gratuity and compensated absences expenses (Refer note 33)	2.18	3.83
Staff Medical Insurance	0.36	0.92
Key Man Insurance	0.02	0.06
Staff welfare expenses (others)	2.35	1.01
Total	201.11	149.49
30 Finance costs		
Interest on Borrowings		
On bank loan	0.76	2.08
Interest on delayed statutory payments	0.20	-
Bank Charges	0.22	0.21
Processing charges	0.03	0.23
Interest Expense on Lease Liabilities	3.58	0.93
Total	4.79	3.45
31 Depreciation and amortization expense		
Depreciation on property, plant and equipment (Refer note 5 (A))	6.20	5.44
Amortisation on Intangible assets (Refer note 6)	1.53	1.44
Amortisation on ROU (Refer note 5 (B))	13.08	2.22
Total	20.82	9.10
32 Other expenses		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rental and Hire charges	3.71	12.19
Rates and taxes	1.48	0.32
Travelling & Conveyance	23.99	18.07
Commission expense	13.32	24.51
Power and fuel	2.94	2.20
Repairs and maintenance	2.64	3.06
Distribution expenses	-0.24	3.33
Printing and stationery	0.83	1.02
Communication expenses	1.28	1.20
Business promotion expenses	8.83	0.13
Net Impairment losses on trade receivables/Financial assets	7.29	16.50
Bad Debts	-	-
Auditor's remuneration	0.35	0.16
Advertisement and Exhibitions	0.20	1.20
Discount allowed	0.02	0.35
Legal and Professional fee	32.09	10.01
Membership and subscriptions expense	0.07	-
Outsourced Services	0.32	0.73
Business Support Charges	0.44	-
Samples and demokits	0.15	0.19
Warranties and replacements	0.07	0.11
Postage, and courier	0.00	0.01
Expiries and Damages	0.77	1.82
Donations	-	0.30
ISO Expenses	0.13	0.17
Brand Building Expenses	1.60	3.60
Evaluation and testing fees	0.57	1.45
Local conveynce	11.78	17.37
Insurance charges	0.56	0.27
Interest on security deposits	-	0.77
GST and other Indirect Taxes	0.11	0.30
Freight and Forwarding Expenses	13.15	22.21
Software renewals and other software expenses	1.15	0.78
Sales meeting and training expenses	25.39	6.25
Training and Development Expenses	1.45	3.21
Loss of stock due to flood (unclaimable)	-	3.36
Recruitment Expenses	0.06	0.34
Compensatory damages	-	0.53
Security Deposits written off	-	0.41
Office expenses	0.01	-
Assets written off	-	0.10
Expenses towards CSR commitments	4.56	0.29
Miscellaneous expenses	1.18	0.20
Total	162.37	159.02



Peerless Biotech Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2025

(Amount in millions, except stated otherwise)

*Note : The following is the break-up of Auditors remuneration (exclusive of taxes)

Particulars

As auditor:

Statutory audit fees

Total

0.24 0.16

0.24 0.16

33 Income Tax

Particulars

Tax expense

Current tax

Deferred tax charge / (Income)

Total

For the year ended 31 March 2025 For the year ended 31 March 2024

63.44 63.20

(1.30) (3.96)

62.14 59.24

Reconciliation of effective tax rate:

Particulars

Profit/(Loss) before income tax expense

Enacted income tax rate in India applicable to the Company 26.00%

Tax effect of:

Others

Total tax expense

Effective tax rate

For the year ended 31 March 2025 For the year ended 31 March 2024

204.75 236.89

51.53 59.62

10.61 (0.38)

62.14 59.24

30.35% 25.01%

34 Earnings per share

Particulars

Profit attributable to the equity holders of the Company (A)

Weighted Average number of shares issued for Basic EPS (B)

Adjustment for calculation of Diluted EPS (C)

Weighted Average number of shares issued for Diluted EPS (D= B+C)

Basic EPS in Rs.

Diluted EPS in Rs.

For the year ended 31 March 2025 For the year ended 31 March 2024

142.60 177.65

50,000 50,000

50,000 50,000

2,852.10 3,552.93

2,852.10 3,552.93



35 Employee benefits

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

- a. Provident Fund
- b. Employee state insurance fund
- c. Labour welfare fund

The expense recognised during the period towards defined contribution plan -

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contribution to Provident Fund and ESI	6.38	5.56

II. Defined benefit plans

Gratuity

The Company has an unfunded Gratuity Scheme for its employees and gratuity liability has been provided based on the actuarial valuation done at the year end. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

The actuarial valuation of the defined benefit obligation was carried out as at the balance sheet date.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

Sr No	Defined benefit plans	For the year ended 31 March 2025	For the year ended 31 March 2024
		Gratuity (Unfunded)	Gratuity (Unfunded)
I	Expenses recognised in statement of profit and loss during the year:		
	Current service cost	1.36	2.49
	Past service cost	0.00	0.00
	Net interest cost / (Income) on the net defined benefit liability / (asset)	0.83	0.79
	Total expenses	2.19	3.28
II	Expenses recognised in other comprehensive income		
	Amount recognized in OCI, Beginning of Period	(2.18)	(0.49)
	Actuarial (gains) / losses due to demographic assumption changes in defined benefit obligations	-	-
	Actuarial (gains) / losses due to financial assumption changes in defined benefit obligations	-	-
	Actuarial (gains)/ losses due to experience on defined benefit obligations	(4.91)	(1.69)
	Return on plan assets excluding Interest income	-	-
	Total Remeasurements recognized in OCI	(4.91)	(1.69)
	Amount recognized in OCI, end of year	(7.08)	(2.18)
III	Net asset / (liability) recognised as at balance sheet date:		
	Present value of defined benefit obligation	8.24	11.56
	Unfunded status (surplus / (deficit))	8.24	11.56
IV	Movements in present value of defined benefit obligation		
	Present value of defined benefit obligation at the beginning of the year	11.56	10.15
	Current service cost	1.36	2.49
	Interest cost	0.83	0.79
	Actuarial (gains) / losses	(4.91)	(1.69)
	Benefits paid	(0.60)	(0.18)
	Present value of defined benefit obligation at the end of the year	8.24	11.56



35 Employee benefits (Continued)

V Maturity profile of defined benefit obligation

Expected cash flows for future years (valued on undiscounted basis):

1st Following Year	1.32	0.78
2nd Following Year	1.26	0.81
3rd Following Year	1.18	0.88
4th Following Year	1.10	0.97
5th Following Year	1.01	1.02
Sum of Years 6 To 10	3.57	5.82
Sum of Years 11 and above	2.26	14.00

VI Quantitative sensitivity analysis for significant assumptions is as below:

1

Increase / (decrease) on present value of defined benefit obligation at the end of the year

(i) +1% increase in discount rate	(0.36)	10.63
(ii) -1% decrease in discount rate	0.39	12.63
(iii) +1% increase in rate of salary increase	0.41	12.54
(iv) -1% decrease in rate of salary increase	(0.39)	10.67
(v) -1% decrease in rate of attrition increase	-	11.17
(vi) -1% decrease in rate of attrition increase	-	12.00

2 Sensitivity analysis method

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VII Actuarial assumptions:

	As at 31 March 2025	As at 31 March 2024
1 Discount rate	6.66%	6.97%
2 Expected rate of salary increase	8.00%	14.00%
3 Rate of Employee Turnover	20.00%	12.00%
4 Mortality Rate During Employment	IALM, 2012-14	IALM, 2012-14
5 Retirement Age	58 years	58 years



Peerless Biotech Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2025

(Amount in millions, except stated otherwise)

36 Contingent liabilities

Particulars

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
(i) Contingent Liabilities provided for in respect of: Bank Guarantees	1.50	1.09	1.67

(ii) The Company will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated February 28, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Standalone Financial Statements.

37 Commitments

There are no capital commitments as at 31 March 2025, 31 March 2024 and 01 April 2023.

38 Segment reporting

An operating segment is a component of Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The Chief Executive Officer and Chief Operating Officer of the Company acts as the CODM. The Company operates only in one business segment i.e. trading of pharmaceutical and surgical products and hence, the Company has only one separate reportable segments as per Ind AS 108 "Operating Segments".

39 Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2025, 31 March 2024 and 1 April 2023. The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's net debt to equity ratio is as follows:

Particulars

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Borrowings			
Long term and Short term borrowings	5.52	6.10	59.94
Less: cash and cash equivalents	(39.74)	(18.50)	(0.41)
Less: Bank balances other than cash and cash equivalents	(101.52)	(109.21)	(4.20)
Adjusted net debt	(135.75)	(121.62)	55.34
Total equity	932.04	805.67	631.33
Adjusted net debt to adjusted equity ratio			

40 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.



41 Fair value measurements

A. Accounting classification and fair values

The following table shows the carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	Carrying Amount			Total
	FVTPL	FVTOCI	Amortized Cost	
Financial assets and liabilities as at 31 March 2025				
Non-current financial assets				
Investments (other than subsidiaries, joint venture and associates)	317.97	-	-	317.97
Other Financial Asset	-	-	12.04	12.04
Current financial assets				
Trade receivables	-	-	424.76	424.76
Cash and cash equivalents	-	-	39.74	39.74
Bank balances other than cash and cash equivalent	-	-	101.52	101.52
Other current financial assets	-	-	3.18	3.18
Total	-	-	603.56	899.21
Non-current financial liabilities				
Borrowings	-	-	-	-
Lease Liabilities	-	-	25.05	25.05
Current financial liabilities				
Borrowings	-	-	5.52	5.52
Trade payables	-	-	14.01	14.01
Inventories	-	-	316.98	316.98
Other financial liabilities	-	-	103.88	103.88
Total	-	-	465.44	465.44
Financial assets and liabilities as at 31 March 2024				
Non-current financial assets				
Investments (other than subsidiaries, joint venture and associates)	0.51	-	-	0.51
Other Financial Asset	-	-	15.19	15.19
Current financial assets				
Investment	-	-	-	-
Trade receivables	-	-	382.67	382.67
Cash and cash equivalents	-	-	18.50	18.50
Bank balances other than cash and cash equivalent	-	-	109.21	109.21
Other current financial assets	-	-	7.07	7.07
Total	0.51	-	532.65	533.15
Non-current financial liabilities				
Borrowings	-	-	5.52	5.52
Lease Liabilities	-	-	15.87	15.87
Current financial liabilities				
Borrowings	-	-	6.10	6.10
Trade payables	-	-	193.39	193.39
Lease Liabilities	-	-	-	-
Other financial liabilities	-	-	58.86	58.86
Total	-	-	279.73	279.74



Peerless Biotech Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2025

(Amount in millions, except stated otherwise)

41 Fair value measurements (Continued)

Particulars	Carrying Amount			Total
	FVTPL	FVTOCI	Amortized Cost	
Financial assets and liabilities as at 01 April 2023				
Non-current financial assets				
Investments (other than subsidiaries, joint venture and associates)	3.98	-	-	3.98
Other Financial Asset	-	-	20.85	20.85
Current financial assets				
Investment	-	-	-	-
Trade receivables	-	-	487.57	487.57
Cash and cash equivalents	-	-	0.41	0.41
Bank balances other than cash and cash equivalent	-	-	4.20	4.20
Other current financial assets	-	-	-	-
Total	3.98	-	513.03	517.00
Non-current financial liabilities				
Borrowings	-	-	11.61	11.61
Lease Liabilities	-	-	0.20	0.20
Current financial liabilities				
Borrowings	-	-	59.94	59.94
Lease Liabilities	-	-	-	-
Trade payables	-	-	192.86	192.86
Other financial liabilities	-	-	43.79	43.79
Total	-	-	308.41	308.41

B. The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting year.

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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.



42 Financial Risk Management

The Company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the Company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

(A) 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 obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Company 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.

Summary of the company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Unsecured			
-Considered good	424.76	382.67	487.57
-Considered doubtful	39.66	32.41	15.91
Gross Trade Receivables	464.42	415.08	503.48
Less: Allowance for expected loss	(39.66)	(32.41)	(15.91)
Net Trade Receivables	424.76	382.67	487.57

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Company's historical experience for customers. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

Loans and advances given comprises of inter Company loans hence the risk of default from these companies are remote. The Company monitors each loans and advances given and makes any specific provision, wherever required.

iii) Cash and bank balances

The Company held cash and cash equivalent and other bank balance of Rs. 141.27 Millions at 31 March 2025 (Rs. 127.71 Millions at 31 March 2024, Rs. 4.61 Millions at 01 April 2023). The same are held with bank and financial institution counterparties with good credit rating. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

iv) Others

Apart from trade receivables, loans and cash and bank balances, the Company has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

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

(i) Maturities of financial liabilities

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



Peerless Biotech Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2025

(Amount in millions, except stated otherwise)

Contractual maturities of financial liabilities

As at 31 March 2025

	1 year or less	1-5 years	More than 5 years	Total
Lease Liabilities	17.54	28.32	-	45.85
Borrowings	5.52	-	-	5.52
Trade Payables	316.98	-	-	316.98
Other financial liabilities	103.88	-	-	103.88
Total	443.91	28.32	0.00	472.23

Contractual maturities of financial liabilities

As at 31 March 2024

	1 year or less	1-5 years	More than 5 years	Total
Lease Liabilities	4.45	17.41	0.00	21.85
Borrowings	6.10	5.52	-	11.62
Trade Payables	193.39	-	-	193.39
Other financial liabilities	58.86	-	-	58.86
Total	262.80	22.93	0.00	285.72

Contractual maturities of financial liabilities

As at 01 April 2023

	1 year or less	1-5 years	More than 5 years	Total
Lease Liabilities	0.12	0.09	0.00	0.21
Short term borrowings	59.94	11.61	-	71.56
Trade Payables	192.86	-	-	192.86
Other financial liabilities	43.79	-	-	43.79
Total	296.72	11.71	0.00	308.41

(C) 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's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company caters mainly to the Indian Market. Most of the transactions are denominated in the Company's functional currency i.e. Rupees. Hence the Company is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate on borrowings made by the Company is fixed and hence the Company is not exposed to interest rate risk.



43 Related Party Disclosures (Continued)

B. Details of related party transactions:

Nature of Transaction	Name of the related party	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Service income	Asritha Diotech India Private Limited	0.03	0.53
Cross Charge Expenses	Entero Healthcare Solutions Limited	5.18	-
Purchase of stock in trade	Asritha Diotech India Private Limited	5.32	12.90
Purchase of Assets	Asritha Diotech India Private Limited	0.79	-
Rent	Euro Diagnostic Systems Private Limited	-	0.33
Director remuneration	Vinayak Vaikunth Bhat	4.04	6.42
	Sasidharan Mohankumar	13.21	8.50
	Sachin Vinayak Bhat	2.03	3.90
Reimbursement of expenses	Asritha Diotech India Private Limited	0.00	-
	Getwell Medicare Solution Private Limited	0.16	-
Sale of stock in trade	Asritha Diotech India Private Limited	0.30	9.32
	Atraja Healthcare Solutions Pvt Ltd	0.08	-
	Barros Enterprises Private Limited	0.04	-
	Calcutta Medisolutions Pvt Ltd	0.17	-
	Chethana Healthcare Solutions Private Limited	0.13	-
	Chethana Pharma Private Limited	0.31	-
	Chhabra Healthcare Solutions Private Limited	0.35	-
	Chirag Medicare Solutions Pvt Ltd	0.95	-
	City Pharma Distributor Pvt Ltd	0.13	-
	Devi Pharma Wellness Pvt Ltd	0.46	-
	Dhanwanthari Super Speciality Private Limited	0.07	-
	Entero Healthcare Solutions Limited	0.54	-
	Entero R.S. Enterprises Private Limited	1.87	-
	G.S. Pharmaceutical Distributors Private Limited	0.24	-
	Galaxystar Pharma Distributors Private Limited	1.79	-
	Getwell Medicare Solution Private Limited	1.23	-
	Gourav Medical Agencies Private Limited	0.15	-
	Jaggi Enterprises Private Limited	0.83	-
	Millennium Medisolutions Private Limited	1.07	-
	Novacare Healthcare Solutions Private Limited	1.14	-
	R S M Pharma Private Limited	0.48	-
	Rada Medisolutions Pvt. Ltd.	0.11	-
	S S Pharma Traders Private Limited	0.16	-
	Sai pharma distributors Private Limited	1.57	-
	Saurashtra Medisolutions Pvt Ltd	0.23	-
	Seshe Balajee Medisolutions Private Limited	0.76	-
	Sri Parshwa Pharma Distributors Private Limited	0.32	-
	SVMED Solutions Private Limited	0.79	-
	SVS Lifesciences Private Limited	0.17	-
	Swami Medisolutions Private Limited	0.17	-
	Vesavi Medicare Solutions Private Limited	0.31	-
	Western Healthcare Solutions Pvt Ltd	0.66	-
	Ugain Maheshwari Pharma Distributors Pvt Ltd	0.18	-



Peerless Biotech Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

44 Disclosures related to Leases
Company as Lessee

Particulars
(A) Change in carrying value of right of use assets at the end of the reporting year
Balance at the beginning of the year
Additions
Depreciation charge for the year
Balance at the end of the year
(B) Change in carrying value of lease liabilities at the end of the reporting year
Building
Balance at the beginning of the year
Additions
Payment of lease liabilities
Finance cost during the year
Balance at the end of the year
(C) Maturity analysis of lease liabilities
Less than one year
One to five years
more than 5 years
Total undiscounted lease liabilities at reporting period
Lease liabilities included in the statement of financial position at the year end

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Balance at the beginning of the year	16.12	0.19	-
Additions	34.19	18.15	0.73
Depreciation charge for the year	(13.08)	(2.23)	(0.10)
Balance at the end of the year	37.23	16.12	0.19

Building	15.87	0.20	-
Balance at the beginning of the year	32.33	17.16	0.29
Additions	(12.72)	(2.47)	(0.11)
Payment of lease liabilities	3.58	0.93	0.02
Finance cost during the year	35.06	15.87	0.20
Balance at the end of the year			

Less than one year	17.54	4.45	0.12
One to five years	28.32	17.41	0.09
more than 5 years			
Total undiscounted lease liabilities at reporting period	45.86	21.86	0.21
Lease liabilities included in the statement of financial position at the year end	39.06	15.87	0.20

(D) Amounts recognised in statement of profit & loss

Particulars
Interest on lease liabilities
Amortisation of Right to Use Assets

	For the period from 16 August 2024 to 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liabilities	7.78	0.93	0.02
Amortisation of Right to Use Assets	10.45	1.22	0.10

(E) Amounts recognised in the statement of cash flows
Total Cash outflow for leases

Total Cash outflow for leases	12.72	2.42	0.11
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45 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs for the year ended 31st March, 2024, with a transition date of 1st April, 2023. For all periods up to and including the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP").

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustment made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1 April 2023 and the financial statements as at and for the year ended 31 March, 2024.

A Exemptions availed:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following material exemptions:

a. Deemed cost for property, plant and equipment and intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The Company has adopted the carrying value determined in accordance with previous GAAP for all of its property plant & equipment as deemed cost of such assets at the transition date.

b. Investment in subsidiaries

In respect of investment in subsidiary, the Company has elected to measure its investment at the previous GAAP carrying value as its deemed cost in its financial statements as on the date of transition to Ind AS.

c. Impairment

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, if it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, as permitted by Ind AS 101, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition.

d. Leases

The Company has applied the exemption pertaining to evaluation of whether an arrangement contains a Lease and has assessed all arrangements based upon the conditions in place as at the date of transition.

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 April 2023. Right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial statement immediately before 1st April, 2023.

B Exceptions from retrospective application:

a. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

b. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly classification and measurement of financial assets have been made on the basis of facts and circumstances that exist at the date of transition to Ind AS.

C Transition to Ind AS - Reconciliation

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- i) Reconciliation of Equity as at 1 April 2023 and as at 31 March 2024
- ii) Reconciliation of Statement of Profit and Loss for the year ended 31 March 2024
- iii) Adjustments to Statement of Cash flows for the year ended 31 March 2024

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.



Peerless Biotech Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

i) Reconciliation of Equity as at 1st April, 2023 and as at 31st March, 2024

Particulars	Notes No	31-Mar-24			01 April 2023		
		Indian GAAP	Effect of transition	Ind AS	Indian GAAP	Effect of transition	Ind AS
ASSETS							
(1) Non-current assets							
Property, plant and equipment	(a)	118.09		118.09	115.20		115.20
Right-of-use assets	(a) and (b)		16.12	16.12		0.19	0.29
Other Intangible Assets	(a)	2.72		2.72	3.96		3.96
Financial assets							
Investments	(f)	71.79		71.79	75.28	0.02	75.30
Other financial assets	(b)	16.30	10.90	15.20	20.85		20.85
Deferred tax asset (net)	(e)	-3.69	11.25	7.56	-2.32	5.92	3.59
Total non-current assets		205.00	26.47	231.46	212.97	6.08	219.05
(2) Current assets							
Inventories		346.68		346.68	250.17		250.17
Financial assets							
Trade receivables	(c)	413.08	(12.41)	400.67	501.48	(15.91)	485.57
Cash and cash equivalents		18.50		18.50	0.43		0.43
Bank balances other than cash and cash equivalent		109.22		109.21	4.20		4.20
Other current financial assets	(b)	7.07		7.07	0.00		0.00
Other current assets		16.16		16.16	3.23		3.23
Total current assets		912.71	(32.41)	880.30	758.98	(15.91)	744.68
TOTAL ASSETS		1,117.70	(5.94)	1,111.76	972.95	(9.83)	963.73
EQUITY AND LIABILITIES							
Equity							
Equity share capital		5.00		5.00	5.00		5.00
Other equity		834.05	(33.22)	800.83	446.51	(20.18)	426.33
Total equity		839.05	(33.22)	805.83	451.51	(20.18)	431.33
Liabilities							
(1) Non-current liabilities							
Financial liabilities							
Borrowings		5.52		5.52	11.62		11.62
Lease liabilities	(c)		15.87	15.87		0.20	0.20
Provisions	(d)		11.56	11.56		10.15	10.15
Deferred Tax Liabilities (Net)	(e)						
Total non-current liabilities		5.52	27.43	32.95	11.62	10.34	21.96
(2) Current liabilities							
Financial liabilities							
Borrowings		6.10		6.10	39.94		39.94
Lease liabilities	(b)						
Trade payables							
a) total outstanding dues of micro and small enterprises		5.90		5.90	15.39		15.39
b) total outstanding dues other than micro and small enterprises		187.49		187.49	177.48		177.48
Other financial liabilities		58.86		58.86	43.79		43.79
Provisions							
Current tax liabilities (net)		0.19		0.19	0.35		0.35
Other current liabilities		14.59		14.59	12.89		12.89
Total current liabilities		778.14		778.13	309.84		309.83
TOTAL LIABILITIES		278.66	27.43	306.08	321.46	10.34	311.79
TOTAL EQUITY AND LIABILITIES		1,117.71	(5.94)	1,111.76	972.97	(9.83)	963.72

ii) Statement of reconciliation of Equity under Ind AS and as reported under previous GAAP:

Particulars	As at 31 March 2024	As at 1 April 2023
Equity as reported under previous GAAP	834.05	646.51
Unwinding of Security Deposit as per Ind AS 109	0.16	0.00
Allowance for Expected credit loss as per Ind AS 109	(12.41)	(15.91)
Gratuity impact as per Ind AS 19	(11.56)	(10.15)
Amortisation of ROU as per Ind AS 116	(2.32)	(0.11)
Increase in Finance Cost due to Lease Liability as per Ind AS 116	(0.95)	(0.02)
Lease rent reversal on application of Ind AS 116	2.53	0.11
Fair value impact on investment in equity instruments as per Ind AS 109	0.01	(0.02)
Deferred and current taxes	11.25	5.92
Equity as per Ind AS	800.68	626.33



ii) Reconciliation of Statement of Profit and Loss for the year ended 31 March, 2024

Note No	Year ended 31 March 2024		
	Indian GAAP	Effect of transition	Ind AS
INCOME			
Revenue from operations	1,709.33		1,709.33
Other income	19.86	0.12	19.98
Total income	1,729.19	0.12	1,729.31
EXPENSES			
Cost of materials consumed	121.39		121.39
Purchase of Stock-in-trade	1,130.88		1,130.88
Changes in inventories of Stock-in-trade	-80.89		-80.89
Employee benefit expenses	146.39	3.10	149.49
Finance cost	2.51	0.93	3.44
Depreciation and Amortisation	6.88	2.22	9.10
Other expenses	144.93	14.08	159.01
Total expenses	1,472.09	20.33	1,492.42
Profit before exceptional items and tax	257.10	-20.21	236.89
Income tax expenses			
Exceptional items			
Profit before tax	257.10	-20.21	236.89
Tax Expenses			
Current tax	63.20		63.20
Deferred tax	1.36	-5.33	3.96
Profit for the year	192.53	-14.88	177.65
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		1.69	1.69
Income tax relating to above items		1.69	1.69
Other Comprehensive loss for the year, net of tax	-	1.69	1.69
Total Comprehensive Income for the year	192.53	-13.19	179.34

iii) Adjustments to Statement of Cash Flows for the year ended 31 March, 2024

There are no material changes in cash flows reported in previous GAAP in comparison with Ind AS

iv) Notes to Reconciliation of Other Equity as at 1 April 2023 and 31 March 2024 and statement of profit and loss for year ended 31 March 2024

a) Property, plant and equipment - Deemed Cost

The Company has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The company has adopted the carrying value determined in accordance with previous GAAP for all of its property plant & equipment as deemed cost of such assets at the transition date. The assets under finance lease which were classified under Property, Plant and Equipment under IGAAP has now been considered under Right of Use assets.

b) Right of Use Assets and Lease Liability

Under Previous GAAP lease rentals are accounted as Rent Expense. Under Ind AS 116, the company has applied this standard to all lease contracts existing on 1 April 2023 using the modified retrospective approach wherein Right to use of asset is equal to the present value of future lease payments i.e. lease liability and under which the cumulative effect is recognised at the date of initial application 1 April 2023. Accordingly, the Company has not restated comparative information, instead the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2023.

Security deposits

Under Indian GAAP, interest-free lease security deposits paid for the rental properties (as considered for above RDU working) are reported at their transaction values. Under Ind AS, interest-free security deposits are measured at fair value on initial recognition and at amortised cost on subsequent recognition. The difference between the transaction value and fair value of the lease deposit at initial recognition is treated as prepaid rentals which has been classified under Right of Use Assets. This amount is recognised in statement of profit and loss on a straight line basis over the lease term.

c) Expected credit loss

Under previous GAAP the provision was made when the receivable and claims from insurance companies turned doubtful based on the assessment on case to case basis. The provision is made against trade receivables based on "expected credit loss" model as per Ind AS 109. However, there is no additional impact due to expected credit loss as per Ind AS as compared to the provision made under previous GAAP.

d) Employee benefit expenses - actuarial gains and losses and return on plan assets

Under previous GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised in statement of profit and loss. Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised in Other Comprehensive Income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.

Actuarial gains and losses are recognised in other comprehensive income and transferred to retained earnings. Accordingly, this adjustment does not have any impact on equity.

e) Deferred Tax

Deferred taxes are recognised on account of the above mentioned changes explained in notes (a) to (d), wherever applicable.

f) Investments in equity instruments

Under previous GAAP, investment in equity instruments were recognised at cost. Under Ind AS, the Company has carried such investments at fair value as at 1 April 2023



Peerless Biotech Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2025
(Amount in millions, except stated otherwise)

46 Statement of unhedged foreign currency exposure:
The Company's has no foreign currency exposure.

47 Ratio Analysis

Particulars	Numerator	Denominator	31 March 25	31 March 24	Variance(%)
a) Current Ratio	Current Assets	Current Liabilities	2.00	3.22	(37.84%)
(b) Debt-Equity Ratio	Short term and long term borrowings	Shareholder's Equity	0.01	0.01	(21.78%)
(c) Debt Service Coverage Ratio	Earning before interest and Tax	Debt Service	37.97	34.37	10.50%
(d) Return on Equity Ratio	Net Profit After Tax	Total Equity	0.15	(0.06)	3.44
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	2.61	3.52	(25.78%)
(f) Trade Receivables turnover ratio	Net credit sales	Average Trade receivables	4.65	3.93	0.18
(g) Trade payables turnover ratio	Credit purchases	Average Trade payable	4.83	5.86	(17.44%)
(h) Net capital turnover ratio	Sales	Average Working Capital (Current Assets-Current Liabilities)	4.01	2.82	(42.56%)
(i) Net profit ratio	Net profit after tax	Net Sales	0.08	0.10	0.27
(j) Return on Capital employed	Earning before interest and Tax	Capital Employed	0.22	5.82	(96.13%)
(k) Return on investment	Earning before interest and Tax	Average Total Assets	0.16	0.23	(28.84%)



48 Other Statutory Information

(i) Details of benami property held

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) Relationships with struck off companies

The Company do not have any transactions with companies struck off.

(iii) Registration of charges or satisfaction with Registrar of Companies

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year.

(iv) Details of crypto currency or virtual currency

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) Utilisation of borrowings availed from banks and financial institutions

The Company have not advanced or extended loan or invested funds to any other person(s) or entity(ies), 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 Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

(Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous 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).

(vii) Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or by any government authorities.

(viii) Compliance with number of layers of companies

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

(ix) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(x) Title deeds of immovable properties not held in name of the Company

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Company during the current and previous year.

(xi) Valuation of PPE, Intangible assets and Investment property

The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets or both during the current or previous year.

(xii) Backup of books of accounts

The Company uses software / IT applications to maintain its books of accounts and other books and papers in electronic mode ("Electronic records"). During the year, the Company has maintained backups of these electronic records on server physically located in India on daily basis, as required by Companies (Accounts) Rules, 2014 (as amended).

(xiii) Audit trail

The accounting software "Tally" is used by the Company for recording purchase & creditors, inventory, sales & debtors, purchase as well as sales returns, during the year ended March 31, 2025. The "Tally" software has feature of recording audit trail (edit log) facility either at application level or at database level.

49 The financial statements were authorised for issue by the company's board of directors on May 24, 2025

50 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

See accompanying notes to the financial statements


1-49


The accompanying notes are an integral part of the financial statements

As per our report of even date
For Argee & Co.
Chartered Accountants
Firm Registration No.: 0002175

For and on behalf of the Board of Directors
Peerless Biotech Private Limited
CIN: U51397TN2001PTCD47094


CA Matthew Varghese, FCA
Partner
Membership No: 028161
Place: Kochi
Date: 24 May 2025


Vinayak Vallurthi Bhat
Managing Director
DIN: 00895491
Place: Chennai
Date: 24 May 2025


Sasidharan Mohankumar
Whole Time Director
DIN: 06931860
Place: Chennai
Date: 24 May 2025



Peerless Biotech Private Limited

Notes forming part of the Special Purpose Financial Statements

(Amount in Millions, unless otherwise stated)

1. Company Information:

Peerless Biotech Private Limited (the "Company") is a private limited company incorporated in India on May 11, 2001, having its registered office Block-C, 36/37, Millenium -House M.K.Srinivasan Nagar - Main Road, 144, Old Mahabali-, Puram, Perungudi, Chennai - 96, Tamil Nadu, India, 600096.

The Company is a subsidiary of Entero Healthcare Solution Limited. The Holding company "Entero Healthcare Limited" is listed on National Stock Exchange (NSE) & Bombay Stock Exchange (BSE). The Company is in the business of Manufacturing and Trading of Medical Devices, Lab Equipment, Healthcare products and IVD * including related service.

2. Basis of Preparation, Measurement

Basis of Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These Standalone financial statements have been prepared on an accrual basis of accounting and on a going concern basis

Basis of Measurement

These financial statements have been prepared on a historical cost convention, except for the following material items which are measured on an alternative basis, required by relevant Ind AS, on each reporting date :-

- Certain Financial assets are measured at fair value (refer accounting policy on financial instruments);
- Employee's net Defined Benefit (assets/liability) as per actuarial valuation; and
- Liabilities for Share-based payments arrangements.

These Standalone financial statements comprise the Balance Sheet at March 31, 2025 and March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the period/ year ended March 31, 2025 and March 31, 2024.

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



Peerless Biotech Private Limited
Notes forming part of the Special Purpose Financial Statements
(Amount in Millions, unless otherwise stated)

The Standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

3. Material Accounting Policies

The material accounting policies used in the preparation of the standalone financial statements have been included in the relevant notes to the standalone financial statements.

A. Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or intended for sale or consumption in, the Company's normal operating cycle, which is defined to be of twelve months.
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the balance sheet date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle which is defined to be 12 months;
- it is due to be settled within 12 months after the balance sheet date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.



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B. Use of Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimates and judgements that affect the reported amounts of assets and liabilities as at the Balance Sheet date, reported amounts of Revenue and Expenses for the year and disclosures of Contingent liabilities as at the Balance Sheet date. The estimates and Judgements used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note No 3 for detailed discussion on estimates and judgments.

1. Assumptions and estimates uncertainties: Measurement of Defined benefit Obligations: Actuarial assumptions
2. Note (10) recognition of deferred tax assets: availability of future taxable profits against which deductible temporary differences and carried forward tax losses can be utilized.
3. Impairment of intangible assets: Key assumptions underlying recoverable amounts.
4. Note(39) Recognition and measurement of provisions and contingencies: Key assumptions about the likelihood and magnitude of an outflow of resources embodying economic benefits.
5. Note(44(A(i))) measurement of Expected Credit Loss (ECL) allowance for trade receivable and loans: Key assumptions in determining the weighted average loss rate

3.1 Property, Plant and Equipment

The cost of an item of Property, Plant and Equipment is recognized as an asset if and only if, it is probable that future economic benefits associated with the item, will flow to the Company and the cost item can be measured reliably.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises its purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts, rebates, input tax credit (IGST/ CGST and SGST) or any other tax credit available to the company are deducted in arriving at the purchase price.

Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that the future economic benefits associated with that expenditure will flow to the Company and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attribution to the acquisition/construction of the Property, Plant and Equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.



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An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

Depreciation on Property, Plant and Equipment

Depreciation on Property, Plant and Equipment is calculated on the cost of items thereof less their estimated residual values, on straight-line method over their respective estimated useful lives, which is in line with the estimated useful lives as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act 2013
Leasehold Improvement*	Lease Period
Computer and peripherals	3-6
Furniture and fixtures	10
Office equipment	5
Vehicle	8
Plant and Machineries	15
Electrical Installations and Equipment	10
Building	46

*Leasehold improvements are amortized over the period of the lease or useful life whichever is lower.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

3.2 Other Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use which includes any trade discounts, rebates, input tax credit (IGST/ CGST and SGST) or any other tax credit available to the company are deducted in arriving at the purchase price.



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Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over their estimated useful economic lives.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization period applied to the Company's intangible assets is as below:

Particulars	Useful life (years)
Computer software	3
Licenses	5

3.3 Fair value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and

minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized into different levels within the fair value hierarchy, described as follows, based on the level of inputs used in the valuation techniques as set out below.

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ▶ Level 2 — inputs other than quoted prices included in level one and Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.



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- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is based on unobservable market data.

3.4 Revenue recognition

Revenue from Sale of Goods

Revenue is recognized upon transfer of control of promised goods to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable. Revenue also excludes taxes collected from customers.

Revenue is recognized at a point in time when the goods are delivered at the agreed point of delivery.

Invoices are usually payable based on the credit terms agreed with customers which vary up to 90 days.

Other Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is recognized on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Marketing Support

Marketing support income is recognized upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

3.5 Taxes

Income tax expense comprises current and deferred tax. Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

a) Current Income Tax:

Current tax comprises the expected tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. Current tax Assets and



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liabilities represents the best estimates of the amounts expected to be recovered or paid to the taxation authorities. The Tax Laws and Tax rates used to compute the amounts are those that are enacted or substantively enacted, at the reporting date. Current tax assets and tax liabilities are offset where the

entity has a legally enforceable right to offset the recognized balances and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Tax:

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when probability of future taxable profit improve.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3.6 Intangible asset under development

The Company capitalizes intangible asset under development for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.



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3.7 Leases

The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At commencement or on modification of the contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative standalone prices. However, for the leases of property the company has elected not to separate non lease component and account for the lease and non lease components as a single lease component.

The Company recognizes right-of-use asset and lease liability representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset and restoring the site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use asset is depreciated using the straight-line method from the commencement date over the lease term or useful life of right-of-use asset whichever is earlier. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.



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The company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and in the statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of profit and loss.

For leases with reasonably similar characteristics, the Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use asset and lease liability for leases of properties that are having non-cancellable lease term of less than 12 months. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.8 Inventories

The inventory comprises traded goods which are stated at the lower of cost and net realisable value. Cost of inventory of traded goods is arrived at based on actual cost of the "batch" which comprises cost of purchase and all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Provision is made for the cost of obsolescence and other anticipated losses, whenever considered necessary.

3.9 Impairment of non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a Company of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through Statement of Profit and Loss.



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The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are accompanied together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "Cash-Generating Unit" - CGU).

3.10 Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources embodying economic benefits or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

3.11 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, cash at banks and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Cash and cash equivalents for the purposes of cash flow statement comprise cash on hand and cash at banks and short-term investments with an original maturity of three months.

3.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



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(A) Financial assets

(i) Recognition and Initial measurement

At initial recognition, financial asset is measured at its fair value plus or minus, in the case of a financial asset not "at fair value through profit or loss" are measured at transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

(ii) Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

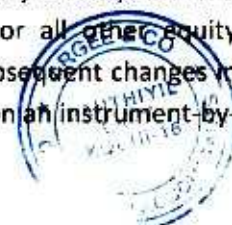
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the related cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amounts are taken through Other Comprehensive Income ('OCI'), except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss and recognized in other gains/ (losses). Interest income from these financial assets is included in "Other income" using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through statement of profit and loss. Interest and dividend income from these financial assets is included in "Other income". Net gains and losses, including any interest or dividend income are recognized in statement of profit and loss.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.



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If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 months ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 90 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In the balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets on the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria the Company does not reduce impairment allowance from the gross carrying amount.



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(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the right to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(B) Financial liabilities

(i) Recognition and Initial measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.



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(iii) Derecognition of Financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss as finance costs.

(C) Embedded Derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contracts are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(D) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3.13 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan



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Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry out any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry out any further obligations, apart from the contributions made on a monthly basis which are charged to the statement of profit and loss.

The Company has no further obligations under these plans beyond its monthly contributions.

(ii) Defined Benefit Plans

Gratuity: The Company provides gratuity, a defined benefit plan (covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under defined benefit plans can be encashed only on discontinuation of service by employee.

3.14 Foreign Currency Transactions

(a) Functional and presentation currency

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



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(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.15 Earnings Per Share

Basic earnings per share are 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.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equities shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

3.16 Share based payments

Share-based compensation benefits are provided to the employees via the Share based long term incentive scheme.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date represents the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Expense or credit recorded in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.



Peerless Biotech Private Limited
Notes forming part of the Special Purpose Financial Statements
(Amount in Millions, unless otherwise stated)

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

4. Recent Indian Accounting Standards (Ind AS) and Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on reporting date, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

