



growth in progress



GUJARAT TERCE
LABORATORIES LIMITED

ANNUAL REPORT **2024-25**



contents

01-03	Growth in Progress
04-05	Message from the Managing Director
06-07	About the company
08	Manufacturing Operations
09	Our Presence
10-11	Key Performance Indicators
12-13	Our leading brands
14-20	Management Discussion & Analysis
21-35	Notice
36-55	Boards Report
56-94	Financial Statements



Growth happens when you believe that there is room for improvement.

Growth happens when you search for solutions to legacy problems.

Growth happens when you do the repeatable tasks progressively better.

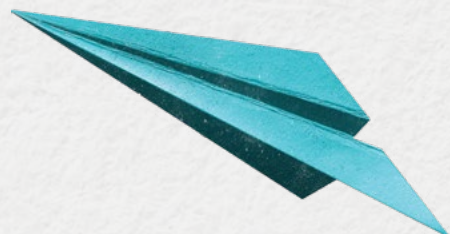
Growth happens when you transform the mundane into the exciting.

Growth happens when you consider each day an opportunity to make a positive difference.

That quiet contentment in steady progress builds not just momentum, but resilience.

At Gujarat Terce, we embrace the ordinary rhythm of our daily effort and consistently execute simple, boring tasks better. For this, perseverance will create our launchpad for heartening outcomes.

Our Growth is and will remain a 'Work-in-Progress'.





We decided to focus

We thoroughly evaluated our marketing footprint, scrutinising each location through the lens of growth and profitability. The outcome demanded tough choices: we exited select markets and consolidated others through strategic clustering.

While it's easy to advise "cut your losses," the reality is far more complex. When the moment arrives, hope often whispers, "Maybe if..." But we chose decisiveness over doubt. And acted.

The results validated our conviction. Inventory levels dropped, logistics costs declined, and the resulting liquidity strengthened our financial position by reducing both debt and interest obligations.

We changed our mindset.



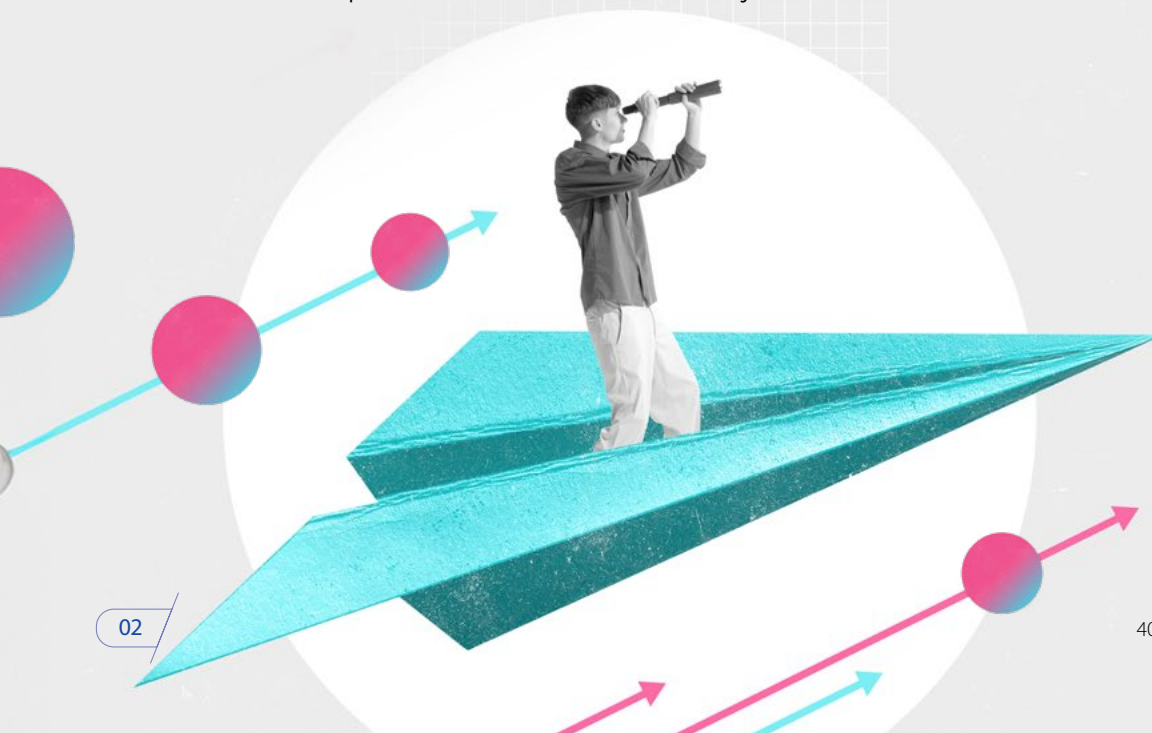
There was a time when generating sales was reason enough to celebrate—on the hopeful assumption that funds would follow, if not today, then surely tomorrow. But "tomorrow" often arrived 60 or even 90 days later. The delay came at a cost: interest expenses quietly eroded our profits.

So we paused. We debated. We decided. Then we acted.

We began following up consistently—always courteous, yet resolute in our payment terms. It wasn't easy. A few distributors hinted at shifting loyalties. But we held our ground. We believed in our products. Our service spoke for itself.

Follow-up schedules were shifted from monthly to weekly – and monitored with heightened discipline.

Cash flow improved—and that's when we truly celebrated.





We did fewer things. We did them better, with greater impact.

We have limited resources. We could not spread thin. Running after every prospect was not a possibility. Hence, we decided to do fewer things, do them better and generate a bigger bang from every buck invested.

PRODUCT LAUNCHES

We didn't pursue a broad-based product launch strategy. Instead, we focused on select therapies and identified underpenetrated segments within them. By addressing these specific gaps with targeted product development, we delivered launches that, while not headline-grabbing, contributed meaningfully to our growth trajectory – they generated a cumulative revenue of ₹1.08 crore in FY25.

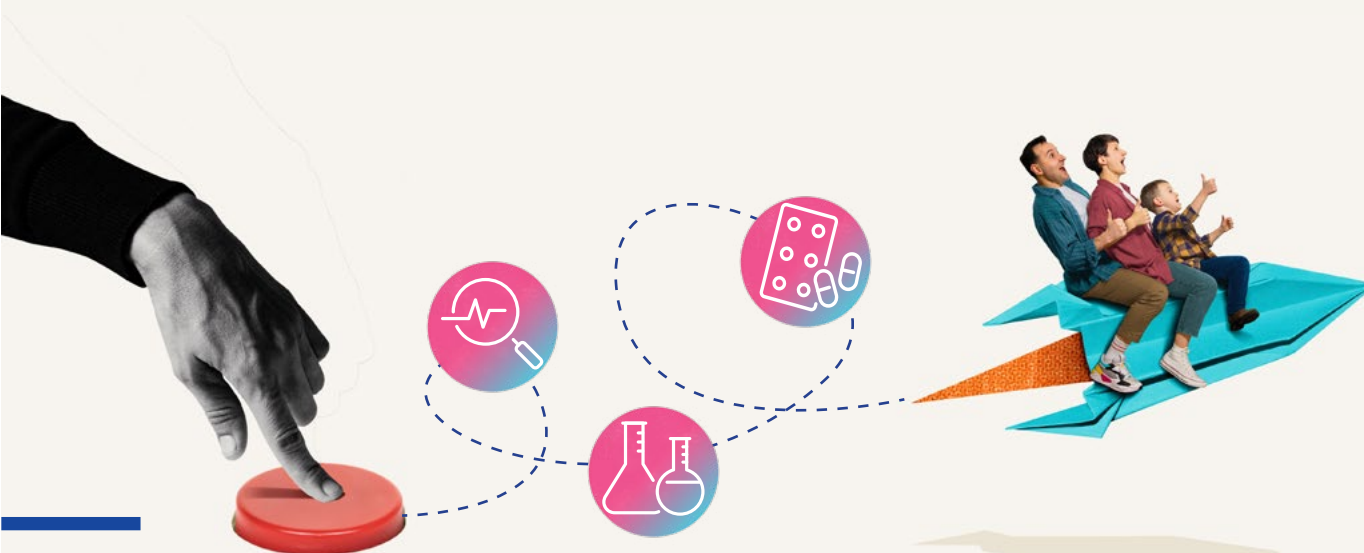
DOCTOR REACH

Our field strength was limited, especially in contrast to the vast doctor population. We couldn't be everywhere, all the time—but we could work smarter. So we focused on maximising every in-clinic interaction to deliver greater impact..

We implemented a headquarters-wise doctor engagement strategy, meticulously tailoring differentiated activities to match doctor/patient needs. Our field visits were intensified

and rigorously tracked—daily, weekly, and monthly—to ensure we upped the ante. We realised that not so long ago, we were lagging the industry average in doctor engagement; now we were in step with our industry peers.

The results were indeed satisfying. Our leading brands generated higher revenue. Our new launches gained heartening traction. Today, we have eight brands that generate more than ₹1 crore in revenue and two brands that earn the Company more than ₹5 crore in revenue.





Message from the
Managing Director

We are driven by a single conviction. We are not chasing size. We are building strength. And when strength compounds, size follows.

Dear Shareholders,

I hope this message finds you in good health and high spirits.

With immense pride and gratitude, I present the performance highlights and strategic progress of Gujarat Terce for FY25, a pivotal year in our 42-year legacy. It is a testament to our commitment to responsible business practices and our journey towards creating a sustainable future.

Our revenue crossed the ₹50 crore mark for the first time in our more than four-decade journey. Surpassing this benchmark represents more than a financial milestone; it signifies the strength of our business fundamentals, the resilience of our organisation, and the compounded efforts of decades, most notably the focused execution over the past 12–18 months.

We clocked an EBITDA of ₹419.04 lakh during the year, while our Profit before tax

at ₹339.04 lakh was also the all-time highest we have registered in our journey so far. Our EBITDA margin improved by 504 bps to 8.35% in FY25. The PCMP improved by 25% to ₹2.47 lakh.

This transformation was not the result of a singular breakthrough. Rather, it stemmed from a disciplined commitment to getting the fundamentals right—executing the essential, perfecting the overlooked, and delivering on the often-uncelebrated aspects of business. That, in essence, has been the cornerstone of our success this year.

BACK TO BASICS – THE REAL TRANSFORMATION

At Gujarat Terce, we intentionally focused on what some may call the “boring” business basics.

- Tracking daily call averages, field force coverage, and doctor connect quality





- Ensuring consistent secondary sales monitoring, with weekly reviews
- Building brand recall not just at the prescription level but in the minds of our target doctors
- Inventory optimisation, expiry control, and field-wise stock rationalisation
- Frequent field visits and functional reviews—enabling better decisions closer to the ground

These foundational efforts may not have made headlines, but they delivered measurable results. Executed with efficiency and consistency, they transformed system performance, enhanced team responsiveness, and elevated the competitiveness of our brands.

We witnessed strong growth in important therapies such as Paediatrics, Gynaecology, and Consulting Physicians, driven by focused efforts on brands like Acolate, Terflora, Vitfol, Resplash, and Tynol.

This was not accidental. It was the result of long-term orientation combined with short-cycle execution discipline.

Our single-minded efforts heralded marked improvements in operational efficiency, which enhanced organisational liquidity. More importantly, it made us a lean and agile organisation, ready to scale to the next level.

- Collection Days improved from 43 to 37—freeing up cash and reducing receivable risks

- Inventory was more tightly aligned with demand, leading to lower wastage and expiry
- Breakage/Expiry losses reduced to 1.9%, from 2.5% a year ago

The result was very heartening. We operated Q4 with zero borrowing. A cash-positive quarter through internal accruals alone. This is an important validation of our direction—to build Gujarat Terce into a self-sustaining, internally strong, cash-efficient company.

REGULATORY CLOSURE – THE RIGHT STRATEGIC DECISION

In keeping with our vision of becoming a more agile and swift organisation, we strategically decided to release the milestone that had hung around our neck for over a decade and held back our progress.

We proactively resolved legacy tax matters under the Vivad Se Vishwas scheme, addressing assessments from FY2011 to FY2014. This strategic decision eliminated significant contingent liabilities and closed a prolonged chapter of uncertainty and litigation that had consumed valuable management bandwidth and resources, both intellectual and financial. By taking this decisive step, we unlocked clarity and renewed focus for the business, enabling forward momentum. This resolution not only strengthens our balance sheet but also enhances regulatory alignment, positioning us for sustained growth.

THE JOURNEY CONTINUES...

We step into FY26 with optimism, focus, and belief that what took 42 years to build can grow faster with the right foundation. Our strategic priorities remain clear.

- Improve what we have done so far by benchmarking continuously against the best in our segment
- Deepen our brand-wise focus and grow our therapy-driven presence
- Empower our teams with better training, tools, and tech
- Maintain strong cash discipline and low-debt operations
- Build internal leadership depth and agility

We are driven by a single conviction. We are not chasing size. We are building strength. And when strength compounds, size follows.

GRATITUDE & ACKNOWLEDGEMENT

I would like to sincerely thank all our stakeholders—our dedicated employees, trusted doctors, field force, supply chain partners, and, of course, you, our valued shareholders.

You have believed in us through various cycles. You have supported us during times of uncertainty. FY25 stands as proof that belief, when coupled with execution, yields results. We are just getting started. I am excited about where we are headed.

Warm regards,
Aalap Prajapati
Managing Director & CEO



About the company

A steadily expanding pharma player with vast expertise in advancing accessible medical care for all.

Gujarat Terce is a trusted manufacturer of high-quality branded medication at affordable rates for the common man. The company specialises in producing oral solid dosages, including tablets and capsules, that address various therapeutic needs.

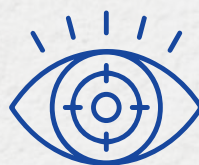
Headquartered in Ahmedabad, Gujarat, Terce offers an extensive portfolio featuring over 125 products and more than 64 well-established brands. The company focuses on formulation improvements, new product development, and research to identify gaps in existing treatment options.

Under the capable leadership of Mr. Aalap Prajapati, MD & CEO, Gujarat Terce continues to grow and evolve, driven by a passionate and dynamic team. Their operations span North, West and Central Indian states, reaching 32,706 healthcare professionals, while their brands are widely available through a vast network of 30,074 chemists.



VISION

To become a global healthcare brand recognised and trusted for its leadership in quality, innovation, service and ethics.



MISSION

To dedicate ourselves to the service of patients and the healthcare community driven by the best technology and talent for providing effective, affordable and superior medicines and healthcare products



CORPORATE
OVERVIEW



STATUTORY
REPORTS



FINANCIAL
STATEMENTS



134

Products

8

Leading Brands

240+

Team size

5,020

Revenue
(₹ lakh)

419

EBITDA
(₹ lakh)

339.04

Profit before
Tax (₹ lakh)

4,537

Market
Capitalisation
as of 31st March
2025 (₹ lakh)



Manufacturing Operations

Gujarat Terce's manufacturing facility in Chhatral, Gujarat, is ISO 9001 certified and adheres to WHO-GMP standards. Engineered to align with international regulatory benchmarks, the facility features state-of-the-art automated machinery to deliver efficient, high-quality production.

Environmental conditions within the plant are meticulously maintained through advanced HVAC systems that regulate air quality, temperature, and contamination levels. Outfitted with equipment that complies with global industry standards, the facility ensures consistent manufacturing processes. The operation prioritises optimal resource utilisation while maintaining the highest standards of product quality.

3,375 sq mtr

Area of the Facility

720 lakh

Tablets manufacturing capacity

185 lakh

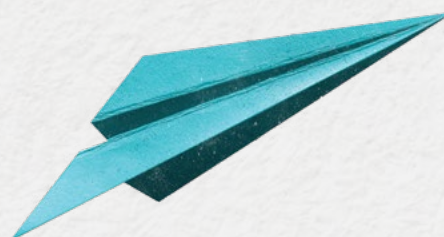
Capsule manufacturing capacity

430

Tablet production
in FY25

52

Capsule production
in FY25





Our Presence

Gujarat Terce continues to fortify its national footprint, underpinned by a robust marketing strategy and a dedicated sales workforce. With a well-established presence in Northern and Western India—its primary revenue-generating regions—the company has progressively extended its operations into Central India.

Over the past year, the company conducted a comprehensive, data-driven market evaluation to refine its regional strategy. This initiative enabled the identification of high-potential districts for deeper market penetration, while facilitating the rationalisation of activities in less profitable areas. These strategic adjustments contributed to greater cost efficiency and bolstered overall profitability.

In addition, Gujarat Terce enhanced its trade terms with stockists, resulting in a more resilient and efficient working capital cycle. Backed by a committed team of 150 Medical Representatives, the company remains focused on strengthening brand visibility, nurturing stronger partnerships with healthcare practitioners, and advancing its competitive position across the Indian pharmaceutical landscape.

13

States covered

224

Districts of presence

150

Medical Representatives

32,706

Medical Practitioners

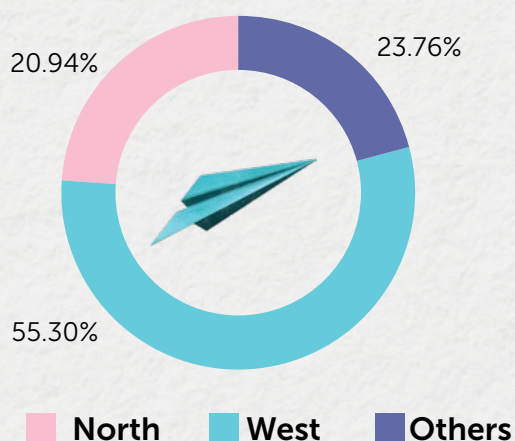
30,074

Chemists

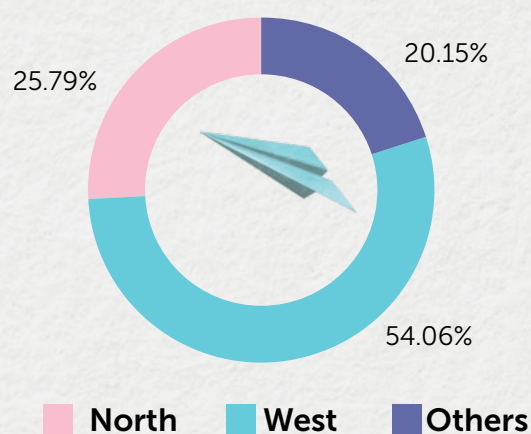
385

Stockists

REVENUE SPLIT (FY24)



REVENUE SPLIT (FY25)

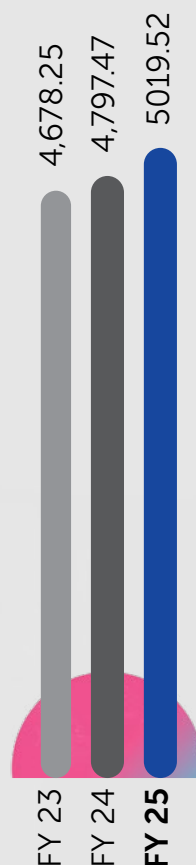




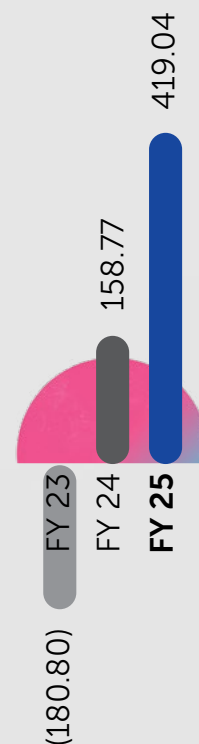
Making our efforts count

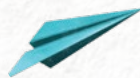
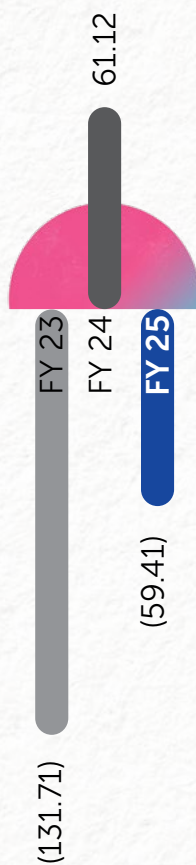
Our improved performance across several metrics in the final quarter of FY 2023-24 reinforces our conviction that we have the right team and strategy to accelerate growth, gain market share, and drive sustained value creation for all stakeholders.

REVENUE FROM OPERATIONS (₹ lakh)



EBITDA (₹ lakh)



NET PROFIT -
BEFORE OCI
(₹ lakh)CASH PROFIT
(₹ lakh)EARNINGS PER
SHARE
(₹)NET WORTH
(₹ lakh)CASH FLOW
FROM
OPERATIONS
(₹ lakh)



Our leading brands

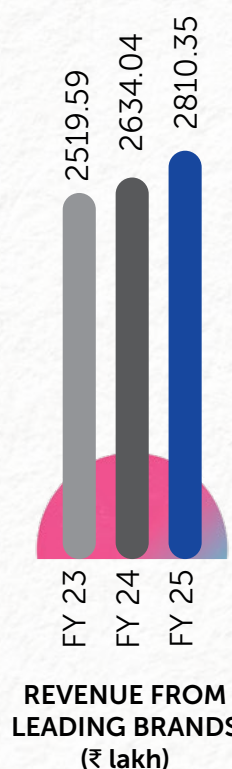
Gujarat Terce boasts a focused portfolio of ten high-value products, strategically aligned across three key therapeutic segments: (1) General Practitioners & Physicians, (2) Paediatricians, and (3) Gynaecologists. These products are widely recognised for their clinical efficacy and strong recall among healthcare professionals, making them significant contributors to the company's top line. In FY25, sustained investments in targeted marketing and branding initiatives yielded a marked increase in revenue from this core portfolio, reinforcing the company's position in its key therapeutic domains.

55.99%

Revenue contribution from
Leading Brands (FY25)

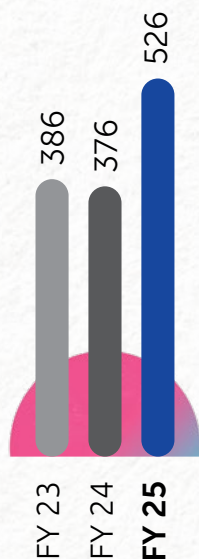
6.69%

Growth in Revenue from Leading
Brands over the previous year

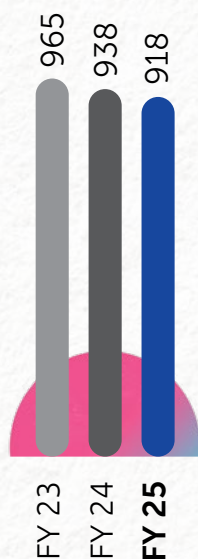


**Tynol**

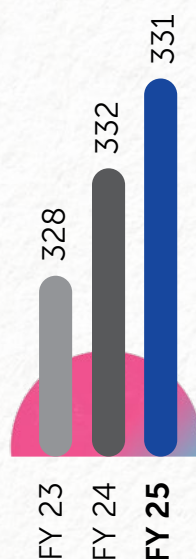
Therapeutic Segment:
Pain Management
Type: Acute

**Acolate**

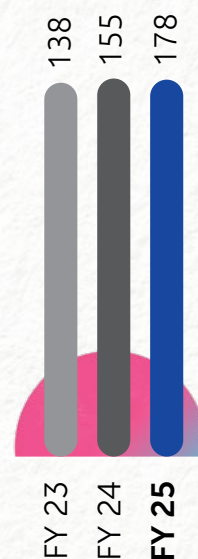
Therapeutic Segment:
Anticold
Type: Acute

**Codimol**

Therapeutic Segment:
Antibiotic
Type: Acute

**Resplash**

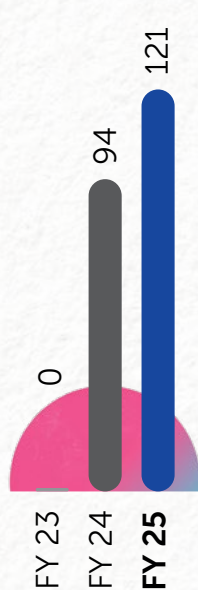
Therapeutic Segment:
Nutraceuticals
Type: Acute

**Cepter**

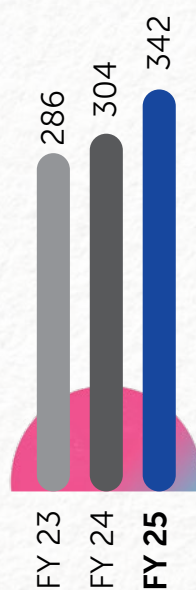
Therapeutic Segment:
Antibiotic
Type: Acute

**Terflora Z**

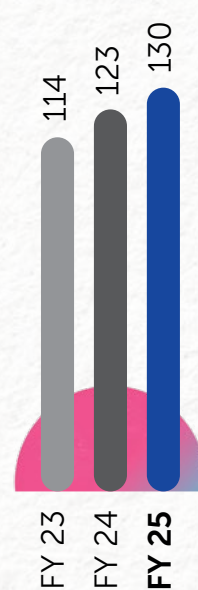
Therapeutic Segment:
Gastrology
Type: Acute

**Vitfol**

Therapeutic Segment:
Vitamins (Nutraceuticals)
Type: Chronic

**Ferli-f**

Therapeutic Segment:
Antibiotic
Type: Acute





Management Discussion & Analysis

The Economic Overview

At the global level, 2024 presented a complex and moderately paced economic landscape. While demonstrating resilience against various headwinds, the overall growth remained below the pre-pandemic average. Divergences across regions and persistent uncertainties shaped the economic narrative.

Global GDP growth in 2024 was recorded at an estimated 3.3%, which indicates continued progress. Growth patterns were notably desynchronised, with developed economies generally experiencing a more pronounced slowdown than many developing nations, particularly in East and South Asia.

India, demonstrating commendable resilience amidst global headwinds, continued to tread a stable growth trajectory, with GDP growth at 6.5% in FY25. Rising GST collections, higher e-way bill generation, and improving consumer sentiment underscored sustained momentum, particularly in the final quarter. A manufacturing revival, coupled with steady rural demand fuelled by increased household consumption, painted a picture of strengthening economic activity, setting a robust foundation for growth.

Retail inflation eased to 4.6% in FY25, down from 5.4% the previous year, marking its lowest level in six years. Government interventions and a favourable harvest

tamed food prices. While a rate cut and softer food prices bolstered this trend, geopolitical uncertainties remain a watchpoint. Fiscal dynamics presented a mixed yet disciplined story. The fiscal deficit for FY25 is expected to align with the revised estimate of ₹15.77 trillion, or 4.8% of GDP, though it widened from the prior year.

Outlook

As the dawn of Fiscal Year 2026 breaks, the Indian economy stands at a fascinating crossroads. Having demonstrated notable fortitude in the preceding year, it now navigates a global landscape still etched with uncertainty, presenting both compelling opportunities and intricate challenges that will shape its trajectory.



India's nominal GDP in 2015 was \$2,103.6 billion. Come 2025, the IMF projects that it will reach

\$4,271.9^{bn}

That's over 100% growth in just 10 years!



The Pharmaceutical Sector

Global Pharma Market:

The global pharmaceutical industry is poised for sustained expansion, with revenues projected to reach US\$1.21 trillion in 2025, growing at a CAGR of 4.77% to US\$1.53 trillion market volume by 2030. This growth is driven by increasing demand for innovative therapies, ageing populations, and the rising prevalence of chronic diseases. Among therapeutic segments, Oncology leads the market, forecasted to generate US\$217.13 billion in 2025 alone, reflecting strong investment in precision medicine

and immunotherapies. Geographically, the United States remains the dominant player, and it is anticipated to generate US\$660.04 billion in revenue by 2025. A sophisticated healthcare infrastructure, strong R&D capabilities, and swift adoption of innovative treatments support this leadership.

Trends Set to Transform 2025 and Beyond

- The integration of artificial intelligence (AI) into drug discovery
- The increase in biosimilars and significant merger and

acquisition (M&A) activity aims to promote innovation pipelines.

- Global efforts to reduce drug prices are accelerating through government actions like the Inflation Reduction Act and competitive market strategies driven by expanding treatment options.
- Advances in data and computing are rapidly deepening our understanding of human biology, enabling better risk assessment, new treatment pathways, and breakthrough drug discoveries.



Source: <https://www.statista.com/outlook/hmo/pharmaceuticals/worldwide?currency=USD#key-market-indicators>



Indian Pharma Market

Recognised as the “pharmacy of the world” for its significant contributions to generic medicines and vaccines.

The country holds a significant position in the global pharmaceutical sector.

Branded Generics: Branded generic medicines have long fuelled India’s pharmaceutical exports, such that India has come to be known as the Pharmacy of the World.

A mix of Indian and multinational pharmaceutical companies characterises the domestic branded pharma market. It is crucial to note the dominance of generics within the IPM. In 2023, generic drugs constituted approximately 97% of the market by value, with innovator/patented drugs making up the remaining 3%. Within the generics segment, branded generics held the lion’s share at around 87%, followed by trade generics at about 10%. This highlights the significance of the branded generics space within the overall domestic pharma landscape.

Doctor Preference for Branded Generics

Doctors usually prescribe branded generics due to concerns about the compromised quality of ordinary generics, intending to protect the patient’s health. A brand signifies trust, as a reputable company backs it, and its familiarity often influences doctors’ prescribing decisions.

Physicians prefer branded generics because they ensure consistency in therapeutic outcomes, regardless of geography. For chronic conditions such as diabetes and hypertension, where long-term medication is essential, even minor variations in quality can pose serious health risks. Doctors are particularly cautious in cases involving life-threatening diseases and avoid experimenting with unbranded generics.

Branded drug manufacturers follow stringent quality control protocols and adhere to good manufacturing practices (GMP), offering physicians greater confidence in product reliability. In contrast, plain generics may not consistently meet the same standards, leaving doctors uncertain about their efficacy and safety.

Additionally, branded manufacturers invest significantly in process improvement and product quality, often acting on feedback from doctors and patients. Branding incentivises companies to uphold high standards and build long-term trust, with the brand itself becoming a symbol of quality and reliability.

Ultimately, trust, efficacy, and patient safety are the key reasons why branded generics continue to dominate in

India. Brands serve as critical identifiers for both doctors and consumers, influencing prescribing behaviour, purchase decisions, and medication adherence.

This robust growth trajectory reflects not only the increasing demand for quality-assured medications but also the deep-rooted trust that healthcare professionals and patients place in branded generics. The branded generics market in India is expected to grow at a compound annual growth rate of 7.6% between 2025 and 2035. This places India as the leading player in the global branded generics market, which already dominates and has the largest market share.

Government initiatives promoting generics:

The Indian government launched the “Jan Aushadhi” initiative in 2008 under the Department of Pharmaceuticals to create government-supported stores for selling high-quality generic medicines. It established outlets that exclusively offer generic brands. The program enhances quality of life by reducing medical expenses, providing high-quality generic medications at lower prices, and informing physicians about the effectiveness of these drugs, leading to more generic prescriptions.

**Branded generics vs. generics:**

The demand for generic medicines in India is rising rapidly, while the sales of branded drugs are declining, according to a recent report by UBS. This shift is due to

the growing number of Jan Aushadhi stores across the country offering affordable generic medicines. As of June 30, 2024, approximately 12,616 Janaushadhi Kendras are operational nationwide.

**Sources:**

<https://www.futuremarketinsights.com/reports/branded-generics-market>
<https://thegreyswan.substack.com/p/india-branded-pharma-sales-share>
<https://economictimes.indiatimes.com/news/india/demand-for-generic-medicines-in-india-growing-rapidly-notes-recent-ubs-report/articleshow/113736672.cms?from=mdr>
<https://timesofindia.indiatimes.com/blogs/voices/why-branded-generics/>

The industry's estimated value reached approximately US\$ 65 billion in FY24, and it is on track to achieve its target of US\$ 130 billion by 2030.

This shift ensures better consumer engagement and market penetration, particularly in Tier II and III cities.

Key Industry Trends**1. GENERIC DRUG MOMENTUM**

India consistently capitalises on the global patent cliff by producing generic alternatives to expiring branded medications. This strategy enhances export performance and reinforces India's essential role in maintaining the affordability of medicines worldwide.

2. EMERGENCE OF NEW GO-TO-MARKET MODELS

With digital transformation accelerating, pharmaceutical companies are increasingly leveraging:

- Direct-to-consumer (D2C) strategies
- Online pharmacy platforms
- Telemedicine partnerships:

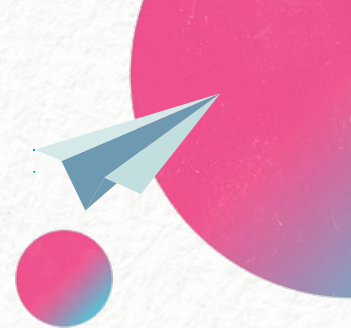
Outlook

The Indian pharmaceutical industry is poised for continued expansion in FY26, supported by the following factors:

- Increased public and private healthcare spending, especially with ongoing infrastructure upgrades in rural areas.
- Innovation-led growth is driven by the PRIP scheme and strengthened R&D investments from both domestic and multinational players.
- Global demand for generics and biosimilars is expected to increase, especially in light of ageing populations and healthcare cost pressures in developed markets.
- Policy stability and regulatory reforms aim to align Indian pharmaceutical standards with global benchmarks.

Sources

<https://www.ibef.org/industry/pharmaceutical-india>
https://www.business-standard.com/industry/news/collective-effort-required-to-achieve-2-trn-exports-target-by-2030-goyal-124111101087_1.html
<https://www.pib.gov.in/PressNoteDetails.aspx?Noteld=152038&ModuleId=3®=3&lang=1>



About the Company

Gujarat Terce Laboratories, based in Ahmedabad, produces and distributes branded generics, grounded in EXCELLENCE & COMPASSION. The Company provides an extensive array of products under 52 established brands, encompassing 135 items, while its portfolio spans 10 distinct therapeutic categories.

The Company has consistently undertaken efforts to address historical challenges. These initiatives have positioned it on a sustained growth trajectory, while it continues to enhance operational efficiency and resolve remaining structural gaps.

Operational Performance

Gujarat Terce focused on strengthening core operations through consolidation and realignment with regulatory and market trends.

In FY25, the Company initiated key operational changes to optimise its market presence and improve overall efficiency. A notable decision was to discontinue operations in low-performing regions and transfer the resources to the value-generating locations.

This hard but timely decision helped the Company to grow revenue and enhance profitability.

For FY26, Gujarat Terce is set to implement several forward-looking initiatives. The company will undertake a comprehensive plant upgrade to meet the revised Schedule M requirements mandated by the government, ensuring enhanced quality and compliance. During this period, manufacturing will be

outsourced to maintain supply continuity.

Additionally, Gujarat Terce plans to launch 5–6 new products across antibiotic, anti-allergic, and haematology (iron deficiency) therapeutic categories, aiming to strengthen its product portfolio. Operational efficiency will be further enhanced. Moreover, the company is also exploring opportunities in export markets to drive future growth.

Financial Performance

The Company sustained its healthy performance across key financial metrics. Revenue from Operations increased by a little under 5% to ₹5,0192.52 lakh in FY25 against ₹4,797.47 lakh in FY24. This was primarily driven by strong traction for its leading brands. The team continued its relentless efforts in optimising costs and minimising wastages with considerable success. This helped in improving business profitability. EBITDA increased from ₹158.77 lakh in FY24 to ₹419.04 lakh in FY25 – an increase of 164%. Concurrently, the EBITDA margin more than doubled from 3.31% in FY24 to 8.35% in FY25. Profit before Tax improved from ₹54.39 lakh in FY24 to ₹339.04 lakh in FY25. The management took a bold step to utilise the improved liquidity and profits to settle pending tax matters. Releasing this overhang helped in utilising the mindspace and resources for business progress. As a result, the Company posted a Net Loss of ₹97.87 lakh in FY25. On the positive side, the streamlining of business operations and the cleaning of the financial statements strengthen the company's position for sustaining its growth in the current year.





₹ in Lacs

Particulars	FY25	FY24	% of change
Revenue	5019.52	4797.47	4.63
EBITDA	419.04	158.77	164
PBT	339.04	54.39	523.35
Cash Profit	-59.41	61.12	(197.2)
Reported PAT	-97.87	24.34	(502.10)

Significant changes, i.e., a change of 25% or more in the key financial ratios

Following the amendments notified by SEBI in Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May 2018, the details of significant changes, i.e., change of 25% or more in the key financial ratios as compared to the immediately previous financial year along with detailed explanations are reported hereunder:

Key Ratios

Particulars	Items included in numerator	Items included in denominator	Current Year Ratio	Previous Year Ratio	Change in the ratio by more than 25%	Explanation for deviation of more than 25%
Debtors Turnover ratio	Net Credit Sales	Average Trade Receivable	9.35	7.03	33%	The company has taken steps to improve liquidity management, which include a more efficient mechanism for recovery of amounts from trade receivables. This has resulted in a reduction in total outstanding receivables.
Current ratio	Current Assets	Current Liabilities	0.95	0.92	3%	
Debt-Equity ratio	Long Term Debt + Short Term Debt	Shareholders' Equity	0.15	0.54	73%	Debt obligation has been reduced by reduction in current liabilities.
Interest Service Coverage ratio	EBIT	Interest	9.16	1.80	408%	Interest expense has been reduced due to reduction in debt and EBIT has been improved.
Operating Profit Margin (%)	EBIT	Net Sales	8%	3%	215%	Company's EBIT has been increased.
Net Profit Margin (%)	Net Profit	Net Sales	-1.95%	0.51%	-484%	Profit after tax has reduced substantially due to provision for payment of taxes under the Direct Tax Vivaad se Vishwas Scheme to settle long-pending litigation for earlier years.
(d) Return on Net Worth (%)	Earnings After Interest, Tax, Depreciation & Amortisation	Net Worth	-15.11%	3.43%	-114%	Profit after tax has reduced substantially due to provision for payment of taxes under the Direct Tax Vivaad se Vishwas Scheme to settle long-pending litigation for earlier years.



Internal Control and Its Adequacy

The Company has appointed DV Shah & Associates as its internal auditor. The primary objective of this audit is to assess the adequacy and effectiveness of all internal control systems and to recommend enhancements.

The Company maintains suitable internal control systems, which include monitoring procedures, to safeguard all assets against unauthorised use or loss of disposition. Significant matters are presented to the audit committee's attention for periodic review.

The Company's policies, guidelines, and procedures establish adequate checks and balances to ensure that all transactions are authorised, recorded, and reported accurately. The Audit Committee approves and reviews the annual audit plans based on internal risk assessments.

Audits are conducted continuously, and substantial deviations are reported to the Audit Committee of the Board, after which corrective actions are recommended for implementation. All these measures facilitate the timely detection of any irregularities and ensure early remedial actions with no financial loss.

The internal audit function is further reinforced in collaboration with statutory auditors to oversee statutory and operational issues. Adherence to statutory compliance remains a key area of focus for the Company's leadership team.

The Company continuously endeavours to integrate the entire organisation, encompassing strategic support functions such as finance, human resources, regulatory affairs, and core operations, including research, manufacturing, and supply chain.

Gujarat Terce continues to enhance its teams with high-quality talent and strongly emphasises conducting frequent training modules to empower employees.

Human Resources

Gujarat Terce values its employees as vital to business success. The company invests in programs to enhance workforce skills and meet business needs.

The Company implements a series of strategies to enhance its employees' skills. Furthermore, it cultivates a culture of continuous learning and constructive feedback that motivates employees to broaden their perspectives and pursue their interests. By prioritising employee development, Gujarat Terce not only cultivates a skilled and

motivated workforce but also fosters a vibrant and dynamic organisational culture in which individuals can flourish both personally and professionally.

A robust emphasis on interpersonal communication within the organisation bolsters the working relationships between management and employees. This dedication has markedly improved operational efficiency and employee engagement. Industrial Relations continues to be a priority in a cordial manner. The Company had 244 employees on its rolls as of March 31, 2025.

Risk Management

At Gujarat Terce, risk management is guided by a defined risk appetite based on sector conditions, internal capacities, and financial goals within acceptable volatility. The Board and leadership teams proactively manage risks to operations through a comprehensive framework addressing strategic, financial, operational, and environmental risks. The Company's framework ensures sustainability within its Business Model, with the risk management committee curating mitigation plans for potential impacts.

NOTICE

Notice is hereby given that the 40th Annual General Meeting of the Members of Gujarat Terce Laboratories Limited will be held at 1:00 p.m. on Thursday, 21st August, 2025 through video conferencing or other audio-visual mode to transact the following business.

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the reports of Board of Directors and Auditors thereon.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT the audited financial statements of the Company for the financial year ended on 31st March, 2025, including the audited Balance Sheet as on 31st March, 2025, the Statement of Profit and Loss for the year ended on that date to gather with the reports of the Board of Directors and Auditors thereon be and are hereby received, considered, approved and adopted."

- To appoint a Director in place of Mr. Amritbhai Prajapati (DIN: 00699001) who retires by rotation and being eligible, offers himself for re-appointment.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Amritbhai Prajapati (DIN: 00699001), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation"

- To re-appoint M/s. M. A. Shah & Co., Chartered Accountants, (FRN:112630W) as Auditors of the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s. M.A. Shah & Co., Chartered Accountants, (FRN:112630W) be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of 45th AGM of the Company to be held for the financial year 2029-30 for a term of 5 (five) years on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

SPECIAL BUSINESS:

- To appoint M/s. Pinakin Shah & Co., Practicing Company Secretary (FRN: S2010GJ134100) as Secretarial Auditor of the company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with applicable provisions of the Companies Act, 2013, each as amended, and based on the recommendation(s) of the Audit Committee and the Board of Directors of the Company ('Board'), M/s. Pinakin Shah & Co., Practicing Company Secretary, Ahmedabad having registration number (FRN: S2010GJ134100), be and is hereby appointed as the Secretarial Auditors of the Company for a period of 5 (five) years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 45th Annual General Meeting of the Company to be held in the financial year 2029 - 2030, to conduct Secretarial Audit of the Company for the period beginning from the Financial Year 2025-26 through the Financial Year 2029-30, at such remuneration as may be mutually agreed upon between the Board, based on the recommendation(s) of the Audit



Committee, and the Secretarial Auditors of the Company.

RESOLVED FURTHER THAT the Board and/ or any person authorised by the Board, be and is hereby authorised, severally, to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, as may be considered necessary, desirable and expedient to give effect to this Resolution and/ or otherwise considered by them to be in the best interest of the Company."

5. Regularization of Ms. Avani Vishnubhai Patel (DIN: 07774901) as an independent director of the company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT Ms. Avani Vishnubhai Patel (DIN: 07774901), who was appointed as an Additional Director of the Company with effect from 26/05/2025 by the Board of Directors, based on recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and who is eligible for appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing her candidature for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, under the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17, 25 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from

time to time, the appointment of Ms. Avani Vishnubhai Patel (DIN: 07774901) who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years, i.e 26/05/2025 to 25/05/2030." (both days inclusive) be and is hereby approved."

6. To sell the factory situated at Ravi Estate, Bileshwarpura, Chhtral, Gandhinagar, Gujarat, India, 382729.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:

"RESOLVED THAT, pursuant to the provisions of Section 180(1)(a) read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell the factory situated at Ravi Estate, Bileshwarpura, Chhtral, Gandhinagar, Gujarat, India, 382729 ("Undertaking"), together with all specified tangible assets, including land, plant and machinery and other assets, on an "as is where is" basis or in any other manner as the Board may deem fit in the interest of the Company, for a minimum consideration as obtained from the registered valuer and

on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/ or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments."

7. Approval of the limits for the Loans and Investment by the Company under section 186 of the Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to the Board to invest by way of subscription, purchase or otherwise in money market securities or mutual fund or Body Corporate bonds from time to time in one or more trenches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an

amount not exceeding Rs. 10 Crore (Rupees Ten Crore Only) outstanding at any time notwithstanding that such investments including outstanding loans are given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT in case of divestment of the investment, the Directors of the Company be and are hereby authorized to sign the necessary applications, papers, forms, documents, etc. for effective implementation of the decision of divestment taken by the Company from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

8. To ratify Remuneration of M/s. K V M & Co., Cost Auditor of the company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs 50000/- (Fifty Thousand) Inclusive of all applicable taxes and reimbursement of out-of-pocket expenses payable to M/s. K V M & Co., Cost Accountants (Firm Registration No.: 000458), based on the recommendation(s) of the Audit Committee, have been appointed by the Board of Directors of the



Company ('Board'), as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending March 31, 2026.

RESOLVED FURTHER THAT the Board and/ or any person authorised by the Board, be and is hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

By Order of the Board of Directors

Ripal Sukhadiya

Company Secretary & Compliance Officer

Date: 17/07/2025

Place: Ahmedabad

NOTES:

1. The Ministry of Corporate Affairs (the "MCA") vide its General Circular No.14/2020 dated 08/04/2020, Circular No.17/2020 dated 13/04/2020, Circular No.22/2020 dated 15/06/2020, Circular No.33/2020 dated 28/09/2020, Circular No.39/2020 dated 31/12/2020 and Circular No.10/2021 dated 23/06/2021, Circular No. 20/2021 dated 08/12/2021, Circular No. 03/2022 dated 05/05/2022 and Circular No. 11/2022 dated 28/12/2022 in relation to "Clarification on passing of Ordinary and Special Resolution by the Companies under Companies Act, 2013 read with rules made thereunder, through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" (hereinafter, collectively referred as the "MCA Circulars") and in compliance with the provisions of the Companies Act, 2013 (the "Act") this AGM is being convened to be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby, dispensing with the requirement of physical attendance of the members at a common venue and accordingly, the Annual General Meeting (the "AGM") of the Company will be held through VC or OAVM in compliance with the aforesaid circulars and the relevant provisions of the Companies Act, 2013 (as amended) (the "Act") and Rules made there under. The registered office of the Company shall be deemed to be the venue for the AGM.
2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") with respect to the requisite Item of the Notice is annexed hereto and forms part of this Notice.
6. In Compliance with aforesaid Circulars issued by MCA, the Notice for AGM of the Company, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or Depository Participants or the Registrar and Share Transfer Agent (the "RTA"). In case any Member is desirous of obtaining hard copy of the notice of the AGM of the Company, may send request to the Company's e-mail address at cs@gujaratterce.com mentioning Folio No. DP ID and Client ID.
7. Members who have questions or seeking clarifications on the items as contained in this Notice are requested to send email to the Company on cs@gujaratterce.com on or before 5:00 PM on Thursday, 14th August, 2025. This would enable the Company to compile the information and provide the

replies at the meeting. The Company will be able to answer only those questions at the meeting which are received in advance as per the above process. The Company will allot time for members to express their views or give comments during the meeting.

8. The Members who wish to speak at the meeting need to register themselves as a speaker by sending an e-mail from their registered e-mail ID mentioning their name, DP ID and Client ID / Folio number and mobile number, on e-mail ID, cs@gujaratterce.com on or before 5:00 PM on Thursday, 14th August, 2025. Depending on the availability of time, the Company reserves the right to restrict the number of speakers at the meeting.
9. Pursuant to Section 113 of the Act, institutional / corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM, before e-voting / attending AGM, to cs@gujaratterce.com
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and December 28, 2022 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Bigshare Services Private Limited for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by Bigshare Services Private Limited.
11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.gujaratterce.in/annual-reports/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com

respectively and the AGM Notice is also available on the website of Bigshare Services Private Limited (agency for providing the Remote e-Voting facility) i.e. <https://ivote.bigshareonline.com>

12. Updation of PAN and other details

SEBI vide its Circular dated March 16, 2023 mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities through Form ISR-1. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

In terms of above Circular, Folios of Physical shareholders wherein any one of the above said details such as PAN, email address, mobile number, bank account details and nomination are not available, are required to be frozen with effect from October 1, 2023 and such physical shareholders will not be eligible to lodge grievance or avail service request from the RTA of the Company and will not be eligible for receipt of dividend in physical mode.

Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. As per the above SEBI Circular, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, after December 31, 2025.

Accordingly, individual letters have been sent to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details.

13. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

Further, Members may please note that SEBI has, vide its Circular dated January 25, 2022 mandated Listed Companies to issue



securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4.

14. The format of the Register of Members prescribed by the MCA under the Act requires the Company/Registrar to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. This request should be submitted in Form ISR-1. Members holding shares in physical form are requested to submit the filled-in form to the Company or to the Registrar in physical mode as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DPs only and not to the Company.

15. Nomination facility:

As per the provisions of Section 72 of the Act and the aforementioned SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no.

16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard-2 on General Meetings issued by ICSI and Regulation 44 of the SEBI Listing Regulations, as amended from time to time, read with MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted as mentioned in the Notice of the AGM. For this purpose, the Company has appointed Bigshare Services Private Limited for facilitating voting through electronic means. The facility for casting votes by a Member using remote e-Voting system as well as e-Voting during the AGM will be provided by Bigshare Services Private Limited. Resolution(s) passed by Members through e-Voting are deemed to have been passed as if they have been passed at the AGM.

The remote e-voting period begins on Monday, 18th August, 2025 (9:00 a.m.) and ends on Wednesday, 20th August, 2025 (5:00 p.m.) The remote e-voting module shall be disabled by Bigshare Services Private Limited for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 14th August, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being, 14th August, 2025.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on Monday, 18th August, 2025 (9:00 a.m.) and ends on Wednesday, 20th August, 2025 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14th August, 2025 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated **09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential,**

through their demat accounts/ websites of Depositories/ Depository Participants.

Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-vote (E-voting website) for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022- 48867000.

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
 - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
 - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on “**VOTE NOW**” option which is appearing on the right hand side top corner of the page.



- Cast your vote by selecting an appropriate option **"IN FAVOUR"**, **"NOT IN FAVOUR"** or **"ABSTAIN"** and click on **"SUBMIT VOTE"**. A confirmation box will be displayed. Click **"OK"** to confirm, else **"CANCEL"** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can **"CHANGE PASSWORD"** or **"VIEW/UPDATE PROFILE"** under **"PROFILE"** option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **"REGISTER"** under **"CUSTODIAN LOGIN"**, to register yourself on Bigshare i-Vote e-Voting Platform.

- Enter all required details and submit.

- After Successful registration, message will be displayed with **"User id and password will be sent via email on your registered email id"**.

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on **'LOGIN'** under **'CUSTODIAN LOGIN'** tab and further Click on **'Forgot your password?'**
- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **'RESET'**.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under **"DOCUMENTS"** option on custodian portal.
 - Click on **"DOCUMENT TYPE"** dropdown option and select document type power of attorney (POA).
 - Click on upload document **"CHOOSE FILE"** and upload power of attorney (POA) or board resolution for respective investor and click on **"UPLOAD"**.

Note: The power of attorney (POA) or board resolution has to be named as the **"InvestorID.pdf"** (Mention Demat account number as Investor ID.)

- Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select **"VOTE FILE UPLOAD"** option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
 - Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on **"UPLOAD"**. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
 - Custodian can **"CHANGE PASSWORD"** or **"VIEW/UPDATE PROFILE"** under **"PROFILE"** option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 022-62638338

4. Procedure for joining the AGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to attend the AGM under the dropdown option.
- For joining virtual meeting, you need to click on "VC/OAVM" link placed beside of "**VIDEO CONFERENCE LINK**" option.
- Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-voting on the day of the AGM are as under:-

- The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338



Annexure-I

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

AGENDA NO. 4

To appoint M/s. Pinakin shah & Co., Practicing Company Secretaries (FRN: S2010GJ134100) as Secretarial Auditor of the company.

In terms of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and other applicable provisions of the Companies Act, 2013, each as amended, the Company is required to appoint Secretarial Auditors for a period of 5 (five) years commencing FY 2025-26 to FY 2029-30 to conduct the Secretarial Audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations read with applicable SEBI Circulars.

For identification of Secretarial Auditor, the Management had initiated the process and had detailed interactions with certain eligible audit firms and assessed them against a defined eligibility and evaluation criteria. The following criteria inter alia were considered for evaluation of Practicing Company Secretary firms capable of conducting audit:

- a) background of the firm, their experience and past associations in handling secretarial audit of listed companies;
- b) competence of the leadership and the audit team in conducting secretarial audit of the Company in the past as well as of other listed companies; and
- c) ability of the firm to understand the business of the Company and identify compliance of major laws and regulations applicable to the Company.

As part of the assessment, the Management evaluated the background, expertise and past performance of M/s Pinakin Shah & Co., based in Ahmedabad, a distinguished Peer Reviewed firm of Practising Company Secretary. The firm specializes in corporate law, SEBI, IBC and RBI regulations, corporate governance, and compliances. The firm has been conducting secretarial audit for various listed companies

across sectors such as manufacturing, banking, pharmaceuticals, and service sectors.

The Management presented the outcome of the assessment to the Audit Committee of the Board. The Audit Committee considered the findings of the Management and has recommended to the Board, the appointment of M/s Pinakin Shah & Co., as the Secretarial Auditors of the Company for a period of five years commencing from the conclusion of the ensuing 40th Annual General Meeting scheduled to be held on 21/08/2025 to the conclusion of 45th Annual General Meeting of the Company to be held in the year 2030, for conducting secretarial audit of the Company for the period beginning from FY 2025-26 through FY 2029-30.

The Board, at its meeting held on 26/05/2025, considered the recommendation of the Audit Committee with respect to the appointment of M/s Pinakin Shah & Co., as the Secretarial Auditors. After due consideration and review, the Board recommends for approval of the Members the appointment of M/s Pinakin Shah & Co., as the Secretarial Auditors of the Company for a period of five years commencing from the conclusion of the ensuing 40th Annual General Meeting scheduled to be held on 21/08/ 2025 to the conclusion 45th Annual General Meeting of the Company to be held in the year 2030, for conducting secretarial audit of the Company for the period beginning from FY 2025-26 through FY 2029-30.

M/s Pinakin Shah & Co., has provided his consent to be appointed as Secretarial Auditors and has confirmed that, if appointed, his appointment, will be in accordance with Regulation 24A of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 and other relevant applicable SEBI Circulars issued in this regard.

The proposed remuneration to be paid to M/s Pinakin Shah & Co., for FY2025-26 is ₹ 2.00 lakh plus applicable taxes and reimbursement of out-of-pocket expenses. The Audit Committee and the Board is of the view that ₹ 2.00 lakh is reasonable audit fee considering

the size and scale of the Company. The remuneration to be paid to Secretarial Auditors for the remaining term i.e. from FY2026-27 to FY2029-30 shall be mutually agreed between the Board, based on recommendation(s) of the Audit Committee, and the Secretarial Auditors, from time to time. The remuneration for FY2026-27 to the FY2029-30 shall be decided considering changes in scope of audit and to meet inflationary costs of providing the audit service. The Company will seek shareholder approval in case there is a material change in the remuneration of secretarial auditor owing to significant enhancement in scope of work.

None of the Director(s) or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members.

AGENDA NO. 5

Regularization of Ms. Avani Vishnubhai Patel (DIN: 07774901) as an independent director of the company.

Based on recommendation of the Nomination and Remuneration Committee ('NRC'), the Board appointed Ms. Avani Vishnubhai Patel (DIN: 07774901) as an Additional Director of the Company and also an Independent Director not liable to retire by rotation, for a term of five years, i.e., from 26/05/2025 to 25/05/2030 (both days inclusive), subject to approval by the Members.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act'), Ms. Avani Vishnubhai Patel (DIN: 07774901) shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing her candidature for the office of Director. The profile and specific areas of expertise of Ms. Avani Vishnubhai Patel (DIN: 07774901) are provided as below:

Particulars	Description
Name	Ms. Avani Vishnubhai Patel
Nature of expertise in the specific functional area	Ms. Avani Patel is a Practicing Company Secretary having more than 12 years of experience, Trademark Agent, and Registered Valuer with specialization in Company Law, IPR Law, and Valuation of Securities and Financial Assets.
Disclosure of the relationship between directors	NA
Chairmanship/ Membership of committees of other Public Companies	NA
Shareholding	NIL

Ms. Avani Vishnubhai Patel (DIN: 07774901) has given her declaration to the Board, inter alia, that (i) She meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act and (iv) She is not aware of any circumstance which exists or may

be reasonably anticipated, that could impair or impact her ability to discharge her duties, with an objective independent judgement and without any external influence. She has also give her consent to act as a Director.

In the opinion of the Board, Ms. Avani Vishnubhai Patel (DIN: 07774901) is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and she is independent of the Management.



Given her experience, the Board considers it desirable and in the interest of the Company to have Ms. Avani Vishnubhai Patel (DIN: 07774901) on the Board of the Company.

Except for Ms. Avani Vishnubhai Patel (DIN: 07774901) and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends the Resolution set forth in Item No. 5 for the approval of the Members.

AGENDA NO. 6

To sell the factory situated at Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar, Gujarat, India, 382729.

The factory was established in 1992 as a Schedule M compliant unit for manufacturing a part of the Company's branded generics portfolio. However, as per the recent Government of India guidelines mandating upgradation of manufacturing facilities to Revised Schedule M standards, it would require significant investment to upgrade this aging plant. Given the fact that this facility manufactures only a limited portion of our portfolio and considering the economics involved, the Board believes such capital expenditure is not financially prudent.

The Company has strategically decided to shift all its in-house manufactured brands to WHO-certified CDMO (Contract Development and Manufacturing Organization) partners, with whom agreements are already in place. This transition will ensure:

- Regulatory compliance with WHO-GMP and Revised Schedule M norms of all the brands
- Focus on core strengths of the Company – brand building and market expansion
- Enhanced supply chain resilience and inventory efficiency

Further, Corporate Quality Assurance (CQA) will continue to be managed by the Company, ensuring that product quality and compliance remain uncompromised.

As the Unit is considered no longer viable, after considering various options the Board decided to sell the same in the overall best interest of all the stakeholders. The Board of Directors of the Company, at its meeting held on

17/07/2025 approved the Company to sell the factory situated at Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar, Gujarat, India, 382729 ("Undertaking"), together with all specified tangible assets in relation to the Undertaking as an "as is where is" basis for a consideration to be determined based on fair market value from registered valuer.

The proposal to monetize the factory will make the Company debt free and capable of funding the future growth, is therefore key to the Company's future success in creating shareholder value. The sale of the said Undertaking will not have any impact on the Company's existing business.

Closing of the Transaction is conditional inter alia upon passing of the Special Resolution by the shareholders of your Company and receipt of all the required approvals.

Further, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and Regulation 37A(1) of the SEBI Listing Regulations, 2015, sale, lease or otherwise disposal of the whole or substantially the whole of an undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking, requires the consent of the Company by way of a special resolution. As the proposed sale of land falls within the ambit of undertaking as per Section 180(1)(a) of the Companies Act, 2013 and Regulation 37A of SEBI Listing Regulations, 2015, it is proposed to obtain approval of the shareholders by special resolution.

Explanation (i) to Section 180(1)(a) of the Act provides that the expression "undertaking shall mean an undertaking in which the investment of the Company exceeds 20% of its net worth as per the audited Balance Sheet of the preceding year or an undertaking which generates 20% of the total income of the Company during the previous financial year.

In compliance with the applicable provisions of the Companies Act, 2013, Special Resolution as set out in the accompanying Notice is now being placed before the members for their approval.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the said Special Resolution.

The Board recommends the Resolution set forth in Item No. 6 for the approval of the Members.

AGENDA NO. 7

Approval of the limits for the Loans and Investment by the Company under section 186 of the Companies Act, 2013.

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making an investment in money market instruments or mutual funds or other bodies corporate debt instruments as and when required. Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made thereunder, the Company needs to obtain prior approval of shareholders by way of a special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid-up share capital, free reserves, and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the General Meeting for an amount not exceeding Rs. 10 Crore (Rupees Ten Crore Only) outstanding at any time notwithstanding that such investments, outstanding loans are given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the said Special Resolution.

The Board recommends the Resolution set forth in Item No. 7 for the approval of the Members.

AGENDA NO. 8

Ratification of Remuneration of M/s. K V M & Co., Cost Auditor of the company

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014

('Rules'), each as amended from time to time, the Company is required to undertake the audit of its cost records for products covered under the Rules. Such cost audit shall be conducted by a cost accountant in practice.

M/s. K V M & Co., Cost Accountants (Firm Registration No.: 000458) has been selected as the Cost Auditors of the Company. Considering the size of the operations of the Company and the scope of cost audit for FY2025-26, the Audit Committee of the Company considered and recommended to the Board, the appointment of M/s. K V M & Co., (Firm Registration No.: 000458), Cost Accountants as the Cost Auditors of the Company for FY2025-26, for a remuneration of 50,000/- (Fifty Thousand) inclusive of all applicable taxes and reimbursement of out-of-pocket expenses.

Based on the recommendation of the Audit Committee, the Board at its meeting held on 17/07/2025, approved the appointment of M/s. K V M & Co., Cost Accountants (Firm Registration No.: 000458), as the Cost Auditors of the Company for FY2025-26 at a remuneration of Rs 50000/- (Fifty Thousand) Inclusive of all applicable taxes and reimbursement of out-of-pocket expenses, payable to Cost Auditors.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board, must be ratified by the Members of the Company.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the said ordinary resolution.

The Board recommends the Resolution set forth in Item No. 8 for the approval of the Members.

By Order of the Board of Directors

Ripal Sukhadiya

Company Secretary & Compliance Officer

Date: 17/07/2025

Place: Ahmedabad



Board's Report

To
The Members of
Gujarat Terce Laboratories Limited

Your director's have pleasure in presenting the 40th Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report thereon for the financial year ended 31st March, 2025

1. FINANCIAL HIGHLIGHTS

The financial performance of your company for the year ending March 31, 2025 is summarized below:

(Amount in Lakhs)		
Particulars	2024-25	2023-24
Revenue from Operations	5,019.52	4,797.47
Other Income	30.78	32.10
Profit before Interest, Depreciation, Other expenses & Tax	1,540.35	1,482.96
Finance Cost	41.54	67.60
Depreciation	38.46	36.78
Other expenses	1,121.31	1,324.19
Net Profit before Tax	339.04	54.39
Tax Expense	16.36	0
Deferred Tax	78.84	30.06
Income Tax of Earlier Year	341.71	0
Net Profit or (Loss) after Tax	(97.87)	24.33

2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the reporting period company's performance was satisfactory in terms of revenue generation as the same has generated total revenue of ₹ 5,019.52 Lakhs which is 222.05 Lakhs more than the last year's turnover. Company has generated other income of ₹ 30.78 Lakhs during the year as compared to the other income generated in the previous year amounting ₹ 32.10 Lakhs. The company has incurred net loss of ₹ 97.87 Lakhs during the year as compared to the profit of ₹ 24.33 Lakhs in the previous financial year. The Board is taking the necessary steps to improve the performance of the Company and to have better working results in the coming years.

3. CAPITAL EXPENDITURE

As on March 31, 2025, the gross fixed assets (tangible and intangible) stood at ₹ 875.09 lakhs (previous year ₹ 840.40 lakhs) and the net fixed assets (tangible and intangible), at ₹ 365.39 Lakhs (previous year ₹ 369.18 lakhs). Capital Expenditure during the year amounted to ₹ 34.69 lakhs (previous year ₹ 7.37 Lakhs).

4. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The company has not transferred any amounts in the Reserves in terms of Section 134(3)(J) of the Companies Act, 2013.

5. DIVIDEND

The Board of Directors of the Company has not recommended any dividend for the



current financial year in view of inadequate profits generated.

6. CHANGE IN NATURE OF BUSINESS

During the period under review, the Company has not changed its line of business in such a way that amounts to commencement of any new business or discontinuance, sale or disposal of any of its existing businesses or hiving off any segment or division.

7. MATERIAL CHANGES AND COMMITMENTS

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

8. SHARE CAPITAL

The issued, subscribed and paid-up Equity Share Capital of the Company as on March 31, 2025, was ₹ 7,42,03,000 comprising of 74,20,300 Equity Shares of ₹ 10.00 each. The Company has not issued any Equity Shares during FY 2024-25. There was no change in Share Capital during the year under review.

The company after receipt of in principle approval from BSE on 18/06/2024 has allotted 3,71,000 share warrants on 01/07/2024 which are convertible into Equity shares at conversion price of ₹ 37.70/- per equity share within eighteen months from the date of allotment.

Distribution of Shareholding (As on March 31, 2025)

On the basis of Share held:

Shareholding	No. of Shareholder	% of Holders	Shares	% of Holding
1-500	13007	94.54	1520289	20.49
501-1000	356	2.57	297424	4.01
1001-2000	147	1.06	226373	3.05
2001-3000	68	0.49	170917	2.30
3001-4000	38	0.27	135436	1.83
4001-5000	32	0.23	149445	2.01
5001-10000	51	0.37	376043	5.07
100001-999999999	65	0.47	4544373	61.24
Total	13764	100.00	7420300	100.00

On the basis of category:

Category	No. of Shareholder	% of Shareholders	No. of shares	% of Holding
Promoter:	6	0.03	2747727	37.03
Public				
Resident Individuals	13619	98.95	4403323	59.34
NRI	28	0.21	58264	0.79
Body Corporate	23	0.17	106560	1.43
Any other	88	0.64	104426	1.41
Total	13758	99.97	4672573	62.97
Grand Total	13764	100	7420300	100



9. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company is not required to transfer any amount to Investor Education and Protection Fund (IEPF) as there was no unclaimed/unpaid dividend, application money etc during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of Loans, guarantees or investments made under Section 186 is furnished in the note no. 4 & 9 to the financial statements.

11. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Company does not have any Subsidiary, Joint venture or Associate Company.

12. Deposits

During the year under review, your Company has not invited any deposits from public/shareholders.

13. Related Party Transactions

Transactions with related parties, as per requirements of Accounting Standard 24, are disclosed in the note no. 35 to accounts annexed to the financial statements. All related party transactions that were entered into during the financial year were in the ordinary course of the business of the Company and were on an arm's length basis. There were no materially significant related party transactions entered with Promoters, Directors, Key Managerial Personnel, or other persons which may have a potential conflict with the interest of the Company. The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company <https://www.gujaratterce.in/code-and-policies/>. Since all related party transactions entered into were in the ordinary course of business and were on an arm's length basis, form AOC-2 is not applicable to the Company.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

There has been no Change in the constitution of Board during the year.

Board of directors and KMP as on 31/03/2025 are as following:

S. No.	Name	Designation	DIN	Date of Appointment
1	Mr. Prajapati Natwarbhai Parsottam	Whole-time Director	00031187	28/03/1985
2	Mr. Amritbhai Purshottamdas Prajapati	Whole-time Director	00699001	01/03/2006
3	Ms. Chhayaben Ashwinbhai Shah	Director	01435892	31/03/2015
4	Mr. Viplav Suryakantbhai Khamar	Director	07859737	27/06/2017
5	Mr. Prajapati Aalap Natubhai	Managing Director	08088327	01/04/2018
6	Mr. Surendrakumar Prakashchandra Sharma	Director	06430129	10/08/2018
7	Mr. Navinchandra Patel	Director	08702502	26/02/2020
8	Mr. Bhagirath Ramhit Maurya	CFO	BFSPM1373Q	17/12/2018
9.	Mrs. Ripalben Sachinkumar Sukhadiya	Company Secretary	CUAPS6172B ACS No. 43635	21/03/2023



In accordance with the provisions of Section 152 of the Act read with Article 49 of the Articles of Association of your Company, Mr. Amritbhai Purshottamdas Prajapati will retire by rotation at the ensuing Annual General Meeting ('AGM') and being eligible, offers himself for re-election. The Board of Directors of your Company ('the Board') have recommended his re-election.

15. DECLARATION BY INDEPENDENT DIRECTORS

The Board of Directors of the Company hereby confirms that all the independent directors, duly appointed by the Company,

have given the declaration and they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

16. MEETINGS

(A) Board Meetings

The gap between two Board meetings did not exceed 120 days. The schedule of Board/Committee meetings are communicated in advance to the directors/committee members to enable them to plan their schedules and to ensure their meaningful participation in the meetings.

The Board met Eight times in financial year details of which are summarized as below:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	29/05/2024	7	7
2	20/06/2024	7	7
3	01/07/2024	7	7
4	09/08/2024	7	7
5	28/10/2024	7	7
6	31/12/2024	7	7
7	04/02/2025	7	7
8	20/02/2025	7	7

(B) Separate Meetings of Independent Director

During the year under review, the Independent Directors met on 04/02/2025 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

- Evaluation of the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties effectively.

All the Independent Directors were present at the Meeting.

(C) Committee Meetings:

(i) Audit Committee Meetings:

During the period under review, the Audit Committee met Four times on 29/05/2024, 09/08/2024, 28/10/2024 and 04/02/2025.



Composition of Audit Committee and attendance of each member during the meetings held in FY 2024-25 are given below:

Name	Designation	Category	No of meetings attended during the year 2024-25
Mr. Surendrakumar Sharma	Chairman	Non- Executive Independent Director	4
Mr. Viplav Khamar	Member	Non- Executive Independent Director	4
Smt. Chhayaben Shah	Member	Non- Executive Independent Director	4

(ii) Nomination and Remuneration Policy and Committee Meetings:

The Committee has held Three Meeting during the FY 2024-25 i.e. 29/05/2024, 20/06/2024 and 04/02/2025.

Composition of Nomination and Remuneration Committee and attendance of each member during the meetings held in FY 2024-25 are given below:

Name	Position	Category	No of meetings attended during the year 2024-25
Mr. Surendra Kumar Sharma	Chairman	Non- Executive Independent Director	3
Mr. Viplav Khamar	Member	Non- Executive Independent Director	3
Smt. Chhayaben Shah	Member	Non- Executive Independent Director	3

Disclosure with respect to remuneration:

Salary, as recommended by the Nomination and Remuneration Committee and approved by the Board and the shareholders of the Company if any. Perquisites, retirement benefits and performance pay are also paid/ provided in accordance with the Company's compensation policies, as applicable to all employees and the relevant legal provisions. Presently, the Company does not have a stock options scheme for its directors.

Name of the director	service contracts (Term of Appointment)	Remuneration & Perquisites and other allowance (Amt. in lakhs.)	Notice Period & Severance Fees	Total
Mr. Natwarbhai P. Prajapati	upto 29/05/2027	32.50	30 days	32.50
Mr. Amritbhai P. Prajapati	upto 23/05/2029	3.99	30 days	3.99
Mr. Aalap N.Prajapati	upto 27/10/2026	40.91	30 days	40.91

Remuneration is within limits specified under section 197 of the Companies Act, 2013 and rules made thereunder.

The Board has on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, senior Management and their Remuneration including criteria for determining qualifications, positive attributes, Independence of a director. The details of the Nomination and Remuneration Policy are covered in the Corporate Governance Report. The said policy has also been uploaded on the Company's website at <http://gujaratterce.in/Code-and-Policies>

**(iii) Stakeholders Relationship Committee Meetings**

The Committee has held Four Meeting during the FY 2024-25 i.e. 29/05/2024, 09/08/2024, 28/10/2024 and 04/02/2025.

The Composition of Stakeholders Relationship Committee and attendance of each member during the meetings held in financial year 2024-25 are given below.

Name	Position	Category	No. of meetings attended out of one (1) meeting held during the year 2024-25
Mr. Viprav Khamar	Chairman	Non- Executive Independent Director	1
Smt. Chhayaben Shah	Member	Non- Executive Independent Director	1
Mr. Aalap N. Prajapati	Member	Managing Director	1

17. GENERAL MEETING(S) HELD DURING THE YEAR

During the financial year, following general meeting was held. The provisions of the Companies Act, 2013 were adhered to while conducting the meeting:

Sr. No.	Nature of meeting	Date of Meeting	Total Number of Members entitled to attend meeting	Number of members attended
1	Annual General Meeting	17/09/2024	13530	33
2	Extra-ordinary General Meeting	25/04/2024	13203	40

Passing of Resolution by Postal Ballot:

None of special resolution was passed by way of postal ballot during the financial year ended March 31, 2025. As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

of this report and it deals with the Business Operations and Financial Performance, Research & Development Expansion & Diversification, Risk Management, Marketing Strategy, Safety & Environment, Human Resource Development, significant changes in key financial ratios etc. in **Annexure-A**

18. CORPORATE GOVERNANCE

As provided under Regulation 15(2) of the SEBI (LODR) Regulations, 2015, the compliance with Corporate Governance as specified in Regulation 17,17A, 18, 19, 20, 21,22, 23, 24, 24A, 25, 26, 27 and 46(2)(b) to (i) & (t) and Para C, D & E of Schedule V are not applicable to the Company as paid up share capital doesn't exceed ₹ 10 Crore and net worth doesn't exceed ₹ 25 crores during the year under review.

19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A report on Management Discussion and Analysis, as required in terms of Regulation 34(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, forms part

20. BOARD EVALUATION

In compliance with the Companies Act, 2013 the performance evaluation of the Board was carried out during the year under review. The Company has prepared an annual performance evaluation policy for performance evaluation of Independent Directors, Board and the Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out



by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

The above criteria are as per the Performance Evaluation Policy of the Company approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee.

21. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) and 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) that the Directors had laid down proper internal financial controls to be followed by the Company, and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and

that such systems were adequate and operating effectively.

22. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has laid down an effective Internal Financial Control System.

All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.

Approval of all transactions is ensured through a preapproved Delegation of Authority Schedule which is reviewed periodically by the management.

Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguard and protection of all the assets. Fixed Asset verification of assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to Managing Director and Board of Directors for review and necessary action.

23. FRAUD REPORTING

During the Year under review, there was no fraud reported.

24. EXTRACT OF ANNUAL RETURN

In compliance to provisions of section 134 (3) (a) of the Companies Act, 2013 copy of the Annual Return referred to in sub section (3) of Section 92 of the Act as prepared in Form No. MGT 7 is placed on the website of the company, weblink of the same is <https://www.gujaratterce.in/annual-returns/>.

25. CORPORATE SOCIAL RESPONSIBILITIES (CSR)

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. So, there is no requirement to the constitution of the Corporate Social Responsibility Committee.



26. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:

- (i) Steps taken or impact on conservation of energy: The steps taken or impact on conservation of energy;

The steps taken or impact on conservation of energy; Electricity	Current Year	Prev Year
Unit Consumption	1,81,090	1,84,151
Total Amount	13,22,166	13,64,976
Average Cost	7.30	7.41
Own generation:	NIL	NIL

- (ii) Steps taken by the company for utilizing alternate sources of energy including waste generated: Nil
- (iii) Capital investment on energy conservation equipment: Nil

(c) Whether the technology been fully absorbed: N.A.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore: N.A.

(B) Technology absorption:

- (i) Efforts, in brief, made towards technology absorption: The Company continues to adopt and use the latest technologies to improve the productivity and quality of its services and products.
- (ii) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. The Company has not made any investment and taken any specific measure to reduce energy cost per unit. However, it intends to conserve energy for future generation.
- (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: There is no technology imported during last three years as The Company's operations do not require significant import of technology.
- (a) Details of technology imported: Nil
- (b) Year of import: Nil

(iv) The expenditure incurred on Research and Development: Nil

(C) Foreign exchange earnings and Outgo

Earnings	Nil
Outgo	₹ 22,415.00

27. BUSINESS RISK MANAGEMENT

Risk management is embedded in your company's operating framework. Your company believes that managing risk helps in maximizing returns. The company's approach to addressing business risk is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the company is exposed to are:

• Commodity Price Risks

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The company proactively manages these risks through forward booking, Inventory management and proactive vendor development practices.



- **Regulatory Risks**

The company is exposed to risks attached to various statutes and regulations including the Companies Act. The company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

- **Human Resources Risks**

Retaining the existing talent pool and attracting new talent are major risks. The company has initiated various measures including rolling out strategic talent management system, training and integration of learning and development activities.

- **Strategic Risks**

Emerging businesses, capital expenditure for capacity expansion, etc., are normal strategic risk faced by the company. However, the company has well-defined processes and procedures for obtaining approvals for investments in new business and capacity expansion etc.

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

29. AUDITORS:

- **Statutory Auditors & their Report**

- At the Annual General Meeting held on 21/08/2020, M/s M.A. Shah & Co., Chartered Accountants (FRN: F112630W) was appointed as statutory auditors of the company to hold office till the conclusion of the Annual General Meeting to be held for the financial year 2024-2025.

Company has received certificate from the Auditors to the effect they are not disqualified to continue as statutory auditors under the provisions of applicable laws.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

- **Cost Auditor**

The Cost Audit pursuant to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 is not applicable to the company, for the year under review. However, it is applicable for the financial year 2025-26 and M/s. K V M & Co., (Firm Registration No.: 000458) Cost Accountants is appointed as Cost Auditor at a Remuneration of ₹ 50,000/- (inclusive of all) to be ratified by members at 40th AGM.

- **Secretarial Auditor -**

In terms of Regulation 24A read with other applicable provisions of the SEBI Listing Regulations and applicable provisions of the Companies Act, 2013, the Company is required to appoint Secretarial Auditors for a period of 5 years commencing FY 2025-26, to conduct the secretarial audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations.

On recommendation of Audit Committee, the Board has decided to appoint **M/s. Pinakin Shah & Co., Practising Company Secretaries**, as the **Secretarial Auditor** in place of **M/s. GKV & Associates**, subject to necessary approvals. This decision follows a detailed assessment by the Management and aligns with the Company's governance practices.

The appointment of M/s. Pinakin Shah & Co. is proposed for conducting the **Secretarial Audit of the Company from FY 2025-26 onwards**, for a period of



five years, i.e., from the conclusion of the **40th AGM (August 21, 2025)** to the conclusion of the **45th AGM (to be held in 2030)**.

The proposal is included in the AGM Notice and is submitted for shareholders' approval.

The Secretarial Audit Report Submitted by GKV & Associates, for the financial year ended 2024 in the prescribed form MR-3 is annexed to the report as **Annexure B**.

The said secretarial audit report does not contain any qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor.

- **Internal Auditors**

On recommendation of Audit Committee, the Board of Director has re-appointed M/s D V Shah & Associates, Chartered Accountants, Ahmedabad as Internal Auditor of the Company in terms of Section 138 of the Companies Act, 2013 and rules made thereunder, for financial year ended 2025.

30. CREDIT RATING OF SECURITIES

The Company has not obtained any credit rating of its securities.

31. DETAILS OF FAILURE TO IMPLEMENT ANY CORPORATE ACTION:

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	NA
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	NA



Particulars	Regulation Number	Compliance status (Yes/No/NA)
Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	NA
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Website	46(2)(b) to(i)	Yes

32. PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as **Annexure C** to this report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

However, none of the employees of the Company have received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

33. STATEMENT REGARDING COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

During the year under review, the Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India as approved by the Central Government.

34. GENERAL DISCLOSURE

Your directors state that no disclosure or reporting is required in respect of the following matters as there is no transaction on these items during the year under review:

(i) Issue of equity shares with differential rights as to dividend, voting or otherwise.

(ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.

(iii) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

(iv) There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016. There was no order passed during the year by any regulator, court or tribunal impacting the going concern status of its future operations.

35. INSURANCE

All the insurable interests of the Company including inventories, buildings, plant and machinery are adequately insured against the risk of fire and other risks.



36. FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

The Objective of a familiarization program is to ensure that the Independent Directors are updated on the business environment and overall operations of the Company. This enables the Independent Directors to make better informed decisions in the interest of the Company and its stakeholders.

In Compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization program for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of industry in which the Company operates, business model etc.

A familiarization program was conducted for Independent Directors on areas such as the core functions and operations of the Company, overview of the industry, financials and the performance of the Company by site visits to plant location.

37. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place an anti-sexual harassment policy in line with the requirements of the sexual harassment of women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Further the company was committed to providing a safe and conducive work environment to its employees during the year under review. Your directors further state that during the year under review, there were no cases filed pursuant to the sexual harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Summary of sexual harassment complaints received and disposed of during the financial year: -

No. of complaints received: Nil
No. of complaints disposed of: Nil
No. of complaints pending: Nil
No. of complaints unsolved: Nil

38. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated a vigil mechanism (whistle blower policy) as per Regulation 22 of the Listing Regulation and Section 177 of the Companies Act, 2013 for its directors and employees of the Company for reporting genuine concerns about unethical practices and suspected or actual fraud or violation of the code of conduct of the Company as prescribed under the Companies Act, 2013. This vigil mechanism shall provide a channel to the employees and Directors to report to the management concerns about unethical behaviour, and also provide for adequate safeguards against victimization of persons who use the mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The said policy has also been uploaded on the Company's website at <http://gujaratterce.in/Code-and-Policies>

39. DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS

Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time was applicable to your company hence, your Company has maintained adequate cost records.

40. HUMAN RESOURCE

Your Company recognizes its employees as most valuable resource and ensures strategic alignment of Human Resource Initiatives and practices to business priorities and objectives. Its constant endeavour is to invest in Human Talent and Talent Management Processes to improve capabilities and potentials of human capital of the organization to cope with challenging business environment, varying needs of the customers and bring about customers' delight by focusing on the Customers' needs. Attracting, developing and retaining



the right talent and keeping them motivated will continue to be a key strategic initiative and the organization continues to be focused on building up the capabilities of its people to cater to the business needs. Given growth plans of the Company, an important strategic focus is to continue to not only nurture its human capital, but also proactively focus on preparing all employees for the challenges of the future.

The Company strives to provide a healthy, conducive and competitive work environment to enable the employees excel and create new benchmarks of quality, productivity, efficiency and customer delight. The Company always believes in maintaining mutually beneficial, healthy and smooth industrial relations with the employees and the Unions which is an essential foundation for the success of any organisation. The proactive initiatives combined with fair Wage Settlements at Manufacturing Plants have ensured healthier and more transparent Industrial Relations based on foundation of mutual trust and co-operation.

41. CAUTIONARY STATEMENT

The statements contained in the Board's Report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

42. ACKNOWLEDGEMENT

Your directors wish to express their grateful appreciation to the continued co-operation received from the banks, government authorities, customers and shareholders during the year under review. Your directors

also wish to place on record their deep sense of appreciation for the committed service of the executives, staff, and workers of the company.

For & on behalf of the Board of Directors
Gujarat Terce Laboratories Limited

Prajapati Natwarbhai Parsottam

DIN : 00031187

Chairman

Date: 17/07/2025

Place: Ahmedabad

Web link

<http://gujaratterce.in/Code-and-Policies> -

For below Policies:

- Code of conduct for director and senior management
- Criteria of making payments to non-executive directors
- Policy on Related Party Transaction
- Policy on Familiarization Programme for Independent Directors
- Policy on Materiality
- Preservation of Documents and Archival Policy
- Terms and condition for Appointment of Independent Director
- Nomination and Remuneration Policy
- Policy on code of fair Disclosures
- Policy and Procedures for inquiry in case of leak of UPSI
- Risk Management Policy
- Whistle Blower Policy
- Code of conduct as per SEBI (PIT) Regulations, 2015
- Policy on Prevention of Sexual Harassment



ANNEXURE-B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2025

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015)

To,
The Members,
Gujarat Terce Laboratories Limited

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2025 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – (not applicable);
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

Based on our verification, we have observed that the SEBI Regulations mentioned at (c),



(d), (e), (g) and (h) are not applicable to the Company during the year as it has not:

- i. Issued further Share Capital;
 - ii. Listed Debt Capital;
 - iii. Proposed to Delist its Equity Shares;
 - iv. Proposed to Buy Back any of its Securities.
6. Specifically applicable Laws to the Company, as identified and confirmed by the Management:

Drugs and Cosmetics Act, 1940 and Rules 1945, The Drug Price Control Order, 2013; Food Safety and Standards Act, 2006, The Trade Marks Act, 1999, Sales Promotion Employees (Conditions and Services) Act, 1976, Importer Code (IEC Code), The Narcotic Drugs and Psychotropic Substances Act, 1985; The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954; Uniform Code for Pharmaceutical Marketing Practices (UCPMP) and Labour Laws, etc.

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS 1) and General Meeting (SS 2).
- b) Clauses of Listing Agreements (applicable till November 30, 2015) entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from December 01, 2015).

During the period under review the Company has complied with the provisions of the applicable Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act;

- B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines;

We further report that:

Compliances of applicable Financial Laws including, Direct & Indirect Tax Laws by the Company has not been reviewed in this Audit Report; since the same has been subject to reviewed by the Statutory Auditor & other Designated Professionals.

We further report that:

Based on our review of Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Managing Director and taken on record by the Board of Directors at their meeting(s), we are of the opinion that, there are adequate systems and processes in place in the Company, which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



As informed the Company has responded appropriately to the notices received from various statutory/regulatory authorities including initiating action for corrective measures, wherever focused necessary.

We further report that:

During the audit period there are no events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, etc. referred above.

GKV and Associates
Company Secretaries

Gautam Virsadiya

Proprietor

ACS: 31820; COP: 19866

UDIN: F012366G000835617

Date: 22/07/2025
Place: Ahmedabad



Annexure 'A'

To,
The Members,
Gujarat Terce Laboratories Limited

Our Report of even date is to be read along with this Annexure.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.

Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

GKV and Associates
Company Secretaries

Gautam Virsadiya

Proprietor

ACS: 31820; COP: 19866

UDIN: F012366G000835617

Date: 22/07/2025
Place: Ahmedabad

**ANNEXURE-C****STATEMENT OF DISCLOSURE OF REMUNERATION**

UNDER SECTION 197 OF THE COMPANIES ACT 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. PARTICULARS OF REMUNERATION

- I. Ratio of remuneration of each Executive Director to the median remuneration of Employees of the Company for the financial year 2024-25, the percentage increase in remuneration of Chairman, Managing Director, Executive Directors, CEO, Company Secretary and CFO during the financial year 2024-25:

Sr. No.	Name of Director/ KMP	Designation	Ratio of Remuneration of each director to median remuneration of employees	Percentage (%) increase in Remuneration
1	Mr. Natwarbhai P Prajapati	Chairman	8.73:1	Nil
2	Mr. Amritbhai P Prajapati	Whole-Time Director	0.98:1	Nil
3	Mr. Aalap N. Prajapati	Managing Director & CEO	14.58:1	161.38% w.e.f.17-09-2024
4	Mr. Bhagirath R. Maurya	Chief Financial Officer	1.78:1	10% w.e.f. 01-04-2024
5	Ms. Ripal Sukhaddiya	Company Secretary	0.55:1	NA

Note:

- a) The Non-Executive Directors of the Company are entitled for sitting fees. The detail of remuneration of Non-Executive Directors is provided in the Report on Corporate Governance and is governed by the Nomination and Remuneration Policy, as stated herein below. The ratio of remuneration and percentage increase for Non-Executive Directors remuneration is therefore not considered for the purpose above.



II.	Sr. No.	Particulars	Details
	1	% increase in the median remuneration of employee in the financial year 2024-25	54.39%
	2	Total number of permanent employees on the rolls of the Company as on 31 st March, 2025 (on standalone basis)	244
	3	The median remuneration of employees of the Company during the year under review.	₹ 4.12 Lakhs
	4	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average percentage increase in the remuneration of all employees other than the managerial personnel was 9.65% for the FY 2024-25. The average percentage increase in the remuneration of Managerial Personnel was 83.69% for the FY 2024-25. The average increase in the remuneration of both, the managerial and employees was determined based on the overall performance of the Company. Further the criteria for remuneration of employees is based on the internal evaluation of key performance areas while the remuneration of the managerial personnel is based on the remuneration policy as recommended by the Nomination and Remuneration Committee and approved by the board of directors.

III. The Company affirms remuneration is as per the Remuneration Policy of the Company.

**B. PARTICULARS OF EMPLOYEES****RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014****i. Particulars of top Ten Employee in terms of remuneration drawn**

Sr. No.	Name & Designation of Employee	Remuneration Received (₹ in Lakhs)	Nature of Employment	Qualifications	Designation	Experience	Date of Commencement of Employment	Age	Name of Previous Employment	% of Equity Shares held	Relative of Director or Manager
1	Natwarbhai Prajapati	36.00	Permanent	B.Sc, D.Pharm	Chairman	40	28/03/1985	73	-	8.57	Chairman
2	Aalap Prajapati	60.11	Permanent	B. Tech Electronic, MBA	Managing Director & CEO	13	01/02/2012	37	-	13.22	Managing Director
3	Rajendra Joshi	20.81	Permanent	B.Sc, MBA Marketing	National Sales Manager	27	01/07/1998	49	Bombay Tablet Manufacturing Pvt Ltd.	NIL	NA
4	Chavda Chintan Bharatbhai	16.52	Permanent	B.Pharm	Marketing Manager	13	07/04/2014	39	Kamron Laboratories Ltd.	0.009	NA
5	Narayanlal Suthar	13.69	Permanent	B.Sc. and Diploma in Pharmacy	Deputy Sales Manager	8	01/05/2017	51	Ozone Pharmaceutical Ltd	NIL	NA
6	Shashi Prakash	13.24	Permanent	B.Sc	Zonal Sales Manager	25	01/01/2000	55	Aglowmed Limited	NIL	NA
7	Nirmal Kant Sharma	13.24	Permanent	M.Sc. in organic chemistry	DEputy Sales Manager	21	01/05/2004	51	Dura tax lab. Ltd	NIL	NA
8	Sunitha R. Ajmeer	12.82	Permanent	B.Sc	Coordinator	14	01/10/2010	55	First Employment	NIL	NA
9	Praveen Kumar Parmar	12.33	Permanent	B.Sc, LLB, D.Pharm	Zonal Sales Manager	23	01/03/2008	41	First Employment	NIL	NA
10	Bharat Saini	10.98	Permanent	B.Sc (Chemistry) & M.A. (Sociology)	Zonal Sales Manager	28	01/04/2002	58	Aelius Lifesciences LLP	NIL	NA

ii. Employees who are employed throughout the year and in receipt of remuneration aggregating ₹ 1,02,00,000/- or more per year: Nil**iii. Employees who are employed part of the year and in receipt of remuneration aggregating ₹ 8,50,000/- per month: Nil**

By Order of the Board
For, **Gujarat Terce Laboratories Ltd.**

Place: Ahmedabad
Date: 17.07.2025

Natwarbhai P. Prajapati
Chairman
DIN: 00031187



Independent Auditors Report

To the Members of
Gujarat Terce Laboratories Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Gujarat Terce Laboratories Limited ("the Company"), which comprise the balance sheet as on 31st March 2025, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its losses and its cash flows for the year ended on that date.

Basis for Opinion

We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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. We have determined the matters described below to be the key audit matters to be communicated in our report:

- In January 2018, the Board of Directors of the company had decided to discontinue the operations of the Metal Division, which had already been suspended by the management for some years. From the financial year ending on 31st March 2018, the Metal Division has been classified as Discontinued Operations. At the time of such classification, the recoverable value of items of property, plant and equipment was estimated based on the report of a registered valuer. For the financial year ended on 31st March 2025, no financial transactions or impairment losses have been identified for the said division.
- The Income Tax Department had made additions to the income of the company on various grounds for the financial years 2010-11, 2011-12, 2012-13 and 2013-14, against which, the company had preferred appeals before the Commissioner of Income Tax (Appeals) during the respective periods in which the matters were decided. The appeals were disposed of by the Commissioner with a reduction in demands, which were duly paid by the company against the appeal orders. However, in respect of those matters, the Income Tax Department had preferred further appeals before the Income Tax Appellate Tribunal, Ahmedabad, and the matters were decided by the Hon. Tribunal against the company. The company had filed a Miscellaneous Application for rectification of the said orders which was decided by the Hon. Tribunal against the company. Against the said orders, the company had filed a petition before Hon. Gujarat High court.

During the year under audit, the Income Tax Department had launched a dispute resolution



scheme, viz. the Direct Tax Vivaad se Vishwas scheme. The company has opted for settlement of pending disputes under this scheme and filed an application for the same in Form 1 as per the scheme. The company is awaiting the certificate in Form 2 from the Income Tax Department. As per the declaration in the said Form 1, the company has provided ₹341.71 lakh as tax item.

Information other than the financial statements and auditors' report thereon.

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board'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 during the course of our audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud



is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with 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.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow



Statement dealt with in this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) With respect to the matters to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- 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 details of pending litigations of the Company have been disclosed in Note 35 to the financial statements. The company has provided for tax liability of disputed matters for the financial years 2010-11, 2011-12, 2012-13 and 2013-

14 under the Direct Tax Vivaad se Vishwas scheme.

- (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) 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;
- (v) 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, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and
- (vi) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us



to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- i) No dividends have been declared or paid during the year by the company.
- j) Based on our examination which included test checks, the company

has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Place: Anand
Date: 26 May 2025
UDIN: 25045319BMISXL3104

For M. A. Shah & Co.
Chartered Accountants
FRN: 0112630W

Pramesh Doshi, FCA
(Partner)
Membership No.: 045319

**Annexure 'A'****The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".****We report that:**

- i. a. i. The company has not maintained records showing full particulars, including quantitative details and situation of its property, plant and equipment. However, the required details have been examined to the extent available in the books of accounts and ledgers maintained by the company.
- ii. The company does not hold any intangible assets that have been recorded in the books of accounts.
- b. As explained to us, property, plant and equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company.
- d. The company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
- e. As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a. As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.
- b. During the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company and no material deviations have been observed.
- iii. a. During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity:
 - i. the aggregate amount during the year with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates is ₹ Nil and balance outstanding at the balance sheet date is Nil.
 - ii. the aggregate amount during the year with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates is ₹ Nil and balance outstanding at the balance sheet date is ₹ 215.57 lakh.
- b. According to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.
- c. There is no stipulation of schedule of repayment of principal and payment of interest and therefore we are unable to comment on the regularity of repayment of principal & payment of interest.
- d. Since the term of arrangement do not stipulate any repayment schedule, we are unable to comment whether the amount is overdue or not.
- e. No loan or advance in the nature of loan granted, which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f. The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment:



- i. No loans or advances of the above nature have been given during the year.
- ii. Percentage thereof to the total loans granted is 100%.
- iii. No loans have been granted to promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with except non-charging of interest on the loans of ₹ 3 lakhs.
- v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. The company has maintained cost records as prescribed under section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2018 for the current financial year.
- vii. a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March 2025 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there is no amount payable in respect of income tax, goods and services tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes, except the offer made by the company to pay ₹341.71 lakh under the Direct Tax Vivaad se Vishwas scheme. The dispute shall be completely resolved after getting Form 2 from the Income Tax Department and thereafter, payment by the company of the said amount.
- viii. According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. a. In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanations given by the management, the company is not declared wilful defaulter by any bank or financial institution or other lender.
- c. In our opinion and according to the information and explanations given by the management, the Company has not obtained any funds by way of term loans during the year, other than the term loans availed of during the preceding year(s).
- d. In our opinion and according to the information and explanations given by the management, no funds raised on short term basis have been utilised for long term purposes.
- e. In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of term loans during the year.
- b. The company has made preferential allotment of 3,71,000 share warrants during the year, which are redeemable up to 1 January 2026 at ₹37.70 per equity share. The company has received ₹35 lakh against the said warrants. The company has complied duly with the provisions of the Companies Act, 2013.



- xi. a. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- xii. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. a. According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business.
- b. The reports of the Internal Auditors for the period under audit were considered by us.
- xv. The company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. a. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b. In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. In our opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- xvii. Based on our examination, the company has not incurred cash losses in the current and previous financial years.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the basis of information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- xx. Based on our examination, the provisions of section 135 are not applicable on the company. Hence this clause is not applicable to the company.
- xxi. The company is not required to prepare consolidated financial statements. Hence, this clause is not applicable to the company.

For M. A. Shah & Co.

Chartered Accountants

FRN: 0112630W

Place: Anand

Date: 26 May 2025

UDIN: 25045319BMISXL3104

Pramesh Doshi, FCA

(Partner)

Membership No.: 045319



Annexure 'B'

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 over financial reporting of **Gujarat Terce Laboratories Limited** ("the Company") as of 31st March 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company,
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are



being made only in accordance with authorisations of management and directors of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject

to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For M. A. Shah & Co.

Chartered Accountants

FRN: 0112630W

Pramesh Doshi, FCA

(Partner)

Membership No.: 045319

Place: Anand

Date: 26 May 2025

UDIN: 25045319BMISXL3104



Balance Sheet

as at 31st March, 2025

(Figures in ₹ Lakhs)

Particulars	Note No.	As at 31 st March, 2025	As at 31 st March, 2024
ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	2	365.39	369.16
(b) Capital Work-in-Progress			
(c) Investment Property			
(d) Goodwill			
(e) Other Intangible Assets			
(f) Intangible Assets under development			
(g) Biological Assets other than bearer plants			
(h) Financial Assets			
(i) Investments	3	0.36	27.29
(ii) Trade Receivables			
(iii) Loans	4	215.57	212.39
(iv) Others (to be specified)	5	7.69	8.19
(i) Deferred Tax Assets (net)	6	43.38	122.22
(j) Other Non-current Assets	7	447.88	465.95
		1,080.27	1,205.20
2 Current Assets			
(a) Inventories	8	367.77	392.85
(b) Financial Assets			
(i) Investments	9	51.14	-
(ii) Trade Receivables	10	506.86	566.31
(iii) Cash and Cash Equivalents	11	77.94	9.00
(iv) Bank balances other than (iii) above			
(v) Loans	12	17.33	16.83
(vi) Others (to be specified)	13	50.00	-
(c) Current Tax Assets (net)	14	4.84	4.31
(d) Other Current Assets	15	126.61	132.85
		1,202.49	1,122.15
TOTAL		2,282.76	2,327.35
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	742.03	742.03
(b) Other Equity	17	(129.28)	(31.43)
(c) Money received against share warrants	18	35.00	-
		647.75	710.60
LIABILITIES			
1 Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	29.77	92.74
(ii) Trade Payables			
(A) Total outstanding dues of Micro enterprises and Small enterprises			
(B) Total outstanding dues of Creditors other than Micro enterprises and Small enterprises			
(iii) Other Financial Liabilities	20	189.23	137.73
(b) Provisions	21	151.70	172.11
(c) Deferred Tax Liabilities (net)			
(d) Other Non-current Liabilities			
		370.70	402.58
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	64.41	293.91
(ii) Trade Payables	23		
(A) Total outstanding dues of Micro enterprises and Small enterprises		74.86	153.86
(B) Total outstanding dues of Creditors other than Micro enterprises and Small enterprises		286.56	317.44
(iii) Other Financial Liabilities			
(b) Other Current Liabilities	24	129.69	138.02
(c) Provisions	25	708.79	310.93
(d) Current Tax Liabilities (net)			
		1,264.31	1,214.16
TOTAL		2,282.76	2,327.34

For **M. A. Shah & Co.**
Chartered Accountants
Firm Registration No.: 0112630W

For **Gujarat Terce Laboratories Limited**

Pramesh Doshi, FCA
Partner
Membership No.: 045319

Natwarbhai P Prajapati
Chairman
DIN: 00031187

Aalap N Prajapati
Managing Director &
Chief Executive Officer (CEO)
DIN: 08088327

Place: Anand
Date: 26 May 2025

Bhagirath Maurya
Chief Finance Officer (CFO)

CS Ripal S Sukhadiya
Company Secretary



Statement of Profit and Loss

for the period ended 31st March 2025

(Figures in ₹ Lakhs)

Particulars	Note No.	For the year ended on 31 st March 2025	For the year ended on 31 st March 2024
I Revenue from Operations	26	5,019.52	4,797.47
II Other Income	27	30.78	32.10
III Total Income (I + II)		5,050.30	4,829.57
IV Expenses			
(a) Cost of Materials Consumed	28	914.31	758.25
(b) Purchases of Stock-in-Trade		1,014.85	907.02
(c) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(38.14)	103.80
(d) Employee Benefits Expenses	30	1,618.93	1,577.53
(e) Finance Costs	31	41.54	67.60
(f) Depreciation and Amortization Expenses	2	38.46	36.78
(g) Other Expenses	32	1,121.31	1,324.19
Total Expenses (IV)		4,711.26	4,775.17
V Profit/(Loss) before Exceptional Items and Tax (I - IV)		339.04	54.40
VI Exceptional Items			
VII Profit/(Loss) before Tax (V - VI)		339.04	54.40
VIII Tax Expenses			
1 Current Tax		16.36	-
2 Deferred Tax		78.84	30.05
3 Provision for tax of earlier years under Direct Tax Vivaad se Vishwas Scheme	37	341.71	-
Total Tax Expenses (VIII)		436.91	30.05
IX Profit/(Loss) for the period from Continuing Operations (VII - VIII)		(97.87)	24.35
X Profit/(Loss) from Discontinued Operations			
XI Tax Expense of Discontinued Operations			
XII Profit/(Loss) from Discontinued Operations (after tax) (X - XI)		-	-
XIII Profit/(Loss) for the period (IX + XII)		(97.87)	24.35
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Other Comprehensive Income (XIV)		-	-
XV Total Comprehensive Income for the period (XIII + XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		(97.87)	24.35
XVI Earnings per Equity Share (for Continuing Operations) (Figures in ₹)	33		
1 Basic		(1.32)	0.33
2 Diluted		(1.26)	0.33
XVII Earnings per Equity Share (for Discontinued Operations) (Figures in ₹)			
1 Basic		-	-
2 Diluted		-	-
XVI Earnings per Equity Share (for Discontinued and Continuing Operations) (Figures in ₹)			
1 Basic		(1.32)	0.33
2 Diluted		(1.26)	0.33

For **M. A. Shah & Co.**
Chartered Accountants
Firm Registration No.: 0112630W

For **Gujarat Terce Laboratories Limited**

Pramesh Doshi, FCA
Partner
Membership No.: 045319

Natwarbhai P Prajapati
Chairman
DIN: 00031187

Aalap N Prajapati
Managing Director &
Chief Executive Officer (CEO)
DIN: 08088327

Place: Anand
Date: 26 May 2025

Bhagirath Maurya
Chief Finance Officer (CFO)

CS Ripal S Sukhadiya
Company Secretary



Statement of Cash Flows

for the period ended 31st March 2025

(Figures in ₹ Lakhs)

Particulars	For the year ended on 31 st March 2025	For the year ended on 31 st March 2024
A. Cash Flow from Operating Activities		
Net Profit before tax (as per Statement of Profit and Loss)	339.05	54.39
Adjustments for non-cash/non-trade items:		
Depreciation & Amortization Expenses	38.46	36.78
Finance Costs	41.54	67.60
Interest received	(25.60)	(30.32)
Net gain/loss on current investments	(1.14)	0.00
Other inflows of cash	0.00	2.32
Operating profits before Working Capital Changes	392.31	130.77
Adjusted For:		
(Increase)/Decrease in trade receivables	59.45	232.30
Increase/(Decrease) in trade payables	(109.88)	(121.31)
(Increase)/Decrease in inventories	25.07	44.49
Increase/(Decrease) in other current liabilities	(8.34)	(56.53)
(Increase)/Decrease in short term loans & advances	(50.50)	(4.00)
(Increase)/Decrease in other current assets	6.24	34.25
Cash generated from Operations	314.35	259.97
Income Tax (Paid)/Refund	8.43	0.00
Net Cash flow from Operating Activities (A)	305.91	259.97
B. Cash Flow from Investing Activities		
Purchase of tangible assets	34.69	(7.37)
Sale of tangible assets	0.00	0.22
Non-current Investments (Purchased)/Sold	26.94	(0.05)
Current Investments (Purchased)/Sold	(51.14)	0.00
Interest Received	25.60	30.32
Net gain/loss on current investments	1.14	0.00
Cash advances and loans made to other parties (net)	(3.18)	(6.68)
Other inflows/outflows of cash	11.49	(62.23)
Net Cash used in Investing Activities (B)	45.53	(45.79)
C. Cash Flow from Financing Activities		
Finance Cost	(41.54)	(67.60)
Increase in/(Repayment of) Short-term Borrowings	(218.92)	(287.18)
Increase in/(Repayment of) Long-term borrowings	(73.55)	(53.38)
Increase in/(Repayment of) Security Deposits	51.50	0.00
Net Cash used in Financing Activities (C)	(282.50)	(408.16)
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	68.94	(193.98)
E. Cash & Cash Equivalents at Beginning of period	9.00	202.98
F. Cash & Cash Equivalents at End of period	77.94	9.00
G. Net Increase/(Decrease) in Cash & Cash Equivalents (F-E)	68.94	(193.98)

For **M. A. Shah & Co.**
Chartered Accountants
Firm Registration No.: 0112630W

For **Gujarat Terce Laboratories Limited**

Pramesh Doshi, FCA
Partner
Membership No.: 045319

Natwarbhai P Prajapati
Chairman
DIN: 00031187

Aalap N Prajapati
Managing Director &
Chief Executive Officer (CEO)
DIN: 08088327

Place: Anand
Date: 26 May 2025

Bhagirath Maurya
Chief Finance Officer (CFO)

CS Ripal S Sukhadiya
Company Secretary



Statement of Changes in Equity

for the period ended 31st March 2025

A. EQUITY SHARE CAPITAL

Balance at the beginning of the reporting period		Changes in Equity Share Capital during the year		Balance at the end of the reporting period	
Equity Shares of ₹10.00 each, Issued and Subscribed					
No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
74,20,300.00	742.03	-	-	74,20,300.00	742.03

B. OTHER EQUITY

(Figures in ₹ Lakhs)

Particulars	Share Application Money pending Allotment	Equity component of Compound Financial Instruments	Reserves and Surplus				Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash-flow Hedges	Revaluation Surplus	Exchange differences on translating financial statements of a Foreign Operation	Other items of Other Comprehensive Income	Money received against Share Warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves	Retained Earnings								
Balance at the beginning of the reporting period	-	-	-	150.00	41.76	(192.99)	-	-	-	-	-	(30.19)	-	(31.42)
Changes in Accounting Policy or Prior-period errors														0.00
Re-stated balance at the beginning of the reporting period	-	-	-	150.00	41.76	(192.99)	-	-	-	-	-	(30.19)	-	(31.42)
Total Comprehensive Income for the year						(97.87)								(97.87)
Dividends														-
Transfer to Retained Earnings														-
Impairment losses recognised in respect of discontinued operations														-
Other Adjustments														-
Balance at the end of the reporting period	-	-	-	150.00	41.76	(290.86)	-	-	-	-	-	(30.19)	-	(129.29)

For **M. A. Shah & Co.**
Chartered Accountants
Firm Registration No.: 0112630W

Pramesh Doshi, FCA
Partner
Membership No.: 045319

Place: Anand
Date: 26 May 2025

For **Gujarat Terce Laboratories Limited**

Natwarbhai P Prajapati
Chairman
DIN: 00031187

Bhagirath Maurya
Chief Finance Officer (CFO)

Aalap N Prajapati
Managing Director &
Chief Executive Officer (CEO)
DIN: 08088327

CS Ripal S Sukhadiya
Company Secretary



Notes to Financial Statements

for the period ended 31st March 2025

The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation. The financial figures in the financial statements have been rounded off to the nearest lakhs.

NOTE NO. 1:

Statement of Compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended, and relevant provisions of the Companies Act, 2013. Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss for the year ended 31 March 2025, the Statement of Cash Flows for the year ended 31 March 2025 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

Basis of preparation of financial statements:

The separate financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value.
- Assets held for sale – measured at fair value less cost of sale.
- Plan assets under defined benefit plans – measured at fair value.

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

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

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle; or
- it is held primarily for the purpose of being traded; or
- it is expected to be realised within 12 months after the reporting 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 reporting date.

All other assets are classified as non-current.

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; or
- it is held primarily for the purpose of being traded; or
- it is due to be settled within 12 months after the reporting 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 a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied 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.



Notes to Financial Statements

for the period ended 31st March 2025

The Standalone Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of thousands, unless otherwise stated.

Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

The areas involving critical estimates or judgments are:

- Defined Benefit Obligation – Note 21
- Deferred tax assets for carried forward tax losses – Note 6

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements is given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

1. Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any

trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 – Borrowing costs. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property,



Notes to Financial Statements

for the period ended 31st March 2025

plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Subsequent expenditure and componentisation

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment, arising on account of capital improvement or other factors, are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation and useful life

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit

and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable value if the asset's carrying amount is greater than its estimated recoverable value.

Derecognition

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

2. Impairment

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable value of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable value of an individual asset, the Company estimates the recoverable value of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.



Notes to Financial Statements

for the period ended 31st March 2025

Recoverable value is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit and Loss.

3. Inventories

Raw Materials

Raw materials are stated at cost, which comprises cost of purchases. Where a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value. In such circumstances, the replacement cost of the materials may be the best available measure of their net realisable value.

Work-in-Progress and Finished Goods

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure. Fixed overheads are allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material. Costs are assigned to the individual items in a group of inventories on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Costs of inventories are determined on weighted average basis. Net realisable

value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Stores and Spares

Inventory of stores and spare parts is valued at weighted average cost or net realisable value, whichever is lower. Provisions are made for obsolete and non-moving inventories. Unserviceable and scrap items, when determined, are valued at estimated net realisable value.

4. Non-current Assets held-for-sale and Discontinued Operations

Non-current Assets held-for-sale.

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Such assets or disposal groups are classified only when both the conditions are satisfied:

- The sale is highly probable; and
- The asset or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-current assets or disposal group are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Upon classification, non-current assets or disposal group held for sale are measured at the lower of carrying amount and fair



Notes to Financial Statements

for the period ended 31st March 2025

value less costs to sell. Non-current assets which are subject to depreciation are not depreciated or amortized once those classified as held for sale.

Discontinued Operations

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

5. Revenue Recognition

Sale of Goods

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of export turnover.

Revenue from sales is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

6. Foreign Exchange Translation

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in profit or loss. Monetary balances arising from the transactions denominated in foreign currency are translated to functional currency using the exchange rate as on the reporting date. Any gains or loss on such translation, are generally recognised in profit or loss.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in



Notes to Financial Statements

for the period ended 31st March 2025

the Statement of Profit and Loss on a net basis within other gains/(losses).

7. Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

In respect of the provisions relating to Minimum Alternate Tax (MAT), the company has availed of the benefit of reduced tax rate u/s 115BAA of the Income Tax Act, 1961, pursuant to which, the company is no longer required to pay the MAT on its income.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business

combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

8. Borrowing Costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get



Notes to Financial Statements

for the period ended 31st March 2025

ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

9. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows

(when the effect of the time value of money is material). The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

10. Employee Benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

Short-term Employee Benefits

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period 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.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Post-employment Benefits

- **Defined Benefit Plan**

Defined benefit plans comprising of gratuity, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligations which is computed using the projected



Notes to Financial Statements

for the period ended 31st March 2025

unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

11. Earnings per Share

Basic Earnings per Share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted Earnings per Share

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

Notes to Financial Statements

for the period ended 31st March 2025

NOTE NO. 2: PROPERTY, PLANT AND EQUIPMENT AS AT 31ST MARCH 2025

(Figures in ₹ Lakhs)

Assets	Useful Life (In Years)	Gross Block			Accumulated Depreciation/ Amortisation				Net Block	
		Balance as at 1 st April 2024	Additions during the year	Deletion during the year	Balance as at 31 st March 2025	Balance as at 1 st April 2024	Provided during the year	Deletion during the year	Balance as at 31 st March 2025	Balance as at 31 st March 2024
Land:										
Factory Land		3.10	-	-	3.10	-	-	-	3.10	3.10
Buildings:										
Factory Building	30	158.21	-	-	158.21	89.48	3.96	-	64.77	68.73
Godown	30	65.59	-	-	65.59	21.79	2.14	-	41.66	43.81
Plant and Equipment:										
Block & Design	20	32.89	-	-	32.89	32.25	0.04	-	0.59	0.64
Electric Installation	20	65.12	0.49	-	65.61	19.79	2.13	-	43.70	45.34
Laboratory Equipment	20	41.92	-	-	41.92	33.16	0.58	-	8.18	8.76
Machinery	20	193.76	19.66	-	213.42	115.05	7.56	-	90.81	78.71
Furniture and Fixtures:										
Furniture	10	135.91	8.79	-	144.70	80.40	9.98	-	54.33	55.51
Vehicles:										
Vehicles	10	100.38	-	-	100.38	46.79	7.60	-	45.99	53.59
Office Equipment:										
Computer	3	35.16	2.08	-	37.24	27.05	2.69	-	7.51	8.12
Communication Appliances	3	8.36	3.67	-	12.03	5.49	1.78	-	4.75	2.87
Grand Total		840.40	34.69	-	875.09	471.25	38.46	-	365.39	369.18



Notes to Financial Statements

for the period ended 31st March 2025

NOTE NO. 3: NON-CURRENT INVESTMENTS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Investment (At Cost)		
Fixed Deposits with Bank	0.36	27.29
Total	0.36	27.29

NOTE NO. 4: LOANS (NON-CURRENT)

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Advances Recoverable in cash or kind or for value to be received		
(i) Other Loans		
(a) Unsecured, Considered Good	215.57	212.39
Total	215.57	212.39

Notes:

1. All the above loans have been given for business purpose as well as revenue generation from spare fund.
2. All of the above loans are interest bearing @ 12% p.a., except loans to Ketan N. Shah.

NOTE NO. 5: OTHER FINANCIAL ASSETS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Security Deposits		
Unsecured, Considered Good	7.69	8.19
Total	7.69	8.19

NOTE NO. 6: DEFERRED TAX ASSETS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Deferred Tax Assets (Net)	43.38	122.22
Total	43.38	122.22



Notes to Financial Statements

for the period ended 31st March 2025

Particulars	As at 31 st March 2025	As at 31 st March 2024
Details of Timing Difference (Asset):		
Deferred tax assets:		
Deferred Tax Assets on Provision for Gratuity & Leave Encashment	61.87	50.99
Deferred Tax Assets on Provision for Bonus	3.17	7.69
Deferred Tax Assets on Unabsorbed Business Losses	-	20.48
Deferred Tax Assets on Unabsorbed Depreciation	-	12.29
Deferred Tax Assets on Non-payment of dues to MSMEs	1.02	51.72
Gross Deferred Tax Assets (A)	66.06	143.16
Deferred tax liabilities:		
Deferred Tax Liability on Fixed Assets (Depreciation)	22.68	20.95
Gross Deferred Tax Liabilities (B)	22.68	20.95
Deferred Tax Assets (Net) (A-B)	43.38	122.22

NOTE NO. 7: OTHER NON-CURRENT ASSETS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Loans and advances recoverable in cash or kind or for value to be received		
Unsecured, Considered Good	0.20	0.20
Balances with Statutory Authorities	7.53	25.60
Sterling Resort Time Share	0.71	0.71
Non-current Assets of Discontinued Operations held for sale (Refer Note No. 36)	439.44	439.44
Total	447.88	465.95

NOTE NO. 8: INVENTORIES

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(a) Raw Materials (At cost)	44.84	100.10
(b) Work-in-Progress (At cost)	10.69	22.64
(c) Finished Goods (other than those acquired for trading) (At cost or net realisable value w.e. is lower)	86.87	100.62
(d) Stock-in-Trade (acquired for trading) (At cost or net realisable value w.e. is lower)	204.54	140.71
(e) Stores, Spares & Other Items (At cost)	0.36	4.56
(f) Packing Material Stock	20.47	24.23
Total	367.77	392.85



Notes to Financial Statements

for the period ended 31st March 2025

The above includes goods in transit as under:

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Finished Goods	-	13.92
Total	-	13.92

NOTE NO. 9: CURRENT INVESTMENTS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Investment (At Cost)		
Investments in mutual funds (Quoted)		
Investment in mutual funds	51.14	-
Total	51.14	-

NOTE NO. 10: TRADE RECEIVABLES

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Undisputed Trade Receivables (considered good)	506.86	566.31
Undisputed Trade Receivables (considered doubtful)	-	-
Disputed Trade Receivables (considered good)	-	-
Disputed Trade Receivables (considered doubtful)	-	-
Provision for doubtful receivables	-	-
Total	506.86	566.31

Current year

(Figures in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
Undisputed Trade Receivables (considered good)	485.17	0.36	2.31	17.38	1.64	506.86
Undisputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
Disputed Trade Receivables (considered good)	-	-	-	-	-	-
Disputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
Provision for doubtful receivables	-	-	-	-	-	-



Notes to Financial Statements

for the period ended 31st March 2025

Previous year

(Figures in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
Undisputed Trade Receivables (considered good)	534.99	3.41	25.58	1.65	0.67	566.31
Undisputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
Disputed Trade Receivables (considered good)	-	-	-	-	-	-
Disputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
Provision for doubtful receivables	-	-	-	-	-	-

NOTE NO. 11: CASH AND CASH EQUIVALENTS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(a) Cash on hand	6.91	9.00
(b) Balances with Banks		
(i) In current accounts	71.03	-
Total	77.94	9.00

NOTE NO. 12: LOANS (CURRENT)

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Advances given to Employees (Interest Free)		
Unsecured, Considered Good	17.33	16.83
Total	17.33	16.83

NOTE NO. 13: OTHER FINANCIAL ASSETS (CURRENT)

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Advance for investment in mutual funds	50.00	-
Total	50.00	-



Notes to Financial Statements

for the period ended 31st March 2025

NOTE NO. 14: CURRENT TAX ASSETS (NET)

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Income Tax Refundable	4.84	4.31
Total	4.84	4.31

Current Tax Assets comprise of tax credit receivable at the end of the year, net of any tax liabilities, where the company has a legal right to set off such assets and liabilities.

NOTE NO. 15: OTHER CURRENT ASSETS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Balances with Statutory Authorities	98.69	91.50
Prepaid Expenses	18.29	16.79
Advances to Suppliers	6.67	18.88
Stock of Advertisement Articles	2.96	5.64
Other Current Assets	-	0.03
Total	126.61	132.85

NOTE NO. 16: SHARE CAPITAL

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Authorised:		
11000000 Equity shares of ₹10.00 at par value	1,100.00	1,100.00
Issued, Subscribed and Paid-up:		
7420300 Equity shares of ₹10.00 at par value	742.03	742.03
Total	742.03	742.03

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	74,20,300	742.03	74,20,300.00	742.03
Issued during the Period	-	-	-	-
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	74,20,300	742.03	74,20,300.00	742.03



Notes to Financial Statements

for the period ended 31st March 2025

Right, Preferences and Restrictions attached to Shares

Equity Shares

The company has only one class of Equity having a par value ₹ 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shareholders holding more than 5% shares in the company

Name of Shareholders	As at 31 st March 2025		As at 31 st March 2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Natwarbhai P Prajapati	5,95,872	8.03%	5,95,872.00	8.03%
Manjulaben S Prajapati	-	0.00%	9,27,150.00	12.49%
Aalap N Prajapati	9,80,817	13.22%	53,667.00	0.72%
Abundant Tradelink Private Limited	10,75,900	14.50%	10,75,900.00	14.50%

NOTE NO. 17: OTHER EQUITY

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Securities Premium Reserve		
Opening Balance	150.00	150.00
Closing Balance	150.00	150.00
General Reserve		
Opening Balance	41.76	41.76
Closing Balance	41.76	41.76
Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	(223.18)	(247.52)
Profit for the year		24.34
Loss for the year	(97.85)	
Closing Balance	(321.03)	(223.18)
Total	(129.28)	(31.43)



Notes to Financial Statements

for the period ended 31st March 2025

NOTE NO. 18: MONEY RECEIVED AGAINST SHARE WARRANTS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Money received against share warrants	35.00	-
Total	35.00	-

The company has issued 3,71,000 share warrants during the year, at a paid-up value of ₹9.425 per warrant, to Mr. Aalap Prajapati. The warrants are redeemable up to 1 January 2026 at ₹37.70 per equity share. The company has received ₹35 lakh against the said warrants.

NOTE NO. 19: BORROWINGS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Term Loans		
From Banks		
(i) Secured	26.77	89.74
Loans & Advances from Directors & Related Parties		
Loans & Advances from Others		
(i) Unsecured	3.00	3.00
Total	29.77	92.74

Terms of repayment of loans:

- Vehicle Loan from HDFC Bank (8347) is repayable in 60 monthly equal instalments of ₹71,695 each, starting from December 2021. The total outstanding as on 31st March 2025 is ₹13,48,551.78.
- Vehicle Loan from HDFC Bank (8131) is repayable in 60 monthly equal instalments of ₹31,186 each, starting from May 2021. The total outstanding as on 31st March 2025 is ₹3,86,001.32.
- Loan from Bank of Baroda (2820) is repayable in 36 monthly instalments of ₹2,31,972 each, after an initial moratorium period of 12 months, i.e. starting from January 2023. The total outstanding as on 31st March 2025 is ₹48,71,420.00.
- Loan from Bank of Baroda (3018) is repayable in 60 monthly instalments of ₹2,62,000 each, starting from April 2023. The total outstanding as on 31st March 2025 is ₹23,68,000.00.
- The coupon rates for the secured long-term borrowings are 7.10 % to 11.40 % per annum (Previous Year: 7.10% to 10.35% per annum).
- Unsecured loans of ₹3,00,000.00 had been received from Abundant Tradelink Private Limited. No terms of repayment have been specified for the same.
- Loans from Bank of Baroda (2820, 3018 and 1570) are secured by equitable mortgage of factory land and building and residential bungalow of Director Shri Natwarbhai P Prajapati and hypothecation of all plant and machinery, movable fixed assets, stock, book debts and all the current assets of the company, as well as personal guarantee of the following directors:
 - Mr. Natwarbhai P. Prajapati
 - Mr. Amritbhai P. Prajapati
 - Mr. Aalap N. Prajapati



Notes to Financial Statements

for the period ended 31st March 2025

NOTE NO. 20: OTHER FINANCIAL LIABILITIES

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Trade/Security Deposits received from Distributors	189.23	137.73
Total	189.23	137.73

NOTE NO. 21: PROVISIONS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Long Term Provisions		
Provision for Gratuity	151.70	172.11
Total	151.70	172.11

Particulars	As at 31 st March 2025	As at 31 st March 2024
a) Amount recognized in the Balance Sheet		
Opening Net Liability		
Current Provision of Gratuity	30.47	32.83
Long Term Provision of Gratuity	172.11	169.79
Total Opening Liability	202.58	202.62
Expenses Recognized in the Statement of Profit and Loss	59.74	33.23
Less: Employee Benefits paid directly by the employer	(27.27)	(33.27)
Liabilities/(Assets) recognized in the Balance Sheet	235.05	202.58
b) Expense/(Income) recognized in the Statement of Profit & Loss		
Current Service Cost	80.15	30.91
Interest Cost on Net Benefit Obligation	15.37	14.61
Past Service Cost - Vested Benefits recognized during the period	-	-
Net Actuarial (Gain)/Loss in the year	(35.78)	(12.29)
Amount recognised under Employee Benefits Expense	59.74	33.23

NOTE NO. 22: CURRENT BORROWINGS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Loans repayable on demand		
From Banks		
(i) Secured	1.45	220.37
Current maturities of long-term debts	62.97	73.55
Total	64.41	293.91



Notes to Financial Statements

for the period ended 31st March 2025

Details of guarantee for loans:

- (i) Working capital loan which is repayable on demand is secured by equitable mortgage of factory land and building and residential bungalow of Director Shri Natwarbhai P Prajapati and hypothecation of all plant and machinery, movable fixed assets, stock, book debts and all the current assets of the company, as well as personal guarantee of the following directors:

- Mr. Natwarbhai P. Prajapati
- Mr. Amritbhai P. Prajapati
- Mr. Aalap N. Prajapati

- (ii) Cash credit interest is charged with interest @ 9.55%

NOTE NO. 23: TRADE PAYABLES

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Trade payables		
Due to Micro & Small Enterprises	74.86	153.86
Other than Micro & Small Enterprises	286.56	317.44
Total	361.42	471.30

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprise on the basis of information available with the company.

NOTE NO. 24: OTHER CURRENT LIABILITIES

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Statutory Remittances (Contribution to PF and ESIC, Professional Tax, GST, TDS Payable etc.)	22.05	34.78
Advances from Customers	8.52	8.58
Creditors for Expenses	92.16	91.35
Interest accrued on trade/security deposits	6.91	3.32
Other current liabilities	0.05	-
Total	129.69	138.02

NOTE NO. 25: SHORT-TERM PROVISIONS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Provision for Other Employee Benefits	246.50	268.30
Provision for Gratuity & leave encashment	94.12	30.47
Provision for tax deducted/collected at source	13.79	-
Provision for tax of earlier years under Direct Tax Vivaad se Vishwas Scheme	341.71	-
Other Provisions	12.67	12.16
Total	708.79	310.93



Notes to Financial Statements

for the period ended 31st March 2025

NOTE NO. 26: REVENUE FROM OPERATIONS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Sale of products	5,019.52	4,797.47
Total	5,019.52	4,797.47

NOTE NO. 27: OTHER INCOME

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Interest income	25.60	30.32
Net gain/loss on investments	1.14	-
Other non-operating income	4.04	1.78
Total	30.78	32.10

Particulars	As at 31 st March 2025	As at 31 st March 2024
Interest Income		
Interest on Bank Deposits	0.72	1.77
Interest on Other Loans	24.15	28.55
Interest on Overdue Trade Receivables (MSME)	0.73	-
Total	25.60	30.32
Other Non Operating Income		
Discount Earned (Net)	2.29	1.50
Insurance Claim on goods lost in transit	0.01	0.28
Rate Difference (Net)	1.74	-
Total	4.04	1.78

NOTE NO. 28: COST OF MATERIALS CONSUMED

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Raw Materials		
Opening Stock	100.10	41.60
Add: Purchase	709.42	712.47
	809.52	754.07
Less: Closing Stock	44.84	100.10
Raw Material Consumed (A)	764.68	653.97
Packing Material		
Opening Stock	24.23	25.09
Add: Purchase	137.40	100.71
	161.63	125.80



Notes to Financial Statements

for the period ended 31st March 2025

Particulars	As at 31 st March 2025	As at 31 st March 2024
Less: Closing Stock	20.47	24.23
Packing Material Consumed (B)	141.15	101.57
Stores & Spares		
Opening Stock	4.56	0.93
Add: Purchase	4.28	6.33
	8.84	7.26
Less: Closing Stock	0.36	4.56
Stores and Spares Consumed (C)	8.48	2.71
Cost of material consumed (A) + (B) + (C)	914.31	758.25

NOTE NO. 29: CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Inventories at the end of the year:		
Finished goods	86.87	100.62
Work-in-Progress	10.69	22.64
Stock of Trading Goods	204.54	140.71
	302.10	263.97
Inventories at the beginning of the year:		
Finished goods	100.62	89.73
Work-in-Progress	22.64	27.63
Stock of Trading Goods	140.71	250.41
	263.97	367.77
Net increase/(decrease) in Inventories	-38.14	103.80

NOTE NO. 30: EMPLOYEE BENEFITS EXPENSES

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Salaries and Wages	1,377.83	1,370.23
Directors' Remuneration	81.98	66.06
Bonus	23.69	30.53
Contribution to Provident and Other Funds	54.45	68.84
Provision for Gratuity & Leave Encashment	70.52	33.23
Staff Welfare Expenses	10.46	8.65
Total	1,618.93	1,577.53



Notes to Financial Statements

for the period ended 31st March 2025

NOTE NO. 31: FINANCE COSTS

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Interest Expense on		
(i) Borrowings	23.05	55.07
(ii) Other (includes interest on government and other dues)	13.11	7.77
Other borrowing costs		
(i) Bank Charges	5.37	4.76
Total	41.54	67.60

NOTE NO. 32: OTHER EXPENSES

(Figures in ₹ Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Auditors' Remuneration	1.35	1.35
Donation and Contributions	4.46	3.86
Freight and Forwarding Expenses	75.82	87.98
Goods Destroyed	1.88	2.78
Insurance expenses	33.32	40.69
Office Expenses	67.74	51.47
Other Manufacturing Expenses	30.01	16.17
Penalty paid under GST law	-	4.78
Power and Fuel Expenses	15.25	17.47
Professional Expenses	56.00	45.40
Promotional expenses	311.83	300.97
Rates and taxes	5.04	3.54
Rent	19.34	24.69
Repairs and Maintenance Expenses - Building	22.69	2.44
Repairs and Maintenance Expenses - Machinery	2.58	2.54
Repairs and Maintenance Expenses - Other	-	1.25
Sales Commission	85.26	91.64
Telephone Expenses	15.77	20.03
Travelling and Conveyance	372.97	605.16
Total	1,121.31	1,324.19



Notes to Financial Statements

for the period ended 31st March 2025

NOTE NO. 33: EARNINGS PER SHARE

(Figures in ₹ Lakhs)

Name of Shareholders	As at 31 st March 2025		As at 31 st March 2024	
	Basic	Diluted	Basic	Diluted
Net profit after tax attributable to equity shareholders	(97.85)	(97.85)	24.34	24.34
Weighted Average number of equity shares outstanding	74,20,300.00	77,91,300.00	74,20,300.00	74,20,300.00
Face value per equity share	10.00	10	10.00	10.00
Earnings per share	(1.32)	(1.26)	0.33	0.33

NOTE NO. 34: CALCULATION OF FINANCIAL RATIOS

Particulars	Items included in numerator	Items included in denominator	Current Year Ratio	Previous Year Ratio	Change in the ratio by more than 25% as compared to the preceding year	Explanation for deviation of more than 25%
(a) Current Ratio	Current Assets	Current Liabilities	0.95	0.92	No	
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholders' Equity	0.15	0.54	Yes	The company has taken steps to improve liquidity management resulting in a reduction in the utilisation of working capital facility from banks. This has resulted in a reduction in total debts.
(c) Debt Service Coverage Ratio	Profit after tax + Depreciation + Interest on long-term loans	Total Principal + Interest on long-term loans	-0.77	0.97	Yes	Profit after tax has reduced substantially due to provision for payment of taxes under the Direct Tax Vivaad se Vishwas Scheme to settle long-pending litigation for earlier years.
(d) Return on Equity Ratio	Earnings After Interest, Tax, Depreciation & Amortisation	Average Shareholders' Equity	-0.14	0.03	Yes	Profit after tax has reduced substantially due to provision for payment of taxes under the Direct Tax Vivaad se Vishwas Scheme to settle long-pending litigation for earlier years.
(e) Inventory Turnover Ratio	Turnover	Average Inventory	13.10	11.40	No	



Notes to Financial Statements

for the period ended 31st March 2025

Particulars	Items included in numerator	Items included in denominator	Current Year Ratio	Previous Year Ratio	Change in the ratio by more than 25% as compared to the preceding year	Explanation for deviation of more than 25%
(f) Trade Receivables Turnover Ratio	Net Credit Sales	Average Trade Receivable	9.35	7.03	Yes	The company has taken steps to improve liquidity management, which include a more efficient mechanism for recovery of amounts from trade receivables. This has resulted in a reduction in total outstanding receivables.
(g) Trade Payables Turnover Ratio	Net Credit Purchase	Average Trade Payable	4.48	3.27	Yes	In order to reduce the reliance on working capital facility, the company is making efficient use of the credit periods offered by suppliers, while also ensuring timely payments.
(h) Net Capital Turnover Ratio	Total Sales	Shareholders' Equity	-65.26	-64.81	No	
(i) Net Profit Ratio	Net Profit	Net Sales	-0.02	0.01	Yes	Profit after tax has reduced substantially due to provision for payment of taxes under the Direct Tax Vivaad se Vishwas Scheme to settle long-pending litigation for earlier years.
(j) Return on Capital Employed	Earnings Before Interest & Tax	Total Assets-Current Liabilities	0.37	0.11	Yes	Profit after tax has reduced substantially due to provision for payment of taxes under the Direct Tax Vivaad se Vishwas Scheme to settle long-pending litigation for earlier years.
(k) Return on Investment	Income generated from investments	Average investment	0.10	0.13	No	

NOTE NO. 35: RELATED PARTY DISCLOSURES

A. Compensation paid to Key Managerial Personnel:

Particulars	Designation	Amount in ₹ Lakhs	
		31 st March 2025	31 st March 2024
Natwarbhai P. Prajapati	Chairman & Managing Director	36.00	30.10
Aalap N. Prajapati	Managing Director	60.11	32.20
Amritbhai P. Prajapati	Director	4.06	4.06
Bhagirath Maurya	Chief Finance Officer	7.35	6.99
Ripalben Sukhadiya	Company Secretary	2.25	2.25
Total		109.77	75.60



Notes to Financial Statements

for the period ended 31st March 2025

B. Other transactions with related parties:

a. List of Related Parties:

i. Relatives of Key Managerial Personnel:

1. Jyotsanaben Prajapati
2. Manjulaben S Prajapati
3. Neha S Prajapati
4. Shachi Ravi Oza
5. Shobhanaben N Prajapati
6. Prakruti Ajmera
7. Sahil Prajapati

ii. Entities in which Key Managerial Personnel have substantial interest:

1. Abundant Tradelink Private Limited
2. Terce Nutriart Private Limited

b. Transactions during the year:

Particulars	Amount in ₹ Lakhs	
	31 st March 2025	31 st March 2024
Salary Paid	17.16	13.01
Purchases	0.00	2.10
Professional Fees	5.00	0.00
Loans advanced	2.00	0.00
Loans recovered	2.00	0.00
Interest on loan	0.10	0.00

c. Amounts Outstanding at the reporting date:

Particulars	Amount in ₹ Lakhs	
	31 st March 2025	31 st March 2024
Long-term Borrowings (Unsecured)	3.00	3.00

NOTE NO. 36: DISCONTINUED OPERATIONS

On 1st January 2018, the board of directors of the company decided to discontinue the operations of the Metal Division, which had been suspended by the management since last few years. As on 31st March 2018, the Metal Division was classified as Discontinued Operations. The Metal Division which was earlier shown as an operating segment is no longer presented in the segment report. For the financial year ended on 31st March 2025, no financial transactions have occurred relating to the Metal Division and there are no results to be declared for the same.



Notes to Financial Statements

for the period ended 31st March 2025

The major classes of assets and liabilities of the metal division classified as held-for-sale in accordance with Ind AS 105 as on 31st March 2025 are presented as follows:

Particulars	Amount in ₹ Lakhs	
Note No. 7: Other Non-Current Assets	31 st March 2025	31 st March 2024
Property, Plant & Equipment	436.90	436.90
Other Financial Assets	2.54	2.54
Total amount of Non-current Assets Held-for-Sale	439.44	439.44

At the time of classification of the Metal Division as a discontinued operation, the recoverable value of items of property, plant and equipment was estimated based on the report of a registered valuer. As per the report of the registered valuer dated 18th May 2022, no impairment losses were identified in the value of property, plant and equipment.

NOTE NO. 37: PROVISION FOR TAX OF EARLIER YEARS UNDER DIRECT TAX VIVAAD SE VISHWAS SCHEME

The Income Tax Department had made additions to the income of the company on various grounds for the financial years 2010-11, 2011-12, 2012-13 and 2013-14, against which, the company had preferred appeals before the Commissioner of Income Tax (Appeals) during the respective periods in which the matters were decided. The appeals were disposed of by the Commissioner with a reduction in demands, which were duly paid by the company. However, in respect of those matters, the Income Tax Department had preferred further appeals before the Income Tax Appellate Tribunal, Ahmedabad, and the matters were decided by the Hon. Tribunal against the company. The company filed a Miscellaneous Application for rectification of the said orders which was also decided against the company. Against the said orders, the company had filed a petition before Hon. Gujarat High court.

During the year under audit, the Income Tax Department launched a dispute resolution scheme, viz. the Direct Tax Vivaad se Vishwas scheme. The company has opted for settlement of pending disputes under this scheme and hence, filed an application in Form 1 as per the scheme. The company is awaiting the certificate in Form 2 from the Income Tax Department. As per the declaration in the said Form 1, the company has provided ₹341.71 lakh as tax item.

Signature to notes 1 to 37.

In terms of our separate audit report of even date attached.

For **M. A. Shah & Co.**
Chartered Accountants
Firm Registration No.: 0112630W

Pramesh Doshi, FCA
Partner
Membership No.: 045319

Place: Anand
Date: 26 May 2025

For **Gujarat Terce Laboratories Limited**

Natwarbhai P Prajapati
Chairman
DIN: 00031187

Bhagirath Maurya
Chief Finance Officer (CFO)

Aalap N Prajapati
Managing Director &
Chief Executive Officer (CEO)
DIN: 08088327

CS Ripal S Sukhadiya
Company Secretary

CAUTIONARY STATEMENT: THE MANAGEMENT DISCUSSION & ANALYSIS REPORT MAY CONTAIN CERTAIN FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF APPLICABLE SECURITIES, LAWS AND REGULATIONS. THESE STATEMENTS ARE SUBJECT TO CERTAIN RISKS AND UNCERTAINTIES. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE EXPRESSED IN THE STATEMENTS AS IMPORTANT FACTORS SUCH AS GOVERNMENT POLICIES, TAX LAWS, AND POLITICAL AND ECONOMIC DEVELOPMENT COULD INFLUENCE THE COMPANY'S OPERATIONS.

CIN: L24100GJ1985PLC007753



GUJARAT TERCE LABORATORIES LIMITED

REGISTERED OFFICE:

122/2, RAVI ESTATE
BILESHWARPURA, CHHATRAL,
DIST. GANDHINAGAR, GUJARAT

e: ho@gujaratterce.com

w: www.gujaratterce.in